

SECRET

PROJECT APPROVAL NOTIFICATION

PROJECT AERODYNAMIC		<input checked="" type="checkbox"/> CA <input type="checkbox"/> FI/CI	<input type="checkbox"/> PROPRIETARY <input type="checkbox"/> SUBSIDY <input type="checkbox"/> DIRECT
ACTION		AREA	
	NEW PROJECT	DIVISION SB	
	AMENDMENT	BRANCH CA	
X	RENEWAL FY 1970	DESK	
	TERMINATION	CASE OFFICER E	
	EXTENSION	EXTENSION 6638	
	OTHER		
AUTHORIZATION			
APPROVING AUTHORITY ADD/P 8 October 1969		TOTAL AMOUNT APPROVED	FY 1970
PERIOD OF APPROVAL FROM 1 July 1969 TO 30 June 1970		\$	196
		FINANCIAL CODE SYMBOL	0134-0612
CONDITIONS OF APPROVAL			
DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCE METHOD EXEMPTION 3B2B NAZI WAR CRIMES DISCLOSURE ACT DATE 2007			
SIGNATURE MPS/BG (Signed) E		DATE 13 OCT, 1969	
DISTRIBUTION			
JUN 209			
1	FINANCE DIVISION	1	BUDGET DIVISION
1	OPERATING DIVISION CHIEF OF SUPPORT	1	CASE OFFICER
2	MPS/BG		

FORM 849 USE PREVIOUS EDITIONS.
6-66

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GROUP 1
EXCLUDED FROM AUTOMATIC DOWNGRADING
AND DECLASSIFICATION

(5)

CA/PEG PROJECT DATA SHEET

Date 22 July 1969

Div/Br/Desk	Country	Type of Action	Function	Project Cryptonym
SB/CA	USSR	FY 70 Renewal	Propaganda	AERODYNAMIC

1. Funds	Programmed	Requested	Approved	Obligated
FY 1969		\$ []	[] \$ []	[] \$ [] (1 July 69)
FY 1970	\$ []	[] \$ []	[]	
FY 1971	\$ []	[]		

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.

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 notional []

[], 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. Even with this device, it is estimated that some Munich personnel are witting of US 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 Suchaninist 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.

S E C R E T

CA/PEG PROJECT EVALUATION

Date 23 July 1969

	Initials	Date	Initials	Date
1. XXXXXXXX		23		
2. A C/CA/PEG (signature)	W C N	July	5. MPS/BG/CA	
3.			6. ADDP	
4.			7.	

PEG Eval.	
Officer <u>C</u>	7
Date	
Received <u>18 June 69</u>	
Date Due in	
MPS/BG/CA <u>1 July 69</u>	

EVALUATORY COMMENT:

1. In its present form, AERODYNAMIC is about 17 years old and has undergone over the years considerable refinement; the project, therefore, has now attained a high point of effectiveness. Its objective is to support the Foreign Representation of the Ukrainian Supreme Liberation Council, the ZP/UHVR, for the exploitation of nationalist and cultural dissidence within the USSR.

2. Although the Ukrainians, after the Great Russians, comprise the USSR's largest single nationality, they remain one of the most persecuted groups in the Soviet Union. In 1965-66 some 100 Ukrainian intellectuals were arrested for pressing for cultural and political autonomy which is promised in the Soviet constitution. In this milieu, the project helps maintain the vigor of national identity, particularly by its selected contacts with the several million Ukrainians residing abroad. It has also given publicity to the Crimean Tatar nationalist movement which in recent years has become more assertive. But despite national disaffection, the waning of ideological commitment, economic problems, and the general malaise as attested by more stringent security measures, these trends do not foreshadow radical change within the USSR.

3. Each of the wide-ranging ZP/UHVR activities continue to exert energy and influence. In the field of intelligence production, collaborators provided in FY 1969 biographic/personality data hitherto unavailable on 60 Soviets; Prolog, the project's publication, has attained recognition as a channel to influential Soviet Ukrainians; new contacts were established with Soviets travelling to the West and contacts were maintained with some Soviet officials stationed in Western capitals; proscribed documents were procured - for

Div/Br/Desk	Country	Type of Action	Function	Project Cryptonym
SB/CA	USSR	FY 70 Renewal	Propaganda	AERODYNAMIC

ADDP Action:

Amount

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publication in the West - from within the USSR; placements were made in the Western press; a variety of literature with political overtones, censored by the Kremlin, is sent into the Soviet Union; travelers provided reports from Soviet citizens who volunteered information that they read ZP/UHVR materials, and more recently, some new contacts with Soviets were established in Eastern Europe.

4. CA/PROP in concurring with the renewal request asks that it be given the opportunity to review a representative sampling of the project's output. It is recommended that SB Division submit by mid-FY 1970 samples of each publication with translations or summary translations of the content, and also synopses of the books and pamphlets published.

5. CCS/PRG in concurring with the renewal request also provided some comments on funding; these have been summarized in the Data sheet, under the subtitle, FUNDING.

6. Recommend approval, with the understanding that SB Division will comply with the CA/PROP request, per paragraph 4 above, and that the new Deputy Assistant Secretary of State for Europe, Mr. Martin J. HILLEBRAND, will be briefed at the first opportunity on this project.

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7 July 1969

MEMORANDUM FOR: C/CA/PEG

SUBJECT : FY 1970 Renewal of Project AERODYNAMIC (SB Division)

1. Renewal requests \$C □ for production and distribution of propaganda targeted primarily at the intellectual elite of the Ukrainian SSR, and secondarily at Ukrainian intellectuals living in Soviet-satellite and in Western countries, i.e., a most important propaganda target. The amount requested is \$C □ (about 6%) more than the approved FY 1969 figure. The increase is to cover increased contacts with Soviet Ukrainians and higher costs resulting from inflation. We recommend approval.

2. AERODYNAMIC has been restructured to reflect post-MHDOWEL requirements. All project publishing is now done in Europe. Output includes political, historical and literary material, published in book, magazine and pamphlet form. (Descriptions of serial publications are given on pages 4 and 5 of renewal; titles of the special publications are listed in Attachment 5; distribution details for all project publications are contained in Attachment 6.) Most publications are mailed to recipients, but sizeable quantities are distributed through direct handouts inside the USSR and in third countries.

3. The bulk of project output is sent to the Ukrainian SSR. During FY 1969, the amount of publications distributed was more than double the total of the previous year. While the total results may be hard to measure, judging from Soviet media attacks on AERODYNAMIC personnel and activities, as shown in Attachment 7, at least some of the material appears to have considerable impact on the target audience. AERODYNAMIC contributed substantially to achieving Agency objectives in combating Soviet propaganda concerning Czechoslovakia. To cite but one example: an AERODYNAMIC serial publication distributed exclusively in the Bloc published a special issue on Czechoslovakia in September 1969.

4. The surfacing of Soviet documents smuggled out to the West continues to be an important project activity, providing good intelligence as well as valuable propaganda material on the mistreatment of Ukrainians

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in the USSR. According to well-authenticated reports, Ukrainians taking materials abroad are now instructed by dissidents within the Soviet Union to give their materials only to members of ZP/UHVR (Foreign Representation of the Ukrainian Supreme Liberation Council), the emigre organization supported by AERODYNAMIC. ZP/UHVR has been responsible for many articles in the Western press the past several years which have been based upon materials smuggled out of the Soviet Union.

5. It appears to us that the project is focusing considerable attention on the plight of the Ukrainians and, indirectly on that of other Soviet ethnic minorities. We would like to have an opportunity to review some of the project output in mid-Fiscal Year. SB Division should therefore submit samples of each serial publication with a translation of the contents; or if this should prove impossible due to a lack of qualified translators, at least summary translations. We would also appreciate receiving English synopses of some of the books and pamphlets published.

Signed ☒ ☐

C/CA/PROP

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24 June 1969

MEMORANDUM FOR: Chief, CA Projects
Missions & Programs Staff, Budget Group

SUBJECT : Project AERODYNAMIC Renewal (FY 1970)

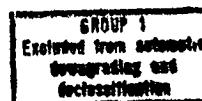
1. The project mentions the anticipated change in its funding procedures which, among other things, will enable the New York based PROLOG office to withstand questioning by New York authorities vis-a-vis its fiscal status. Heretofore, money was deposited by Office of Finance first to one Swiss bank and then to another, the latter to the account of PROLOG. PROLOG then drew the money it needed. In this instance, if questioned, PROLOG could not have documented its income beyond revealing that it came from a ☐ ☐ bank. The new system will supply attribution of funds.

2. The new procedure, effective beginning FY 1970, calls for the creation of two notionals -- ☐ and ☐

☐. The interesting thing here is that both notionals are fictional in address as well as in name, and will be backstopped by post office boxes only. The addresses will be existing large office buildings or dwellings selected expressly for the purpose of precluding successful cursory traces or checks on them. Return correspondence to both will be requested to be made via post office box rather than by street address, and the mailing instruction will be so stated on the notionals' letterhead. Funds passed to PROLOG (New York office only) on a quarterly basis will be arranged by the Office of Finance via banks located in the respective cities mentioned, and appropriate receipts furnished PROLOG showing fund origin.

3. The ☐ bank account in the name of PROLOG will be eliminated, but funding of the Munich branch of

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PROLOG will continue via ☐ bank transfers as arranged by the Office of Finance (Note: This will not be a PROLOG account as interpreted from paragraph B (2) Changes of the project renewal, although PROLOG will be cited for attribution by the Munich recipients).

4. The project incorrectly states that Munich personnel of the project are not witting of U.S. Government involvement. For a fact, AECASSOWARY/6 knows of our support, and it would be safe to assume most if not all others, especially the older hands, either know or have speculated along these lines.

Plans and Review Group
Central Cover Staff

C/CA/PEG
C/BB/PO/M

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PROJECT ACTION				ECT CRYPTONYM AERODYNAMIC				
	TYPE OF ACTION	FI/CI	<input checked="" type="checkbox"/>	CA		OTHER		
	NEW PROJECT APPROVAL	DIVISION Soviet Bloc						
	AMENDMENT NO.	FIELD STATION						
	RENEWAL FY 1968 70	BRANCH SB/PO/M				DESK		
	EXTENSION	CASE OFFICER L				DATE 15 May 69		
	TERMINATION	ROOM NO. 4B38	BUILDING HQS	TEL. EXT.	RED 1534	BLACK 6557		
CONCURRENCES OF DIVISIONS 1391 6638								
ORGANIZATIONAL ELEMENT	TYPED NAME (and signature)			DATES		MEMO ATTACHED		
				IN	OUT	YES	NO	
CSB/PO/M	L			15 MAY 1969				
DC/SB/POS	L			15 May 69				
CSB/POS	L			16 May 69				
CSB/BF	L			5/22/69				
CSB/SS	L			5/23/69			✓	
SB/PPC	L			5/23/69			✓	
DC/SB	L			23 May 69	24 May 69			
C/SB	L			27/5	27 May 69		✓	
CONCURRENCES OF OTHER COMPONENTS								
				IN	OUT	MEMO ATTACHED		
						YES	NO	
C/EUR/CA	L			29 May	3 June		✓	
ACTIONS ON PROJECT	L							
ADVICE	L							
REVIEW OF	L							
ADD/P	L							
MPS/BG/CA	L			4 Jun 69	7 Aug 69			
C/MPS/BG	L			7 Oct 69	1 Oct 69			
CA/C-PEG	L			18 June 69	23 July 69			
CCS/PRG	(Signed) L			19 June 69	24 June 69	X		
CI/OPS/SB	(Signed) L			18 June 69	26 June 69		X	
APPROVAL								
PERIOD		AMT THIS ACTION		FY		TOTAL AMOUNT		
FROM	TO							
1 July 1969	30 June 1970	\$ L		196	\$			
				19670	\$			
APPROVING AUTHORITY		SIGNATURE		DATE				
ADDP		L		8 Oct 69				

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AERODYNAMIC PROJECT RENEWAL - FY 1970

A. CURRENT OBJECTIVES

1. The objective of Project AERODYNAMIC is to support the Foreign Representation of the Ukrainian Supreme Liberation Council (ZP/UHVR), and through it to exploit nationalistic cultural and other dissident tendencies in the Soviet Ukraine, to encourage national and intellectual unrest through publications and through contacts with Soviet citizens, and to exert pressure on the Soviet regime, through these activities, for greater national and intellectual freedom in the Soviet Ukraine.

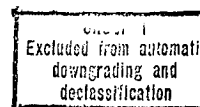
2. The ZP/UHVR is uniquely qualified to accomplish the stated objectives. It represents a channel of political and cultural influence to Ukrainians in the Soviet Union from several million Ukrainian emigres throughout the World. Its publications serve to keep ZP/UHVR alive as an influential political force and as a center from which it can disseminate pro-Western ideological and anti-communist material. ZP/UHVR's political philosophy remains sufficiently liberal so that Soviet Ukrainians are willing to talk to its members and collaborators. In their attempts to influence ZP/UHVR collaborators, Soviet Ukrainian officials implicitly recognize the effectiveness of ZP/UHVR activities. While it reflects and encourages Ukrainian nationalism, the ZP/UHVR does not attempt to provoke separatist manifestations in the UkSSR.

3. Project AERODYNAMIC is CIA's only project which specifically exploits the minority nationality question in the Soviet Union.

B. CHANGES

1. In accordance with instructions to discontinue publishing activities in the United States in the wake of MHDOWEL, the Prolog Research and Publishing Association, Inc., the organization the ZP/UHVR used to conduct its publishing and contact activities was dissolved on 5 June 1968. The mechanism was reconstituted as the Prolog Research Corporation, a profit-making, commercial enterprise, ostensibly servicing contracts

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for unspecified users such as private individuals and institutions. All of the project's publications now originate abroad, via the Munich office, the Ukrainische Gesellschaft fur Auslandsstudien E.V., except the Ukrainian-language Information Bulletin, which is directed exclusively to Soviet Ukrainians and mailed to them from various countries in the West. There has been no change in the personnel or the physical location of the property. The name "Prolog" was retained because of the good will it had established and because the name had become a Western sounding board for Soviet Ukrainian dissidents.

2. Funds for Prolog now are deposited quarterly in one bank and then transferred to Prolog's account in another bank. At this point Prolog assumes control of the money and requests transfers to its New York account as needed. To permit Prolog to retain control of the Munich personnel, who are not witting of U.S. Government involvement, the Munich operation continues to be funded by Prolog via transfers from its Prolog account to the Munich office account in Germany. SB Division, the DO Division Commercial Staff, the Office of Finance and the CCS are considering minor improvements in the funding procedure of the cover mechanism. This would involve eliminating the bank account in [redacted].

C. INTELLIGENCE PRODUCTION

ZP/UHVR collaborators made available biographic information and/or personality information on sixty Soviet citizens, and at least six KGB officers were identified. This information was collected through ZP/UHVR contacts with Soviet diplomatic personnel at the United Nations, with visiting professionals, and at international conferences. There were six disseminations of positive intelligence from information collected by the project, and nine newspapers, not otherwise obtainable in the West, were made available to CIA.

D. EFFECTIVENESS

1. "Prolog" has become a channel to influential Soviet Ukrainians. In passing documents and information to emigre travellers, Soviet Ukrainian dissidents are emphasizing more frequently that the material is not to be given to anyone

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other than the ZP/UHVR, since experience has shown that it is the most prudent emigre organization in the handling of such material. The ZP/UHVR on its own initiative maintains contacts with the Western press. These contacts resulted in twenty press items appearing in the U.S. and foreign press in the past eight months, in addition to countless items which subsequently appeared in the emigre press.

2. Through its collaborators the ZP/UHVR continues to establish contacts with Soviets travelling in the West and with Soviet officials stationed in Western capitals. Soviet officials at the United Nations, after a lull of about four months, have resumed contact with a ZP/UHVR New York collaborator, through whom meetings are arranged between visiting Soviet and emigre intellectuals to discuss topics of current and mutual interest. The FBI is kept informed.

3. The ZP/UHVR continues to obtain Soviet documents from its sources in the Ukraine by various devious means, to make them public in the West in the effort to frustrate Moscow's attempts to Russify the Ukraine.

4. The ZP/UHVR bought for Soviet Ukrainian citizens 150 subscriptions to Duklya, a popular literary Ukrainian-language journal published in Slovakia, which like all Czech or Polish Ukrainian publications is prohibited to Ukrainians. The publication was then mailed or carried to the "subscribers" by travellers from the West or by Czech citizens. Duklya has commented on Soviet-Ukrainian and Ukrainian emigre problems and published censored material by Soviet Ukrainians.

5. New contacts with Ukrainian intellectual circles developed in Eastern Europe in recent years have expanded the opportunities for sending ZP/UHVR and other Western publications not only to Ukrainians living in the area but through them to Soviet citizens. Thus via its collaborators in Slovakia, Ivan Dzyuba's Internationalism or Russification?, a critique of Great Russian chauvinism which was published with Prolog's assistance, was delivered to the author. In addition, 100 copies of the Ukrainian-language edition were delivered in Slovakia for ultimate passage to Ukrainians in the Ukraine.

6. In response to an invitation from a Ukrainian youth group in Bratislava, at the instigation of the ZP/UHVR, five

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young students of Ukrainian origin from the West travelled to Czechoslovakia to participate in a students' gathering in the summer of 1968 before the invasion. The youths were interviewed by members of the Czech press and brought back names and addresses of 25 students who desired to correspond with Western students and who asked to have Western publications mailed to them.

7. When the Soviet regime was laboring to combat the spread of influence of Czech events to the Soviet Union, and particularly to the Ukraine, the ZP/UHVR published a special issue of the Information Bulletin (No. 4/64, September 1968) devoted to events in Czechoslovakia, and carried articles on the Soviet treatment of liberalization in Czechoslovakia in its Suchasnist (No. 10, October 1968).

8. Although it cannot be stated with precision how much of AERODYNAMIC's publication program reached its target, the tenor and volume of press and radio attacks indicate that the literature does get through (see Attachment No. 7). In addition, travellers have reported seeing copies of ZP/UHVR literature in the homes of Soviet Ukrainians and of being told by Soviet citizens that they have read ZP/UHVR literature.

E. EVALUATION OF PUBLICATIONS

1. AERODYNAMIC publications are geared to appeal to Soviet Ukrainian readers, particularly to the dissident youth and intellectuals. The ZP/UHVR studies and analyzes the Soviet Ukrainian press, collects information from the correspondence between its collaborators and Soviet citizens, as well as information gathered from personal meetings between its collaborators and Soviet Ukrainians. It, therefore, is well-equipped not only to determine what is of interest to Soviet Ukrainians but also to identify Soviet neuralgic points. The project distributed 27,848 pieces of literature in FY 1969. (See details in Attachment No.6)

2. Regular Publications (See Attachment No. 6 for distribution details).

a. Suchasnist (The Present), the ZP/UHVR's major publication, is a monthly designed to appeal to Ukrainian intellectuals. In addition to publishing articles by emigre scholars on literary and historical topics, and

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poetry and prose by contemporary Soviet and emigre writers, the journal is used to surface documents brought to the West.

b. Ukrainskyy Samostiynyk (Ukrainian Independent), a splinter emigre organization's monthly organ partially supported from project funds. It comments on Soviet Ukrainian realities and carries political commentaries as well as articles of literary and historical interest.

c. Informatsiyniy Byulletin (Information Bulletin) is specifically directed to Soviet Ukrainian citizens. Nine hundred copies are mailed monthly from the West to Ukrainians in the Ukraine and, to a lesser degree, to Ukrainians in Eastern Europe. Published about five times a year, it carries political items of interest to Soviet Ukrainians which are not carried in regime media. The Bulletin in FY 1969 carried information and commentary on the arrests, trials (or the absence of trials) and imprisonments of Ukrainian intellectuals, developments in Czechoslovakia, and news items concerning activities in Ukrainian emigre communities.

d. ZP/UHVR's only English-language publication, the Digest of the Soviet Ukrainian Press, is published monthly and distributed to subscribers and to research and educational institutions. It is believed to be the only English-language digest of the Soviet Ukrainian press in existence. A French-language edition, Echos d'Ukraine, is compiled and published monthly in Paris by a ZP/UHVR collaborator who distributed about 800 copies monthly to French scholars, and French-speaking individuals in the newly developed areas.

3. Special Publications

There were eighteen special publications. The titles and the cost of each publication are set forth in Attachment No. 5, and the distribution details are set forth in Attachment No. 6.

F. PROBLEMS

There are no major problems at the present time, except for the difficulty in acquiring young staff personnel at the current Prolog pay scales.

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G. LIAISON

Bonn Station was instructed in December 1968 not to take the initiative in briefing West German authorities but to admit, if asked, that CIA supports the Munich office, the Ukrainische Gesellschaft fur Auslandsstudien, indirectly through Prolog in return for literature published as the finished product of its research activity. The German Federal Intelligence Service is believed to be aware, in general, of our support.

H. INTERAGENCY COORDINATION

1. The project was approved by the 303 Committee on 27 December 1968. In connection with this review, the Charge of the U.S. Embassy in Bonn had recommended approval.

2. ZP/UHVR collaborators who contact Soviet diplomatic and United Nations personnel are either advised to report their contacts to the Federal Bureau of Investigation or the contact is coordinated with the FBI through the project case officer.

I. PLANS

It is planned to continue publishing in Germany existing ZP/UHVR publications and special books and pamphlets for distribution to Soviet Ukrainian citizens. Contact operations against Soviet citizens also will continue to be directed from the New York office.

J. COSTS

See Attachments No. 1 through No. 5.

K. PROGRAM DATA AND FINANCIAL HISTORY

1. Total funds requested:	\$ 0	1
2. Amount programmed for FY 1970:	\$ 0	1

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3. How estimated budget requirement arrived at:

a. Estimated budget requirement	\$ 1	1 (see Att.2)
b. Less estimated income from sales	1	1
	\$ 1	1
c. Plus deficit for FY 1969, to be replaced in \$25,000 revolving fund	1	1 (see Att.1)
d. Plus estimated headquarters case officer expenses	1	1
	\$ 1	1

4. Funds approved and obligated by fiscal year since the project was initiated:

<u>Fiscal Year</u>	<u>Amount Approved</u>	<u>Amount Obligated</u>
1954	\$ 1	\$ 1
1955		
1956		
1957		
	Amendment	
1958		
1959		
	Amendment	
1960		
1961		
1962		
1963		
1964		
1965		
1966		
1967		
	Revolving Fund	
1968		
1969		

5. The FY 1970 budget is approximately 6 percent higher than the FY 1969 budget to accommodate inflation and to permit increased contacts with Soviet Ukrainians.

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BUDGET SUMMARY

CASH RESOURCES

	<u>FY-1967</u>	<u>FY-1968</u>	<u>FY-1969</u>
Beginning cash balance 30 June 1968	\$ []	\$ []	\$ []
Accounts receivable & outstanding advances	[]	[]	[]
Authorization FY 1969 - \$187,000		[]	[]
Income from sales of books & subscriptions	[]	[]	[]
& transfer to new corporation	[]	[]	[]
TOTAL CASH RESOURCES AVAILABLE	\$ []	\$ []	\$ []

EXPENDITURES

Payroll & fringe benefits New York Office	73,072.84	73,562.69	80,468.40
Fixed expenses (office administration)	[]	[]	[]
Operational travel			
Purchase of books & publications			
Entertainment			
Cost of Publishing			
Distribution			
Contact operations			
Affiliated group (Munich)			
Research			
TOTAL EXPENDITURES	[]	[]	[]

In Munich

See Attachment No.4)

SUMMARY

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

✓ *This includes \$ [] revolving fund, book transfer of furniture, and pre-paid expenses (\$ []) from old to new corporation.

**Included are legal Fees for dissolution of the Old & Registration of the New Corporation in the amount of \$ []

***This figure includes \$ [] revolving fund (Deficit for the year \$ [])

ATTACHMENT 1

BUDGET BREAKDOWN

	<u>FY 1969</u>	<u>FY 1970</u>	<u>FY 1971</u>	<u>FY 197</u>
<u>PAYROLL AND FRINGE BENEFITS</u>				
Salaries	\$ 74,528.00	\$*80,400.00	5%	
Contributions to Employee Pension Plan	3,884.40	4,000.00	increase in salaries	
Insurance	2,006.00	2,100.00		
Dues and Registration	50.00	100.00		
TOTAL PAYROLL & FRINGE BENEFITS	80,468.40	86,600.00	90,620.00	

FIXED EXPENSES

Rent	☐	** ☐		
Electricity				
Telephone		***		
Stationery, Postage, Office Equip.				
Taxes & Licenses		****		
Maintenance & Repair				
Bank Service				
Depreciation & Obsolescence		*****		
Foreign Exchange Losses				
Miscel. small expenses	* _____	_____	_____	_____
TOTAL FIXED EXPENSES	☐	☐	☐	☐

OPERATING EXPENSES

Travel	☐	☐		
Entertainment				
Purchase of Books & Publications				
Affiliated Group (Munich)				
Research (Includes contact operations See Att. No.4)	_____	_____	_____	_____
TOTAL OPERATIONAL EXPENSES	☐	☐	☐	☐
TOTAL BUDGET	\$☐	\$☐	\$☐	\$☐

FY-69 * Includes legal fees of \$☐ ☐ for the dissolution of the old & registration of the new corporation

FY-70 * Includes (a) salary increases of \$☐ ☐ each for 1 clerical and 1 research/writer
(b) One additional part-time employee
(c) rehiring on part-time basis & summer employment of a former employee who was away on active military duty

** 15% rent increase pending

PAYROLL

FY-1969

NEW YORK OFFICE:

AECASSOWARY/.2	\$12,300.00
AECASSOWARY/17	11,400.00
AECASSOWARY/29	11,400.00
AECASSOWARY/26	10,800.00
AECASSOWARY/4	8,700.00
Clerical (F. Jur.)	5,340.00
Secretary-typist (N.I.)	4,800.00
Research/writer (MS)	<u>6,600.00</u>
Sub-total	71,340.00
Part-time:	
Writer (M.R.)	2,880.00
Clerical (O.I.)	<u>308.00</u>
TOTAL NEW YORK OFFICE PAYROLL	\$74,528.00

MUNICH OFFICE:

AECASSOWARY/6 (Research/Clerical) (J.F.)	2,235.00
Clerical (L.F.)	2,715.00
Clerical (M.H.)	1,284.00
AECASSOWARY/30 (Associate Editor, I.K.)	3,000.00
AECASSOWARY/10 (Writer, D.R.)	3,534.00
AECASSOWARY/8 (Associate Editor, W.S.)	3,981.00
Accountant (R.T.)	<u>3,684.00</u>
TOTAL	\$20,433.00

BREAKDOWN OF CONTACT OPS, DISTRIBUTION, RESEARCH FY-1969 (Actual)
FY-1970 (Est.)

	<u>FY-1969</u>	<u>FY-1970</u>
Travellers to denied areas *	\$ [\$ [
USSR		
Satellites		
Parcel mailing program *		
Stamp exchange program *		
Incidental travel in local areas		
(by collaborators) *		
Small gifts to Soviets (contact ops) *		
Meals and entertainment of Soviets		
and satellite contacts *		
Book distribution program (cost of books		
purchased & distributed)		
Information Bulletin (printing &		
distribution costs)		
Literary fees & part-time researchers (less		
than \$700. per indiv.)		
Photocopying & duplicating costs		
Payment to foreign representatives		
(includes cost of printing and distributing		
Echos d'Ukraine)		
Digest of the Soviet Ukrainian Press		
(printing & distribution)		
Payment to Collaborator (Dr.H.)		
in Munich		
Cash and technical assistance to		
internal contacts (denied areas) *		
TOTAL "RESEARCH" COSTS	\$ [\$ [

* These items are included in "contact operations" Attachment No. 1.

PUBLICATIONS FY - 1969

1. UKRAINSKI YURYSTY NA SUDI (Ukrainian Lawyers on Trial) September 1968	\$ 664.00
2. INTERNATIONALISM CHY RUSSYFIKACIYA? (Internationalism or Russification) July 1968	3,120.00
3. DWI DRAMY (Two Plays) December 1968	471.00
4. KOORDYNATY, ANTOLOGIYA UKRAINSKYCH NE-SOVIETSKYCH POETIW (Anthology of Ukrainian non-Soviet Poets) Part I	2,000.00
5. Part II of No. 4	2,000.00
6. DIDROT - ZHAK PHATALIST - Translation from original	1,500.00
7. NOWI POEZIYI #10 (New Poems No. 10) November 1968	809.00
8. LIRNYK (The Lira Player)	1,925.00
9. ZWIDOMLENYA (Announcement) July 1968	96.25
10. MONOHRAFIYA ANDRIYENKA (A Monograph on Andriyenko)	307.47
11. CAMUS - SPRAWEDLYWI (The Just, by Camus) a translation	498.00
12. REPORTAZH ZI ZAPOWIDNYKA BERIYI (Report from the Beria Reserve, by Moroz)	139.27
13. Five pamphlets - reprints from Suchasnist	150.00
a. <u>Mity Chuzhynky</u> (Myths of a Poetess)	
b. <u>Za Yakyy Prapor</u> (Under What Flag)	
c. <u>Etatystychnyy Mit Sotsiyalizmu</u> (Statist Myth of Socialism)	
d. <u>Kil'ka Dumok Pro Nashi Suchasni Problemy</u> (Several Thoughts About Our Current Problems)	
e. <u>Lyst Radyanskykh Baptystiv do U Tana</u> (The Letter from Soviet Baptists to U Thant)	
14. <u>Internationalism or Russification</u> (additional payment made for French translation not yet published)	500.00
	<u>\$14,179.99</u>

DISTRIBUTION OF BOOKS AND OTHER LITERATURE

1 April 1968-1 March 1969

Books Mailed To:

USSR	1,802
Poland	127
Bulgaria and Hungary	67
Yugoslavia	495
Czechoslovakia	2,890
Rumania	<u>38</u>

TOTAL Books Mailed 5,419

Books hand-carried to the USSR and Satellites and handed to Soviet citizens in the USSR	817
Books handed to Soviet and Satellite citizens in the West	<u>568</u>

TOTAL Books Distributed 1,385

Pamphlets, Newspapers, Magazines and Sheet Music

Mailed to USSR	18
Mailed to UkSSR	824
Mailed to Ukrainians living in Satellites	658
Handed to Soviet citizens in the West	67
Handed to Soviet citizens in the USSR	<u>40</u>

TOTAL Pamphlets, Magazines, Newspapers and Sheet Music 1,607

Project (Publications)

Suchasnist

Mailed to USSR	143
Mailed to UkSSR	1,784
Mailed to Poland	714
Mailed to other Satellites	<u>2,881</u>

5,522

Ukrainskyi Samostijnyk

Mailed to USSR	44
Mailed to UkSSR	2,244
Mailed to Poland	483
Mailed to other Satellites	<u>264</u>

3,035

Information Bulletin

Mailed to UkSSR	10,586
Mailed to Poland	33
Mailed to other Satellites	<u>261</u>

10,880

TOTAL Project publications mailed

GRAND TOTAL Number of Literature Distributed to Soviet Citizens 27,848

SECRET

DIRECT OR IMPLIED SOVIET ATTACKS AGAINST THE ZP/UHVR, ITS PERSONNEL OR ITS PUBLICATIONS (For the period June 1968 - 1 March 1969)

1. Historian Yuri Rymarenko, in an article, "Enlightening the Pages of History," in Komunist Ukrainy, on 6 June 1968, complained that Ukrainian nationalists abroad appeal to politically immature elements in our society, circulate concocted stories about the Ukraine being a Russian colony and the Communist Party of the Ukraine being an instrument of Russification, and that they publish feeble works of young Soviet Ukrainian writers.
2. Literaturna Ukraina, on 6 June 1968, carried an article by historian V. Prybil'skiy in which he referred to anti-communists, who engage in anti-Soviet activities, and quoted from the Chornovil papers published in Paris. He also attacked Ukrainian nationalist circles, which publish anti-Soviet newspapers and bulletins.
3. In the No. 7, July 1968 issue of Komunist Ukrainy, V. Yurchuk attacked the emigre author Ivan Maystrenko and his Dokumenty Ukrains'koho Komunizmu, published by Prolog.
4. In an article, "For Whom Are the Humanists Standing Up?," in the 16 July 1968 issue of Literaturna Ukraina, Oleksiy Poltoratskyy attacked Western propagandists who defend Chornovil and Karavansky, two of the imprisoned Soviet Ukrainians about whom the ZP/UHVR and other Western organizations published articles.
5. Volodymyr Vil'niy, in an article, "Before the Judgement of History", in the 26 July 1968 Literaturna Ukraina, attacked Mykola Lebed for cooperating with fascists, stating he now is the manager of Prolog, which produces pulp. Vil'niy compared the incidents in Czechoslovakia with the activities of Ukrainian nationalists. The article later appeared in Sovetskaya Literatura on 7 August 1968.
6. Mykola Lebed and the Prolog press were attacked for "churning out pulp literature" in a book, by B. Serhienko and I. Klymchuk, Socialist Reality and Nationalist Fabrications, published by the Ukrainian Publishing House of Political Literature in Kiev and reviewed in the Literary Gazette on 7 August 1968. The authors stated that "The 'experts' smear Soviet Ukrainian Literature by choosing isolated immature works of our modern writers, particularly the young ones, and excessively praising them."
7. Literaturna Ukraina, on 26 November 1968, directly attacked Bohdan Kravtsiv for his articles published in the "nationalist Suchasnist."
8. Literaturna Ukraina, on 27 December 1968, reported a speech by O. Poltoratsky to the Plenum of the executive board of the Union of Ukrainian Writers in Kiev (date not specified), attacking "enemies" who publish the writings of Ivan Dzyuba.

SECRET

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10. In a special pamphlet entitled, "Double-faced Gamble on OUN Chieftans," published by the Association of Cultural Contacts with Ukrainians Abroad, V.P. Cheretnychenko accused Rev. Ivan Hrynyokh, among others, as having been responsible for OUN activities against Soviet citizens in 1941, and Mykola Lebed for collaborating with the Germans during the occupation of the Ukraine.

11. On 29 January 1969, Radio Kiev carried an account of the OUN by Yuri Rymarenko, which named Mykola Lebed as having been in contact with German intelligence in 1941 and engaged in activities with the OUN against the Soviet Union.

12. A Radio Kiev broadcast on 1 February 1969 was devoted to a lecture by Rymarenko, attacking Ukrainian emigres, Ukrains'kyi Samostiynyk, the ZP/UHVR and Mykola Lebed, "who directs the anti-Soviet nationalist Prolog organization."

13. Anatol Kaminsky along with other "anti-Soviet Western reactionaries" was attacked by Radio Kiev on 5 February 1969.