INFORMATION REPORT INFORMATION - EPORT

CENTRAL INTELLIGENCE AGENCY

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HOT FINALLY EVALUATED INTELLIGENCE

REPORT NO.

CS DB-312/00961-68

DATE DISTR.

3 May 1968

COUNTRY

SECRET

West Germany/East Germany

100

6 - 10 April 1968

SUBJECT

Opening Negotiations for a 1968 Agreement on Prisoner Ransoms and Family Reunions

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ACQ

Germany, Bonn (16 April 1968)

FIELD NO. EGN-3684

SOURCE

A senior functionary of the West German Social Democratic Party (SPD) who obtained the information from Senat official Johannes Voelckers and All-German Affairs Ministry official Hermann, Kreutzer. The information is believed to be an accurate account of the statements of Voelckers and Kreutzer.

- The chief of the West Berlin Senat Office for All-German Affairs, Johannes Voelckers, told an SPD functionary on 10 April 1968 that a final list of names submitted from several sources has been given to the East German prisoner release negotiator. The list for pransom negotiations for 1968 comprised names of 461 prisoner prisoners (H-Faelle) and 78 so-called FH-Faelle. FH-Faclle are cases of persons who will have served their sentences during 1968 and will, therefore, become family reunion cases (F-Faelle) after their release from prison. A much lower price is paid for family reunion cases -- about 10,000 marks (DM) or approximately U.S. \$2,500.
- The East Germans are now demanding 21.5 million marks (about \$5,375,000) for 1967 prisoner releases instead of the earlier sum of 16.5 million marks (about \$4,125,000). The extra money will be paid, but the East Germans will be told that the extra five million marks but the East will be credited to the family reunion account.
 (Headquarters Comment: It is not clear whether the DM 5 million would be credited to the 1967 or 1968 account.
 Three other sources reported in CS-311/10631-67, TDCSDB-315/00417-68, and CSDB-312/00445-68 that contrary to previous practice the West Germans delivered goods to East Germany in the full amount of DM 29,600,000 (\$7,400,000) (DM 16 million for prisoner ransoms and DM 13,600,000 for

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(For Field Distribution see final paragraph)

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settlement of family reunion cases) after the prisoners were released but before the family reunions were completed. According to TDCSDB-315/00417-68, only 200 of more than 1,000 covered by the 1967 family reunion agreement had been permitted to leave East Germany as of 31 January 1968 and the East Germans refused to permit the others to leave until Felfe was released; the East Germans reportedly even offered to give West Germans a refund. According to CSDB-312/00445-68, however, as of 5 February, persons covered by the 1967 agreement were still arriving in West Germany but progress toward settlement of all these cases was very slow. No specific reporting has been received on the current status of settlement of the family reunion cases covered by the 1967 agreement.) 1967 agreement.)

- Voelckers said that a meeting took place in East Berlin on 6 April to discuss family reunion cases. The participants were the West Berlin lawyer Juergen Stange, and the East Berlin lawyers Wolfgang Vogel and Windisch, who was described as a "right-hand man" of East German Attorney-General Josef Streit. (Headquarters Comment: State Attorney Gernot Windisch was reported on previous occasions to be involved in proceedings for obtaining the release of persons held in East German prisons.) The discussions were conducted in an extremely tense, a almost poisonous atmosphere. Windisch was particularly surly. This led gradually to open clashes between Windisch and Stange. Stange commented that apparently Windisch was adopting this attitude on orders from his superiors. A letter Stange received on 8 April from Vogel, however, alleged that this was not the case.
- 4. As things now stand, negotiations on family reunion cases will not be resumed until there has been a binding written agreement from the West Germans that the case of the convicted Soviet spy Heinz Felfe will be settled on terms acceptable to East Berlin. Felfe's actual release terms acceptable to East Berlin. Felfe's actual release can be accomplished at some later date, but the West German assurances must be received soon. (Headquarters Comment: This same source reported in TDCSDB-315/01081-68 that according to All-German Affairs Ministry official Hermann Kreutzer, as of 8 March there was a great improvement in the atmosphere surrounding the prisoner ransom negotiations. Vogel was reported to have stated that the Felfe case no longer took precedence over all other matters and that it was not necessary to have the Felfe case settled before the prisoner release and family reunion negotiations for 1968 could be opened.) In addition to Felfe, East Berlin has expressed interest also in other individuals in West Berlin prisons. Berlin prisons.

- 5. Voelckers said that everything possible must now be done to get the West German intelligence service (BND) to give a "green light" for the release of Felfe. Approaches through several different channels will be made to the new president of the BND, General Wessel, on this subject. (Headquarters Comment: There is nothing in previous reporting to indicate that the recommendation of the BND regarding the release of prominent prisoners has been decisive, since such decisions are made at the highest political! level.) Voelckers took the position that Felfe's release should no longer involve a security risk since another former BND member, Clemens, who was sentenced along with Felfe and who had constant close contact with Felfe, has already been released in exchange for Heinz Volker. Voelckers said that on Felfe's release hung not only the resumption of family reunion negotiations but also the chance to free the three Wost German students in prison in the Soviet Union and a large number of BND agents presently in prison in the East. (Headquarters Comment: Another source reported in TDCSDB-315/00874-67 that as of 13 March 1967 the Soviets had expressed an interest in Felfe's treatment during his imprisonment and, in this context, indicated a willingness to discuss the release of two West German students, Walter Naumann and Peter Sonntag, who have been in a Soviet prison on charges of espionage since late 1961.) According to what Vogel has said to Stange, the interest in Felfe lies not so much in East Berlin as in Moscow where, according to Vogel, Felfe is wanted to "write his memoirs". Less urgent family reunion cases will be accepted by Voelckers' office until the end of April, and efforts will be made to reach some settlement of these cases in Berlin apart from the other negotiations.
- 6. On I April, Hermann Kreutzer, chief of section II, Basic Political Questions, of the Ministry for All-German Affairs, said that All-German Affairs Minister Herbert Wehner is in principle prepared to go ahead on the Felfe case and feels that future agreements with East Germany on prisoner releases and family reunions should not be allowed to be blocked by this case. Kreutzer said that instructions to this effect have already been sent to the Ministry of Justice. (Headquarters Comment: Reports from this source and others leave the impression that responsible West German officials are seriously considering the release of Felfe and probably will set him free. Examples of this reporting are TDCSDB-315/01047-68 and CSDB-312/00480-68.)
 - 7. Field Dissem: Embassy Bonn.