

AIR

BBB-A-4674

Chief, KE ✓

MAY 1 1953

Chief, Berlin Operations Base

INFO: COM, BONN, PULL

CALL/CADORY/Operational

CAMLET - Resumption Free Exchange News Media

Ref: SPBAN-4347

1. CAMLET is concerned that the SKK may decide to spring on the Western Allies a resumption of free exchange of newspapers between East and West as originally provided for in the Kulturabkommen concluded between the Allies and the USSR during the Moscow Conference in September 1947.

2. The agreement was in fact implemented by both sides for almost a year. It remained in force until the currency reform was introduced, the Soviets faithfully abiding by its terms until the break.

3. About two weeks ago CAMLET received the visit of a man whom he described to me as the former manager of the distribution office of his (CAMLET's) newspaper in Berlin-Weissensee. This individual, whose name CAMLET did not volunteer (Herr X.) and for whose identity I did not press him, had stayed behind in Weissensee with the approval of the SPD ("mit unserem Wissen"). Even after the de facto abrogation of the exchange agreement he continued to pick up copies of CAMLET's newspaper just inside the Western Sector (Gesundbrunnen) and to sell them sub rosa in East Berlin. The number of copies thus sold CAMLET estimates at 4000 per day. He allegedly was able to get away with this violation of Eastern restrictions on the strength of a written authority from the SKK to purchase 450 copies per day for Soviet perusal.

4. The Soviet contact of X. is one Captain Jugachevsky (phon.). In the course of his conversation with CAMLET, X. intimated that he had been commissioned by Jugachevsky to prepare an estimate of the circulation of DDR newspapers in West Berlin and West Germany should the existing restrictions be lifted. CAMLET either was under the impression or was told by X. in so many words that Jugachevsky would be interested in CAMLET's views on the Subject.

4 May 1953

glp:bjt
Distribution:
3 - KE
3 - COM
1 - BONN
1 - PULL
1 - BOB

SECRET
SECURITY INFORMATION

COPY

DECLASSIFIED AND RELEASED BY
CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

5. CAMLET reasons that the Soviets could maneuver the Allies into a tight corner by suddenly proposing a resumption of free exchange. The Allies could not very well say no. The Soviets would immediately push the sale of the "Nachtexpress" (in the meanwhile deceased) and the "Berliner Zeitung" whose makeup gives it an aura of Western respectability. CAMLET is not particularly worried about the competitive threat emanating from "Neues Deutschland" and "Tägliche Rundschau". Not only could the DDR underbid Western newspapers: 15 Ost Pfennig versus 15 West Pfennig, but Western newspapers in the DDR would sell at an insurmountable competitive disadvantage.

6. Typically enough the related incident was picked up by CIC, Region VIII and passed on with all the trappings of a highly clandestine transaction, subtly implying that CAMLET may be engaged in negotiating a bilateral deal with the Soviets. In actual fact, CAMLET almost immediately notified the Information Branch of Public Affairs Division. He is everything but happy about this development inasmuch as he fears that it might catch him and other Western newspaper publishers with their financial pants down.

7. For my guidance in future dealings with CAMLET, I would appreciate being kept advised by Bern on how NICOG is going to react should the Soviets propose a resumption of free exchange. Have any funds been earmarked to cushion the initial shock? Can the Berlin newspapers count on any kind of support?

Approved by: