

EE

<b>DISPATCH</b>	CLASSIFICATION	PROCESSING ACTION	
	SECRET		
TO	Chief, EE	XXXX	MARKED FOR INDEXING
INFO	COS/Germany, C/BOB		NO INDEXING REQUIRED
FROM	Chief, Bonn Operations Base		ONLY QUALIFIED DESK CAN JUDGE INDEXING
SUBJECT	Operational/CALL/CADORY/CABAKER SPD Dissatisfaction with Arno SCHOLZ		MICROFILM
ACTION REQUIRED - REFERENCES			
FYI			
<p>1. The following information was obtained from [ ] during a meeting in Berlin on 11 November 1964. [ ] provided the information on his own initiative as part of our conversation about the criticism which the Senat is currently undergoing at the hands of the CDU and the press.</p> <p>2. The SPD leadership in Berlin and, to a lesser extent, in Bonn, has for some years been dissatisfied with Subject's performance as editor-in-chief of the <u>Telegraf</u>. Until Erich OLLENHAUER's death, this dissatisfaction, while always present, remained more or less below the surface, because all concerned knew that OLLENHAUER, who had been friendly with SCHOLZ for decades, would never agree to do anything which would radically affect SCHOLZ's position. During the year since OLLENHAUER's death, dissatisfaction with SCHOLZ has increased, and the tenor of the criticism has become more virulent. Events during the past two weeks, i.e., the fact that SCHOLZ has also seen fit to criticize the Senat in several of his editorials, have brought the general feeling of dissatisfaction with SCHOLZ to an acute stage. The SPD leadership in Berlin, including Kurt MATTICK and Willy BRANDT, have come to the conclusion that SCHOLZ must be removed from his position as editor-in-chief of the <u>Telegraf</u>. They feel that SCHOLZ's removal would accomplish two primary purposes: (a) improving the quality of the newspaper, the hope being that thereafter the paper's circulation would increase (it has slipped to 70,000 sold copies per edition), (b) ensuring that the paper's editorial policy follow the party line generally, but in any case to ensure that the paper refrains from editorial attacks on the SPD-led Senat.</p> <p>3. The dissatisfaction has reached such a stage that BRANDT has decided to discuss the necessity of SCHOLZ's removal with SPD Treasurer Alfred NAU and with Fritz HEINE, the top people of Konzentration, the SPD's</p>			
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Distribution:			
3-EE			
2-BOB			
2-BEF			
1-COS/G/Bonn			
1-COS/G/Frankfurt			
Group 1 - Excluded from automatic downgrading and declassification			
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE	
32W-6-2/3	EGNA 28401	16 November 1964	
CLASSIFICATION		HQ5 FILE NUMBER	
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CENTRAL INTELLIGENCE AGENCY			
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DATE 2007			

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roof organization for its commercial enterprises. BRANDT hopes that a chance for this talk will arise during the upcoming SPD convention in Karlsruhe. BRANDT feels quite certain that NAU and HEINE, who basically agree with the criticism concerning SCHOLZ, will nevertheless plead that SCHOLZ be talked to and then be given another chance. If so, BRANDT will almost certainly agree. However at the same time, he will attempt to extract a promise from NAU and HEINE that SCHOLZ will be removed in short order in case he fails to live up to his promise.

4. If SCHOLZ is in fact removed as editor-in-chief of the Telegraf, he will be offered the chance to remain head of the various book-publishing houses which also come under the roof of the Grunewald Verlag. He might also be allowed to retain the nominal position of publisher of the Telegraf.

5. If a removal of SCHOLZ as editor-in-chief of the Telegraf is in fact decided upon by the SPD leadership, SCHOLZ' presumed opposition to his removal is not believed to represent a real obstacle. This is so for two reasons: (a) Quite some time ago, when the SCHOLZ enterprises found themselves in financial difficulties, the Konzentration bought a majority interest in the Grunewald Verlag. Konzentration, therefore, actually owns the Telegraf, and can, if it so desires, dictate on personnel questions; and (b) The Telegraf incurs a sizeable monthly deficit and is being kept alive only through equally sizeable subsidies from Konzentration. The fate of the newspaper, therefore, is entirely dependent upon Konzentration's (i.e., the SPD's) good will.

6. Except as follows, [ ] did not indicate whom the SPD leadership in Berlin is considering as a possible successor to SCHOLZ. [ ] apparently thinking out loud, wondered whether Hans WALLEMBERG (201- ) now with the Springer enterprise, might be available in view of his recent downgrading to the position of head of the book-publishing aspect of the former Ullstein Verlag. [ ] indicated that he had no firm idea as to WALLEMBERG's availability nor about WALLEMBERG's political views. He seemed to remember, however, that WALLEMBERG might be a member of the SPD. The case officer advised [ ] that he knew who WALLEMBERG was, but that he had no knowledge about WALLEMBERG's views or availability.

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