

European Communities

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EUROPEAN PARLIAMENT

# Working Documents

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27 June 1983

DOCUMENT 1-445/83

REPORT

drawn up on behalf of the Political Affairs Committee

on the increase in the minimum exchange requirement  
for visits to the German Democratic Republic (GDR)

Rapporteur: Mr Johan van MINNEN



At its meeting of 15 October 1980, the European Parliament referred the motion for a resolution tabled by Mr LUSTER and others, on behalf of the Group of the European People's Party, on the increase in the minimum exchange requirement for visits to the German Democratic Republic (GDR) (Doc. 1-483/80), pursuant to Rule 47 of the Rules of Procedure, to the Political Affairs Committee as the committee responsible.

At its meeting of 3 and 4 December 1980, the Political Affairs Committee decided to draw up a report. At its meeting of 21 and 22 January 1981, it appointed Mr van MINNEN rapporteur.

At its meeting of 23 October 1981, the committee decided to request authorization for the rapporteur, Mr van MINNEN, and one other member of the committee to carry out a fact-finding mission to Bonn and Berlin to the Governments of the Federal Republic of Germany and the German Democratic Republic and the Senate of the City of Berlin. The European Parliament's Bureau granted authorization on 19 November 1981. Mr van MINNEN, the rapporteur, and Mr MOORHOUSE carried out the fact-finding mission to Berlin and Bonn from 30 January to 2 February 1983. As the German Democratic Republic did not reply to the letter sent to it, the mission to the GDR did not take place.

The committee considered the draft report at its meetings of 24-26 May 1983 and 13-15 June 1983.

At its last meeting, the motion for a resolution was adopted by 10 votes to 3 with no abstentions.

The following took part in the vote with Mr RUMOR, the chairman, in the chair: Mr Haagerup, first vice-chairman; Mr van Minnen, rapporteur; Mr Bournias, Mr Deschamps, Mr van den Heuvel, Mr Israel (deputizing for Mr de La Malène), Mrs Lenz, Mr Mommersteeg (deputizing for Mr Antoniozzi), Mr Moorhouse (deputizing for Mr Fergusson), Mr Penders, Mr Plaskovitis, Mr Schall and Sir James Scott-Hopkins.

This report was tabled on 16 June 1983.

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The Political Affairs Committee hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on the increase in the minimum exchange requirement for visits to the GDR

The European Parliament,

- having regard to the motion for a resolution tabled by Mr LUSTER and others on behalf of the Group of the European People's Party, on the increase in the minimum exchange requirement for visits to the GDR (Doc. 1-483/80),
  - having regard to the report of the Political Affairs Committee (Doc. 1-445/83),
- A. having regard to the drastic increase of 1980 in the minimum exchange requirement for visits to the GDR,
  - B. whereas the situation remains unchanged in spite of endeavours by the government of the Federal German Republic,
1. Acknowledges that every State is entitled, within the context of international agreements, to adopt its own monetary measures;
  2. Believes, however, that the existence of the MER stands in marked contrast to the Final Act of Helsinki, and hinders the development relations between individuals in Europe;
  3. Affirms that the MER bears particularly hard on families, pensioners and young people wishing to make private visits to the GDR;
  4. Calls, therefore, upon the government of the GDR to repeal the MER, or, failing that, to annul the increase of 1980 in the MER;
  5. Calls upon the governments of the Community, should the exchange requirement not be corrected on these lines, to take up the question of the minimum exchange requirement in appropriate fora such as at the CSCE Follow-up Conferences in Madrid and elsewhere;
  6. Instructs its President to forward this resolution to the Council, the Commission, and the government of the GDR.

EXPLANATORY STATEMENT

Since 1 December 1964 travellers to the GDR or East Berlin from countries with a convertible currency have been required to convert a minimum amount of currency on entry. This rule is generally applied by countries operating exchange controls.

The basic treaty between the two German states of 1971, and the agreements concluded between the Federal Republic and the GDR, and the Senate of Berlin and the GDR, to facilitate tourism and visits did not question the need for the minimum exchange system. In signing the latter agreement the GDR Government made a declaration on the management of tourism and visits which included provisions laying down the minimum exchange requirement; on the western side this declaration is regarded as part of the overall treaty, which logically excludes unilateral amendment. This interpretation is not shared by the GDR.

The minimum exchange requirement was DM 5 per person per day of visit in 1964. In 1968 it was increased to DM 10, and in 1973 to DM 20, but this was reduced to DM 13 in 1974. Since 13 October 1980 it has been DM 25 per person. Pensioners and children under 15, who were exempt from the requirement, have now been included in the new system (see Annex I).

The increase of the minimum exchange requirement on 13 October 1980 has resulted in a considerable decline in tourist traffic.

In 1981 and 1982 the number of travellers journeying from the Federal Republic to the GDR fell by some 20%.

Visits by West Berliners under the Berlin visitors scheme fell by almost 50% in 1981 and 1982 (see Annex I).

The GDR authorities have justified the drastic increase and extension of the minimum exchange requirement by the need to protect the GDR economy from currency speculators and from the inflationary trend in the Federal Republic which has granted West German visitors an inadmissible increase in purchasing power.

However, it is clear that other motives, in particular an attempt at demarcation, have been behind the move, which events in Afghanistan and

Poland, and the subsequent discernible unrest in the GDR itself, have helped to trigger off.

This was plainly stated in a speech delivered by the president of the GDR Council of Ministers and General-Secretary of the Socialist Unity Party, Erich Honecker, on 13 October 1980 in Gera: Honecker explained that in the course of his meeting with General-Secretary Brezhnev in the Crimea in the summer of 1980 he had come to the conclusion that the international situation had appreciably deteriorated since the early 1970s when the process of detente had begun, and that the situation would continue to be one of complexity and tension.

For this reason, Honecker said,

- (a) in the light of the foregoing and of the precarious situation in Poland, it was the task of the 'community of Socialist states' acting in close unity and unanimity, to oppose any attempts at interference by 'foreign reactionaries', and
- (b) GDR policy in its treaty with the Federal Republic of Germany was part of the coordinated policy of the Warsaw Pact states, and intra-German detente must be subordinated and adapted to the interests of the alliance.

In the same speech Honecker accused the Federal Government and the Berlin Senate of failing to fulfil its obligations to put an end to the alleged abuse and constant violations of the transit agreement.

The increase in the minimum exchange requirement thus derived from the GDR leadership's desire for a greater degree of demarcation from the west; in this context it is interesting to note that similar demarcatory moves have been made in relation to Poland. The GDR authorities have certainly achieved their intended aim as the decline in the number of visits shows.

This analysis leads to the conclusion that the mere exercise of economic pressure on the GDR would be unlikely to induce it to withdraw the measure. This was still possible in 1974, when after the

increase in the 'Swing' (interest-free credit for intra-German trade) the GDR declared that it was willing to withdraw part of the increase in the minimum exchange requirement introduced in 1973. That this no longer applies was apparent, for instance, in 1982 when soundings resulted in the failure of an attempt to increase the Swing from 850 m Marks to 1,300 m Marks at the preliminary stage. The fact remains that, like other COMECON countries, the GDR is substantially indebted in the west. In the past two years, however, it had made great efforts to reduce its indebtedness. In 1982 the Swing amounted to 850 m Marks.<sup>1</sup> This again shows that economic pressure is unlikely to influence the GDR's attitude.

The increase in the minimum exchange requirement by the GDR authorities breaks both the spirit and the letter of the CSCE Final Act of Helsinki, because an increase in the compulsory exchange amount is not economic intervention but intervention in the freedom of movement of the European citizen. For this reason it should be solemnly raised by the governments of the Community at the CSCE Follow-up Conference in Madrid.

It is estimated that more than 95% of visits are simply visits between families. For this reason the increase in the minimum exchange requirement particularly affects families with children who wish to spend several days visiting relations in the GDR, and the particularly anti-social nature of the measure should be denounced.

#### FACT-FINDING MISSION

Following its decision at the meeting of 3 and 4 December 1980 to draw up a report on the increase in the minimum exchange requirement and on 22 January 1981 to appoint Mr van Minnen rapporteur, at its meetings of 19 and 20 October 1981 and 29 January 1982 the Political Affairs Committee went into some detail on the method by which the report was to be prepared.

The rapporteur's proposal to ask the GDR authorities and the governments of the Federal Republic and West Berlin for talks was endorsed by the Political Affairs Committee and submitted to the Bureau of the European Parliament.

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<sup>1</sup> 770 m Marks in 1983; 690 m Marks in 1984; 600 m Marks in 1985 (fixed maxima); total FRG-GDR credit at present: 3,700 m Marks.

On 17 November 1981 the Bureau recommended that the rapporteur should visit the GDR, West Berlin and Bonn together with another member of the Political Affairs Committee. On 24 March 1982 Mariano RUMOR accordingly wrote to the General Secretary Erich Honecker, to the Governing Mayor of West Berlin, Richard von Weiszäcker and to the Federal Chancellor in Bonn, Helmut Schmidt (see Annex II).

Although the rapporteur held himself in readiness for the mission for a considerable period of time, the European Parliament received no response whatever from the GDR Government.

The rapporteur duly decided to conduct his fact-finding mission to West Berlin and Bonn alone.

The mission was planned for October 1982 but had to be postponed a second time by the change of government in Bonn and finally took place from 30 January to 2 February 1983 (see Annex III).

The rapporteur thanks his colleague, Mr James Moorhouse, for his expert support during the mission.

In the talks, the Political Affairs Committee's intention to bring the question of the increase in the minimum exchange requirement before the European Parliament was welcomed by all concerned.

It was, however, stressed that any opinion should be clearly formulated and moderate in tone since in this area sensational or belligerent remarks tended to be counterproductive.

Some partners in the talks pointed out that a solution to the problem had seemed possible in 1981 but hopes had been dashed by the provocative campaign launched in some sectors of the press.

It was generally emphasized that public economic pressure is unlikely to bring about a change in the GDR attitude which is in the main politically motivated.

A solution of the problem could only be attained through a relaxation in East-West relations. In particular, intra-German relations formed an extremely delicate and difficult problem which could only be improved through patient negotiations.

The question of the minimum exchange requirement should therefore also be seen in this context, since a series of negotiations is under way between the two German States on a variety of issues (pollution of the Elbe, cultural agreements, electrification of railways, coal-fired power stations, etc.).

Finally, the rapporteur would like to make clear that although different shades of opinion were voiced by partners to the talks in West Berlin and Bonn, these differences were determined by the relative position of the partner concerned rather than by party political considerations. Much has changed radically in Bonn and Berlin, in part as a result of the change in the coalition.

#### CONCLUSIONS

The European Parliament cannot continue to ignore this difficult subject. The questions raised are not just local intra-German issues which one would gladly leave to those directly involved, but concern European freedom of movement, a matter which affects us all; the letter and the spirit of the CSCE Final Act of Helsinki is at stake.

It is no longer appropriate to say that Europe is interfering in a matter which it would be wiser to leave alone; the Community would have to accept the charge of irresponsibility and cravenness if it shirked discussion of the increase in the compulsory exchange requirement.

Let there be no mistake: the issue does not affect those travelling for business or other professional purposes. To them it is simply a currency move with economic and monetary implications. Our particular concern, however, should be for the less affluent sections of society whose interests the GDR leadership has always been so anxious to represent: the pensioners, young people or parents with several children, who would like to visit families or arrange meetings in the GDR. To this extent it should surely be permissible to ask how a 'workers' government' can have the nerve to deny these sections of society such an opportunity.

Subject: Minimum exchange requirement arrangements since 1964

Category	Visits to the GDR	Visits to East Berlin
West Germans	DM 5 per day	DM 5 per day visit
West Berliners	DM 3 per day	DM 3 per day visit
Foreigners	DM 5 per day	DM 5 per day visit
Persons under 16	DM 0 per day	DM 0 per day visit
Pensioners (women over 60 /men over 65)	DM 0 per day	DM 0 per day visit
Handicapped and disabled on full pension	DM 0 per day	DM 0 per day visit

From 11 June 1968 passports and visas became obligatory for intra-German visitors for the first time and the minimum exchange requirement was raised as follows:

## Regulation of 11 June 1968

Category	Visits to the GDR	Visits to East Berlin
West Germans	DM 10 per day	DM 5 per day visit
West Berliners	DM 10 per day	DM 5 per day visit
Foreigners	DM 10 per day	DM 5 per day visit
Persons under 16	DM 0 per day	DM 0 per day visit
Pensioners (women over 60 /men over 65)	DM 0 per day	DM 0 per day visit
Handicapped and disabled on full pension	DM 0 per day	DM 0 per day visit

On 4 June 1972 the GDR adopted a regulation which had no effect on the practical arrangements but changed the terminology for the groups of persons concerned. The regulation applied to persons 'permanently resident in non-socialist states or West Berlin'.

On 15 November 1973 the minimum exchange requirement was increased as follows:

Regulation of 15 November 1973

Category	Visits to the GDR	Visits to East Berlin
Visitors under regulation of 4 June 1972	DM 20 per day	DM 10 per day visit
Persons under 16	DM 0 per day	DM 0 per day visit
Pensioners (women over 60 /men over 65)	DM 20 per day	DM 10 per day visit
Handicapped and disabled on full pension	DM 20 per day	DM 20 per day visit

On 15 November 1974 and 20 December 1974 the minimum exchange requirement was reduced as follows:

Regulations of 15 November 1974 and 20 December 1974

Category	Visits to the GDR	Visits to East Berlin
Visitors under regulation of 4 June 1972	DM 13 per day	DM 6.50 per day visit
Persons under 16	DM 0 per day	DM 0 per day visit
Pensioners (women over 60 /men over 65)	DM 0 per day	DM 0 per day visit
Handicapped and disabled on full pension	DM 0 per day	DM 0 per day visit

On 13 October 1980 the minimum exchange requirement was increased as follows:

Regulation of 13 October 1980

Category	Visits to the GDR	Visits to East Berlin
Visitors under regulation of 4 June 1972	DM 25 per day	DM 25 per day visit
Persons under 6	DM 0 per day	DM 0 per day visit
Persons over 6 and under 15	DM 7.5 per day	DM 7.5 per day visit
Pensioners (women over 60 /men over 65)	DM 25 per day	DM 25 per day visit
Handicapped and disabled on full pensions	DM 25 per day	DM 25 per day visit

Development of intra-German tourist traffic

1. Visitors from the Federal Republic of Germany to the GDR and East Berlin - and through the GDR to other countries

(a) Germans and foreigners	1979	3.6 m
	1980	3.5 m
	1981	2.9 m
	1982	2.9 m
(b) Visits in the frontier area	1979	415,000
	1980	392,000
	1981	280,000
	1982	299,625

2. Visits by residents of West Berlin to East Berlin and the GDR<sup>1</sup>

1979	approx. 3.15 m
1980	approx. 2.6 m
1981	approx. 1.8 m
1982	approx. 1.7 m

3. Day visits by persons from the Federal Republic of Germany to East Berlin<sup>1</sup>

1979	approx. 1.4 m
1980	approx. 1.3 m
1981	approx. 1.1 m
1982	approx. 1.1 m

<sup>1</sup> Estimate: No official statistics are collected at the border. Figures do not include children under 16

Source: Federal Ministry for intra-German relations, Bonn

ANNEX II

Letter of 24 March 1983 from Mr Mariano RUMOR, chairman of the Political Affairs Committee, to Mr Helmut SCHMIDT, Federal Chancellor of the Federal Republic of Germany, Mr Erich HONECKER, President of the Council of Ministers of the German Democratic Republic and General Secretary of the Socialist Unity Party of Germany, and Mr Richard von WEIZSÄCKER, Governing Mayor of the City of Berlin

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Dear Sir,

I am writing to inform you that the Political Affairs Committee of the European Parliament, which is considering the enclosed draft motion for a resolution by Mr LUSTER and others on the increase in the minimum exchange requirement for visits to the German Democratic Republic, has decided to draw up a report on this subject.

In this connection the Political Affairs Committee has instructed its rapporteur, Mr Johan van MINNEN (Dutch member of the Socialist Group), who will be accompanied by Mr J.M. TAYLOR (British member of the European Democratic Group) to undertake a fact-finding mission to the governments of the Federal Republic of Germany and the German Democratic Republic, and to the Senate of the City of Berlin.

The Bureau of the European Parliament has approved this fact-finding mission which should take place between April and July of 1982. I would therefore ask you to instruct the relevant authorities so as to enable our two colleagues to gain access to any information of use to them in their task. This particularly applies to the reasons which have induced the government of the German Democratic Republic to adopt the above-mentioned measures, and to their consequences.

Yours faithfully,

(sgd) Mariano RUMOR

Fact-finding mission by Mr Johan van MINNEN, rapporteur of the Political Affairs Committee of the European Parliament, and Mr James MOORHOUSE to Berlin and Bonn, 30 January to 2 February 1983

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Subject: Measures taken by the government of the GDR concerning the exchange requirement for visitors to that country

Interviews in Berlin with:

1. Prof. Dr. Niels DIEDERICH,  
Chairman of the Working Party on Intra-German Relations  
of the SPD parliamentary group
2. Dr Hans SCHIERBAUM  
Head of the Senate Office
3. Dr Alexander LONGOLIUS  
Vice-President, Berlin House of Representatives
4. Dr Hans-Otto BRÄUTIGAM  
Permanent representative of the Federal Republic in the GDR

Interviews in Bonn with:

1. Dr O. HENNIG  
Parliamentary Secretary of State,  
Federal Ministry for Intra-German relations
2. Dr Wolfgang MISCHNIK  
Chairman of the FDP parliamentary group
3. Dr Detlef KÜHN, President,  
Dr Ernst EICHENGRUN, Vice-President  
Federal Institute for pan-German Affairs  
(Gesamtdeutsches Institut)

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EUROPEAN PARLIAMENT

Working Documents

1980 - 1981

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15 October 1980

DOCUMENT 1-483/80

MOTION FOR A RESOLUTION

tabled by Mr LUSTER, Mr PFENNIG, Mr KLEPSCH,  
Mrs CASSANMAGNAGO CERRETTI, Mr VERGEER, Mr RUMOR,  
Mr PENDERS, Mr HABSBURG, Mr GOPPEL, Mr Konrad SCHON,  
Mr FUCHS and Mr BROK

on behalf of the Group of the European People's Party

pursuant to Rule 25 of the Rules of Procedure

on the increase in the minimum exchange requirement  
for visits to the DDR

The European Parliament,

1. Condemns the action of the authorities in the DDR in raising the German mark exchange requirement for travellers from the Federal Republic of Germany as a move that will undermine the progress that has been made hitherto towards freedom of movement;
2. Notes that this action is contrary to the letter and spirit of the Helsinki Agreement;
3. Calls on the authorities in the DDR to allow complete freedom of movement between the Federal Republic of Germany and the DDR as soon as possible, and at the very least to withdraw the measure in force since 13 October 1980 immediately;
4. Urges the governments of the Member States to raise this matter in the forthcoming talks with the USSR and the DDR, and in particular to consider it as a matter of urgency at the CSCE follow-up Conference in Madrid;
5. Asks its President, bearing in mind that the DDR has been granted special advantages by the Community as an economic partner of the Federal Republic of Germany, and thus of the Community as a whole, to have this resolution forwarded, through suitable emergency channels, to its government.

(PE 68.205)

## EXPLANATORY STATEMENT

It is well known that particularly severe restrictions apply to persons leaving the DDR for the Federal Republic of Germany on entering the DDR from the Federal Republic.

Except in a few special cases, the right to leave the DDR for the Federal Republic of Germany is only available to old age pensioners.

Visits to the DDR by citizens of the Federal Republic of Germany, including Berlin (West) are subject to the condition that West German marks must be exchanged for East German marks at the rate of 1:1 and to a value of not less than DM 13.50 per day.

The DDR authorities have now unilaterally raised the minimum amount that must be exchanged from DM 13.50 to DM 25.00 with effect from 13 October 1980.

This increase is a deliberate move to make it even more difficult than it is already to travel from the Federal Republic of Germany to the DDR. The measure will be particularly inhumane in the numerous cases where the reason for the visit is the close family ties between inhabitants of the Federal Republic of Germany and those of the DDR, since it will, for example, affect those paying visits to their children or to other members of their families. It will also cause particular social hardship to lower income groups such as young people and pensioners or other old people.

The measure is a flagrant violation of the principle of greater freedom of movement enshrined in the CSCE declaration, it violates the Four-Power Agreement on Berlin and the treaty agreements between the two German states. It is, on a more general plane, an obstacle to efforts to bring about detente in Central Europe.

The Community Member States are urged to protest energetically at the behaviour of the DDR, not only for humanitarian reasons and reasons of detente policy, as these are understood in the Community, but also because the Community treats the DDR in its trade with the Federal Republic of Germany almost as if the DDR - as a part of greater Germany - were also a part of the Community.

(PE 68.205)

