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SUBJ: Khrushchev Invitation to Krupp's Beitz to meet in Leipzig.

Dr. Guenther Lueck, Bonn representative of Krupp, informed Embassy officer yesterday Khrushchev had, during recent visit to Leipzig, made vigorous effort to get Mr. Berthold Beitz, General Manager of Krupp, to meet with him in Leipzig to discuss possible 100 million DM order for new chemical plant in Soviet Union. Invitation extended directly by Soviet Ambassador Smirnov apparently during the course of Khrushchev visit. Beitz requested opinion of Westrick whether he should proceed and was told Wirtschaftsministerium considered visit unwise but referred him to Foreign Office. van Scherpenberg in Paris with Chancellor as deadline for reply neared. Upon return of van Scherpenberg late afternoon March 5, Krupp representative requested his opinion. van Scherpenberg apparently took firm stand against visit and stated such a visit would "in existing circumstances be inconsistent with Chancellor's policies". As result visit did not take place.

Dr. Lueck added ruefully British Vickers had obtained the order. In Lueck's view, he thought West should be less reluctant to trade with Soviet Bloc. Soviet order would have assured some 5,000 employees work for one year. In view of slackening business and need to trim staff, order could have been quite useful. He referred negatively to van Scherpenberg position as a continuation of the so-called "Hallstein Doctrine".

TASCA

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