

# China Raps Castro Over Rice Deal

## Denies Charges That It Reneged On Trade Accord

By Bob Uchima

TOKYO, Jan. 9 (AP) Communist China said today that Premier Fidel Castro's claim that Peking had broken its rice-for-sugar agreement with Cuba "was groundless."

Peking claimed it never signed a long-term contract to supply 250,000 tons of rice a year and it scolded Castro for his accusation, saying he was untruthful and had taken "a step which is extraordinary in normal state relations."

The denial was made by "a responsible official" of the Foreign Trade Ministry. His statement was carried in a broadcast by the official New China News Agency.

Castro had accused the Chinese of breaking the agreement in a Jan. 2 speech. "I thought this was a long-term proposition," Castro said, "but the other party did not understand it thus."

The Chinese statement conceded that Castro on Oct. 1, 1964 suggested an exchange of 370,000 tons of sugar for 250,000 tons of rice from China each year.

But the Chinese government carefully considered the suggestion and "agreed to supply Cuba with 250,000 tons of rice within the one year of 1965, but did not promise to supply the same amount each year or accept his proposed rate of exchange between sugar and rice. "This can be confirmed by documents," the statement said.

The statement also said Cuba has asked China to supply 285,000 tons of rice in 1966, but China has offered 135,000 tons or the same level as 1964 because China still did

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not have enough grain to meet its domestic needs and aid to other countries. It said that in the past few years the annual rice exports to Cuba

ranged between 120,000 to 135,000.

[From Hong Kong, Stanley Karnow of The Washington Post noted a statistic that the Peking official did not mention: China will sell some 300,000 tons of rice to Japan this year, double last year's amount.]

The Chinese statement, made in a "question-answer" form, deplored Castro's action for making the issue public while preliminary negotiation for the 1966 trade year was still under way.

"At the moment, the delegation of the Cuban Ministry of Foreign Trade is still in Peking, the preliminary trade negotiations between the two sides are going on, and the annual protocol has not yet been finally signed.

"If the Cuban government has different ideas or demands, it can very well raise them for discussion with the Chinese government. But instead of doing so, Prime Minister Castro has taken a step which is extraordinary in normal state relations. At the Havana mass meeting celebrating the 7th anniversary of the liberation of Cuba, he unilaterally and untruthfully made public contents of the preliminary trade negotiations now going on between the governmental departments concerned of the two countries.

"We cannot but feel regret at this."

### Differences Admitted

The New China News Agency said that each year there have been differences of views in the course of negotiations. "But in the past Prime Minister Castro never acted as he has done now.

"Why then has he suddenly taken such an extraordinary step on the eve of the three continents people's solidarity conference in Havana: this offers food for thought," the statement said.

Concerning Castro's request for use of a Chinese loan of 240 million old rubles (\$60 million) for covering Cuba's trade deficit with China, it said "the loan was to be provided in the form of complete sets of equipment and technological assistance to help with Cuba's economic construction.

"It was quite different from the trade loan. If the Cuban side wanted to use this loan for other purposes, the matter should be discussed and settled between the governments," it said.

The loan agreement for economic cooperation for 1960-1965 was signed by the countries Nov. 30, 1960.