

# Aid-Cutoff Option Use Indicated

*Post 2/16/64*  
**Johnson Expected  
 To Apply Waiver to  
 Greece, Yugoslavia**

By Bernard D. Nossiter  
 Staff Reporter

President Johnson is expected to employ a Congressional option to get around a new law that would cut off aid to Greece and Yugoslavia.

Assistance to both is threatened by a provision in the foreign-aid bill that took effect Friday. It directs an end to aid for nations that fail to take "appropriate steps" to stop their ships and planes from carrying any goods to Cuba.

The President, however, is permitted to waive the cutoff if he declares that continued aid is important to American security.

## Is Expected to Act

Informed officials said yesterday that Mr. Johnson will exercise the waiver for Greece and Yugoslavia. Ships of 13 other aid-receiving nations also have been engaged in the Cuban trade and some of these countries also are expected to qualify for the option.

Greece and Yugoslavia are regarded as critically important because of their strategic military and political location.

Greece received \$52.5 million in economic and military help in the year that ended on June 30, 1962. Yugoslavia was given \$116.2 million in economic assistance in that same period.

Greece is an element in the NATO southern flank. Yugoslavia is one of the Socialist nations that the United States has been encouraging to remain independent of the So-

viet Union.

## Is Embarrassment

The aid cutoff provision is a distinct embarrassment to the Administration. If it is followed without use of the option, the United States will have to end the small amounts of military aid still going to such important allies as Great Britain and France. The loss of this trivial amount of help would damage neither. But the resulting strain in relations from such a gesture could be serious.

On the other hand, failure to stop aid to any country in the Cuban trade will open the Administration to attack from Congress in general and Republicans in particular.

Mr. Johnson was believed to have discussed this among other problems with his assistants at the White House yesterday.

The aid-Cuban trade question is in the immediate charge of U. Alexis Johnson, the Deputy Under Secretary of State for Political Affairs. The whole subject is so sensitive that the Deputy Under Secretary has refused for two days to talk to reporters. Indeed, some State Department officials are hoping that they

See AID, A7, Col. 1

won't have to make any announcement of their decisions.

Other officials, however, have called this a "head-in-the-sand" approach that won't work. Moreover, the law requires that President to report to Congress on any waivers he extends.

Trade with Cuba also came up in an interview that Secretary of State Dean Rusk recorded for the Voice of America yesterday.

Reminded that Prime Minister Douglas-Home had said that Britain will continue non-strategic trade with Cuba, Rusk was asked what the United States planned to do.

Rusk replied: "We don't ourselves plan to organize any boycott against the goods of countries that may be engaged in that trade. I think it is possible there may be some consumer reaction here in this country, here and there with respect to firms that specifically engage in that trade. But that's something that is in the hands of private citizens; we have no part in that ourselves."

American officials last week circulated this same message in private. But the State Department became very upset when British newspapers interpreted this as a threat of an official boycott against Leyland Motors Ltd. of London. This firm, which exports sports cars here, recently sold the Cubans some buses.



Fischetti © 1964, Publishers Newspaper Syndicate

**“—and tell Rusk we consider it an affront that the United States hasn't built us a USIA library that our malcontents can burn down.”**