

Spain Cutting Cuba Trade, U.S. Decides

The United States yesterday concluded, as it was apparent it would do from the outset, that Spain has taken "appropriate steps" to cut its trade shipments with Cuba. That finding makes Spain eligible to continue receiving United States military aid, which has been running at the rate of \$31.8 million this year. The decision that Spain was

moving toward compliance with the aid cutoff requirements voted by Congress last year to restrict trade with Cuba averted the need for a waiver to continue aid to Spain. President Johnson has authority under the law to find that continuance of such aid is necessary for "national security" reasons. The United States is establishing a Polaris submarine base at the huge American naval installation at Rota. This could dissuade some potential congressional critics from examining too closely the "appropriate steps" Spain is taking in its trade with Cuba. Many of the Congressmen most adamantly opposed to trade with Cuba are among those most partial to aid for Spain. Two weeks ago, the United States terminated small amounts of military assistance to Britain and France because they declined to meet the congressional mandate to stop trading with Cuba. Yugoslavia lost the right to purchase spare parts for its American military equipment. Aid to Spain and Morocco was suspended at that point, pending further negotiations about their trade with Cuba. Discussions still are continuing in Morocco's case. As little as possible was said on the record yesterday by the State Department and by the Spanish Embassy here about yesterday's decision. A State Department spokesman said only that there were "conversations" to "clarify steps taken by the government of Spain with regard to the transport of commodities to and from Cuba on Spanish flag vessels and aircraft. . . ." He declined, on instructions,

to say what "appropriate steps" Spain has taken until that can be discussed "with the Congress." Other sources said Spain has agreed to reduce its air cargo service between Havana and Madrid, while continuing its passenger service between the two capitals. Spain also is reported to have promised to terminate the contracts of its few ships trading with Cuba when those contracts expire. Spain has insisted, however, that it will not sever its relations with Cuba, primarily on grounds that there are 400,000 persons there of Spanish origin. Spain also is buying large amounts of Cuban sugar; it is selling the Castro regime 150 trucks, and reportedly is negotiating on a multi-million-dollar contract to build coastal vessels for Cuba.