

Castro

Hails U.S.

'Gesture'

Says Embargo Still a Threat To Cuba

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Cuban Premier Fidel Castro welcomed the relaxation of the American economic embargo against his nation as "a positive gesture" but he said the ban on direct trade with the United States is still "a dagger at our throat."

The Cuban leader was responding in what for him was a positive way to the U.S. decision lifting the embargo on trade with Cuba by American subsidiaries abroad, and ending the penalties imposed on other nations that trade with Cuba.

Castro, speaking in Havana Thursday night, agreed that there can be "negotiation on how to negotiate" about the total prohibition on trade between the United States and Cuba. He called that ban "the most aggressive facet of the blockade."

Previously Castro had insisted that the trade embargo would have to be ended before any negotiations between the two countries could begin. Earlier this year he modified that stand, saying that he would consider negotiations if the United States ended its restrictions on the export of food and medicines to Cuba.

At the State Department yesterday, spokesman Robert L. Funseth, responding to Castro's suggestion of possible future negotiations, reiterated the U.S. position that "we're prepared to move on a reciprocal basis with Cuba. We have emphasized that the most useful way would be through private negotiations," he added.

"As you know," Funseth told reporters, "there are still a number of outstanding issues in our bilateral relations with Cuba." He listed the major issues as follows:

"Trade is one; and family visits in both directions; American citizens who are prisoners in Cuban jails; compensation for expropriated U.S. property [estimated at \$1.8 billion]; Cuba's attitude on Puerto Rico, and whether Cuba is prepared to follow a clear practice of nonintervention everywhere in the hemisphere."

U.S. insistence that Communist Cuba cease trying to "export revolution" in the western hemisphere was the strongest demand accompanying the embargo when the United States imposed it in 1961.

Funseth said yesterday that "there certainly has been a reduction in Cuban intervention."

Castro, in his Thursday night press conference, held with visiting Mexican President Luis Echeverria, said: "The revolution cannot be exported . . . I do not think we should talk about exporting revolutions because they cannot be exported. What we should talk about is the attempt by the United States to export counterrevolution" to Cuba, to Chile, and to the Dominican Republic and other Latin nations.

Although U.S.-Cuban development
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Developments during the past week have narrowed some of the differences between the two nations, White House and State Department sources caution against expectations that a major speedup toward normalizing relations is imminent.

Domestic politics in the United States continues to put more of a brake on the normalization process than diplomatic considerations.

The Ford administration is much less hostile toward Cuba than the Nixon administration. Nevertheless, insiders concede, with a presidential election ahead, the Ford administration does not want to provide ammunition to conservative challengers, particularly Ronald Reagan.

Officials at the Commerce, State and Treasury Departments yesterday received dozens of inquiries about the embargo relaxation policy.

At Commerce, Edward P. Walinsky of the office of export administration said "I had about 30 calls myself" from companies around the country. Before the new relaxation order, that office had 14 requests pending for American subsidiaries abroad seeking to sell trucks, light bulbs, steam-generating equipment, commercial scales and other equipment to Cuba.

Castro noted that the new U.S. policy, includes the removal of penalties on other countries that trade with Cuba. Those penalties included bans on refueling ships or planes of third countries.

"I sincerely regard these steps as positive," said Castro. "We learned of these measures with great satisfaction. Nevertheless, in essence, the economic blockade persists because the prohibition on all trade between Cuba and the United States continues."

"We are willing to negotiate with the United States with absolute seriousness, frankness and responsibility," said Castro. "But," he said, "we would not like to do so with a dagger at our throat." Castro said, "This is not a condition, I would call it the essential requisite for equality to exist, to discuss with dignity."

At another point Castro said, "This does not mean that we object to establishing contact nor does it mean that

we object to holding talks. But we maintain the principle that in order to engage in deep negotiations it is necessary that the economic embargo imposed against Cuba by the United States be lifted."

American officials said on Thursday, and again yesterday, that they are prepared for discussions through diplomatic channels, not through public declarations or press interviews. Castro has been reaching over the head of the U.S. government, through visiting members of Congress as well as journalists, to press his case in public, resulting in spreading demands in Congress for a complete end to the U.S. trade embargo.