



DEPARTMENT OF STATE

Washington, D.C. 20520

September 10, 1968

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MEMORANDUM FOR THE PRESIDENT

Subject: United States Position on Spanish
Base Negotiations

On September 16 the Spanish Foreign Minister will meet with Secretary Rusk in Washington to discuss a further five-year extension of our base rights agreements.

The Senior Interdepartmental Group has endorsed recommendations for these discussions prepared by the IRG/EUR under John Leddy's leadership. In essence, the SIG has concluded:

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-- that we will be unable to meet Spanish requests for assurances about their security as part of a five-year extension of the Agreement;

[REDACTED]

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-- that we should advise the Spanish, in the course of the negotiations, that we have under study a consolidation of our Air Force facilities, which would result in the deactivation of one of these air bases.

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GROUP 3

Downgraded at 12 year intervals;
not automatically declassified.

SANITIZED

E.O. 13292, Sec. 3.5

NLJ 01-279

By is, NARA, Date 5-4-04

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(These recommendations are stated in more precise terms for your approval on pages 7-8.)

The recommendations have also been discussed with the Congress, and reaction has been favorable (see page 6).

Discussion

We maintain our bases in Spain under a Defense Agreement signed in 1953. The arrangement was for ten years (1953-63), with the proviso that it could be extended for two additional five-year periods. It was renegotiated in 1963, and is now up for renewal for the remaining five-year period (1968-73).

At present the major United States facilities are: a naval base at Rota (near Cadiz), used as a station for Polaris-[REDACTED] submarines; an air base at Moron (near Seville), containing a sea/air rescue squadron and a mobile communications group; and an air base at Torrejon (near Madrid), used by the Military Airlift Command and a tactical fighter wing. (Another air base--at Zaragoza--was placed on a standby basis in 1964.)

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Studies now under way suggest that we may be able to consolidate air force facilities--deactivate one of the air bases--without a reduction of our combat and combat support capabilities committed to NATO. The Department of Defense will submit recommendations on this point separately later this year.

The Issues

In considering our negotiating posture, the SIG and the IRG/EUR identified four major issues:

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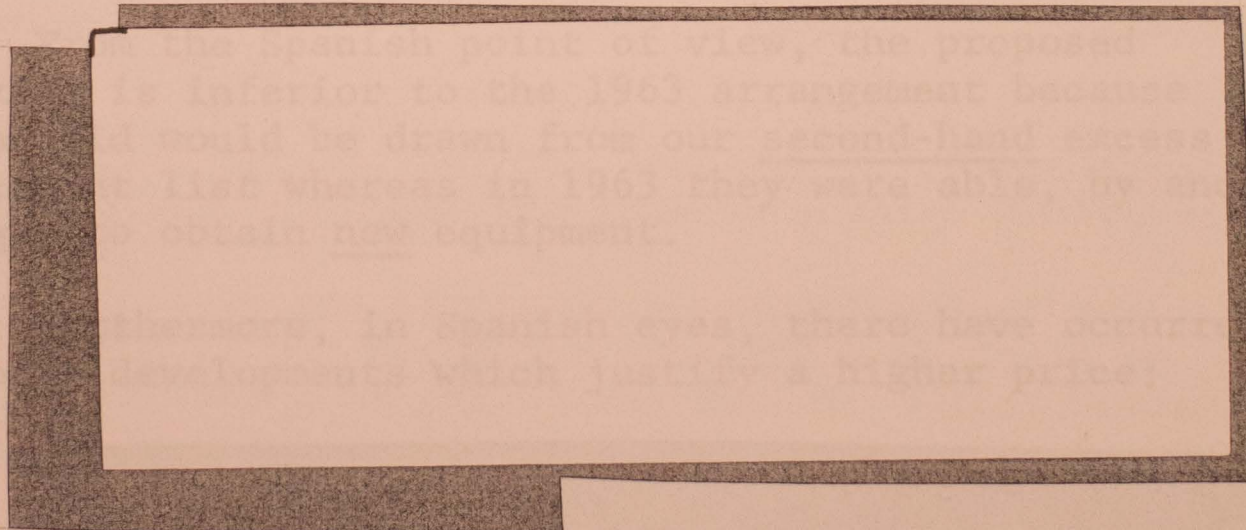
1. Why not defer this matter, letting a new Administration make its own decision?

The SIG agreed that we should try to renew our base rights quickly--although it recognized that the Spanish can delay if they wish.

The Agreement expires on September 26, but provides for a six-month consultation period beyond that date. Therefore, the next Administration would have only two months in which to negotiate should the Spanish decide to delay until January. They surely would take advantage of this fact and press hard for a higher price.

2. How big a military assistance package do we need as a quid pro quo for the extension?

The SIG approved the IRG/EUR recommendation to offer the Spanish:



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This offer would not adversely affect the U.S. balance of payments.

It was the unanimous judgment of the SIG that a grant-sales package of this order of magnitude will be

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required to assure the continued unimpaired use of our Spanish facilities. [REDACTED]

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[REDACTED]

From the Spanish point of view, the proposed package is inferior to the 1963 arrangement because grant aid would be drawn from our second-hand excess equipment list whereas in 1963 they were able, by and large, to obtain new equipment.

Furthermore, in Spanish eyes, there have occurred several developments which justify a higher price:

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-- the presence of the Soviet fleet in the Mediterranean increases the importance to us of these facilities;

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-- despite strong and persistent Spanish pleas for reclassification, we have decided to keep Spain in Schedule C under our direct investment control program--together with Common Market and other far more affluent countries.

3. What should we say to the Spanish about the reduction of our military presence?

The Spanish have repeatedly asked about our intentions to reduce or consolidate our military presence. Most recently, the Spanish Ambassador has formally presented the views of his government that, if unable to meet fully Spanish assistance requests, we consider a reduction in our military presence. This would help the Spanish government to accept an extension of the Agreement for a quid pro quo well below their request.

We are unable and unwilling to meet Spanish expectations by a substantial margin. Accordingly, a statement about our intentions is essential to make our offer acceptable.

The SIG agrees that the Secretary of State should be authorized to advise the Spanish Foreign Minister:

-- we are seriously considering a consolidation of our Air Force operations in Spain by deactivation of one of the two air bases, probably Moron, which would result in a reduction of our personnel, both military and civilian.

-- we will consult with the Spanish further on this point and take their views into account before making a final decision.

4. Can we meet Spanish requests for strengthening of the Joint Declaration?

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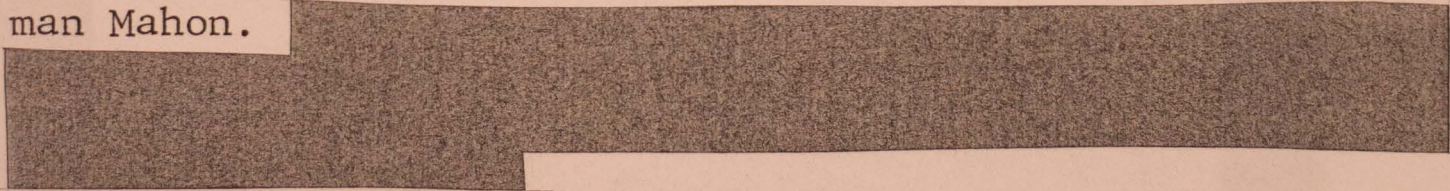
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At the time of the 1963 renewal, Spain asked for a relationship with us comparable to that of NATO countries. President Kennedy rejected this request. Instead, he approved a jointly issued declaration highlighting the common interests of the two countries (enclosure).

The Spanish have now raised this issue of a treaty relationship once again. The IRG/EUR has studied various proposals to change the language of the 1963 Joint Declaration. It has concluded that any further strengthening is not feasible. The SIG has approved the IRG/EUR findings with the understanding that we would consider such changes as the Spanish may offer provided they do not involve expanded security commitments or exceed the limits of an Executive Agreement.

Congressional Reactions

We have consulted about the proposed package with Senators Russell, Sparkman and Hickenlooper and Congressman Mahon.



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Hickenlooper and, in some measure, Russell expressed some regret that the Spanish should expect a substantial quid pro quo for arrangements serving the security of Europe as a whole. We reviewed the various reasons for increased Spanish sensitivity about our presence. They accepted our explanation and appeared relaxed (Hickenlooper) or sympathetic (Russell) on the proposed package.

We have also been in touch, through their respective staffs, with Senator Mansfield, Congressmen Albert, Ford, and Edna Kelly. None of these could foresee any difficulty.

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Recommendations

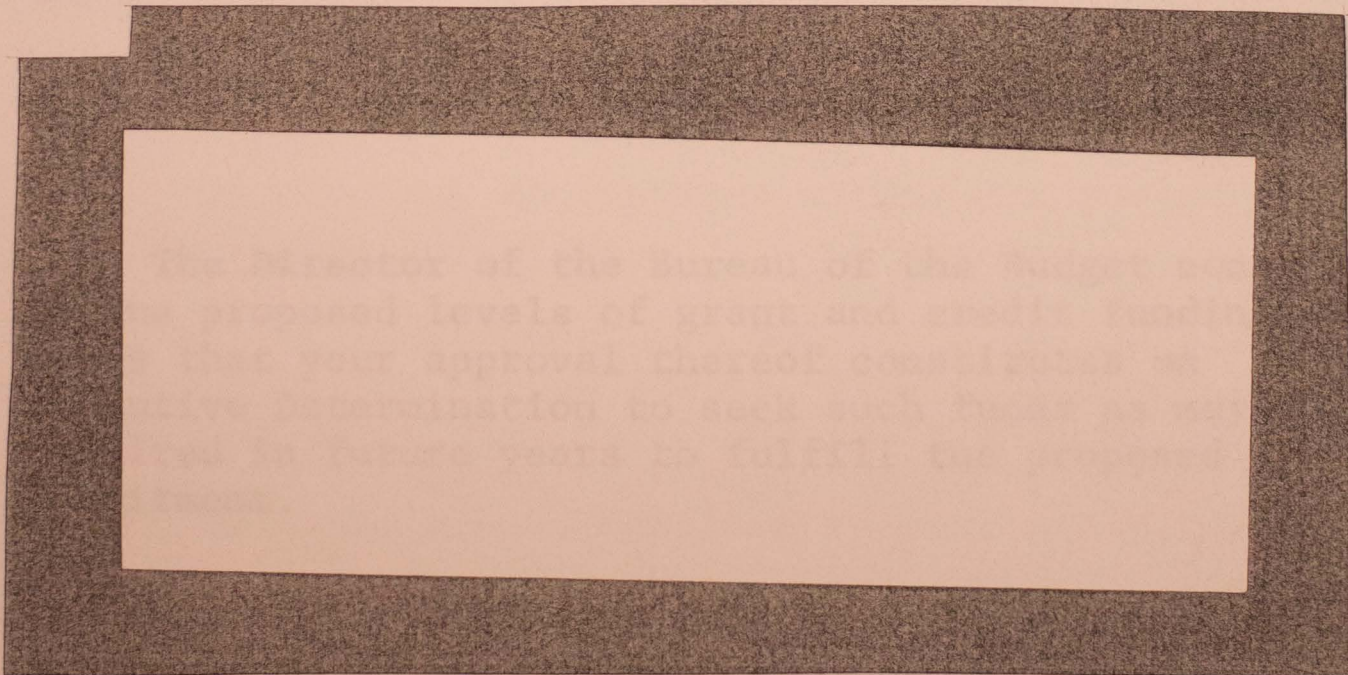
Accordingly, I recommend:



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Approve _____

Disapprove _____



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Approve _____

Disapprove _____

That you authorize Secretary Rusk to inform the Spanish Foreign Minister that:

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a. we are seriously considering a consolidation of our Air Force operations in Spain by deactivation of one of the two air bases, probably Moron;

b. we will consult with the Spanish further on this point and take their views into account before making a final decision.

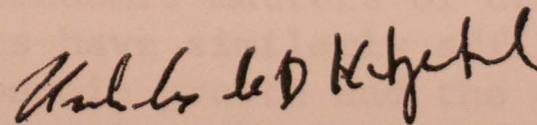
Approve _____

Disapprove _____

The Departments of Defense and Treasury and the Export-Import Bank concur in these recommendations.

* * *

The Director of the Bureau of the Budget concurs in the proposed levels of grant and credit funding and notes that your approval thereof constitutes an Executive Determination to seek such funds as may be required in future years to fulfill the proposed commitment.



Under Secretary

Enclosure:

1963 Joint Declaration.

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ANNEX
JOINT DECLARATION

The Governments of Spain and of the United States of America have engaged in discussions regarding their mutual security interests and their future relations in political, military and economic matters of common concern. In affirming the importance of their bilateral Defense Agreement, which will be applied in the new five year period of its validity in the spirit of this Declaration, they consider it to be necessary and appropriate that the Agreement form a part of the security arrangements for the Atlantic and Mediterranean areas.

The United States Government reaffirms its recognition of the importance of Spain to the security, well-being and development of the Atlantic and Mediterranean areas. The two governments recognize that the security and integrity of both Spain and the United States are necessary for the common security. A threat to either country, and to the joint facilities that each provides for the common defense, would be a matter of common concern to both countries, and each country would take such action as it may consider appropriate within the framework of its constitutional processes.

The two governments, on behalf of the peoples of Spain and of the United States, have reaffirmed their friendship and mutual trust and their determination to establish a close cooperation in order to strengthen the common defense, and to continue regular consultations on all political, military and economic matters of common interest. The two governments have similarly affirmed their desire to encourage economic growth and the expansion of trade and other economic relations among nations. They have reaffirmed their recognition of the common dangers, and their determination to maintain a close working relationship on all matters affecting their common interests and security.

/In order

In order to assure continuing joint consultations on certain special matters of interest to them, the two governments have agreed upon the arrangements set forth in an exchange of notes of this date.

Secretary of State
of the United States
of America

Minister for Foreign Affairs
of Spain