SAIGON IS MOVING TO SATISFY REDS ON A NEW REGIME

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Vietcong Indicate Privately
That Government Efforts
Have Their Approval

MINH LIKELY NEW CHIEF

Peace Bids Still Periled by Anti-Communists' Threat to Stage a Final Battle NYTimes

By MALCOLM W. BROWNE Special to The New York Times

SAIGON, South Vietnam, Saturday, April 26—The Saigon Government is moving rapidly to meet all Vietcong demands for a government acceptable to them, and the Communists have indicated privately that they tentatively approve of the proceedings.

It was expected that retired Gen. Duong Van Minh would be named interim chief of state, with a mandate to make final arrangements with the Vietcong.

The Communist threat to attack Saigon continues, but another element of danger is the possibility that some intensely anti-Communist groups, including army officers and air force pilots, may decide on their own to launch a final battle.

Initiatives Under Way

None of the principals in the current Government negotiating efforts appeared to have any stomach for continuing the struggle, and diplomatic initiatives toward a settlement reportedly were under way in several countries, including France and the Soviet Union.

The main task now appears to be not so much one of negotiating as of giving signals by specific actions. At this point, there is no trust on either side in statements and documents, only in the speed with which

Washington and Saigon act on Vietcong demands, in exchange for the safety of Saigon.

There were a number of major developments to that end.

The Vietcong have demanded the ouster of not only Nguyen Van Thieu but also his successor, President Tram Van Huong, and the rest of the "Thieu clique." President Thieu resigned Monday, President Huong is expected to resign today, and with him, Tran Van Lam, president of the Senate, who would have been next in the line of succession.

List Called Small

In a series of telephone conversations with The New York Times, the Vietcong denied that they were demanding that any particular person head a new Saigon government, but made it clear that they would reject all but, a small number of well-known politicians. Among those they did not reject was General Minh. The United States was pressing to accommodate them on this as rapidly as possible.

In radio broadcasts, the Vietcong have insisted that as a prerequisite to any conversations leading to peace, all "American troops and advisers disguised as civilians" leave Vietnam, as well as "agents of the American intelligence agency" and anyone else likely to interfere in internal affairs.

The United States, in a vast airlift during the last few days, has evacuated great numbers of its people—a fact easily checked by the Communists' intelligence apparatus.

The Vietcong, in response to a question a week ago, said that the United States Ambassador, Graham A. Martin, was "completely unacceptable" as a diplomat in this country. The Ambassador appears to be playing little direct role in current developments.

The Communists insisted that any government that comes into being immediately renounce any type of American military Continued on Page 8, Column 1 Continued From Page 1, Col. 8

aid, regardless of what Washington does, and that it adopt a policy of neutrality and opposition to any outside interference.

This condition can be met only after a government is formed. Meanwhile, the strongest possible assurances have been conveyed to the Vietcong that it will be met.

The Vietcong have demanded that the United States rescind all "fascist and antidemocratic laws" in Vietnam, and have made it known privately that they would regard the freeing of political prisoners as a sign of good faith.

Cases Reviewed

Tonight Saigon radio announced that it was reviewing the cases of "all those detained because of involvement in plots against the regime," including 18 journalists jailed by President Thieu in February as alleged Communist agents. Families of some of them said they expected their relatives to be freed by Monday. 25 PR

One pivotal figure dealing with the Communists asked them their reaction to the clear signals being sent their way and was told: "If you play gin rummy, you know that when you put down a card your opponent picks up the card to decide whether to keep or discard, it. We have picked up your card."

The Vietcong are aware that American options are tightly limited by Congressional refusal to renew military aid on the one hand and by the North Vietnamese stranglehold on Saigon on the other.

Despite the basic progress, many minor actors in the drama were seeking positions of leverage for themselves or for the groups they represent. Some evidently hope to exert a spoiling influence, if nothing else.

Among them is Air Marshal Nguyen Cao Ky, a former fighter pilot who led the first air raid against North Vietnam, a former Premier and an opponenment of Mr. Thieu. While Marshal Ky has relatively little political support and has had no military role for four years, he remains enormously popular with many combat pilots.

Pledge From Pilots

He said yesterday at a press conference that at a banquet with 50 pilots Thursday night, they had "vowed to fight on." Earlier Thursday, Marshal Ky met with 300 army officers at Long Binh, where he expressed a similiar militant approach, he said.

Yesterday some 5,000 hardline Catholics assembled at the edge of Saigon to hear Marshal Ky sneer at "the so-called Communist victory, which resulted only from our generals and officers choosing to run, even before they were attacked."

Asking rhetorically why he had not left the country yet, he said, "Why run? To do what? To eat left-over American rood? Even if the country ralls to the Communists, at least they have yellow skins like ours."

Another possible spoiler appeared to be Tran Quoc Buu, leader of the national lavor organization and a determined anti-Communist. He appealed to followers to "rise up and push the Government to right."

"To flee is to die, to fight is to survive," he said.

Huong Urged to Quit

Balanced against such opinions was that of the militant leadership. The leader of the dominant An Quang faction of the Buddhist Church, Thich Tri Quang, called on President Huong to resign immediately in favor of General Minh.

"Every minute of Mr. Huong's hesitation brings the threat closer to the lives of the people, especially the people of Saigon," he said.

Several diplomats warned Vietcong leaders that to push too hard too fast might set off uncontrollable reactions from some strong pockets of political resistance "including perhaps, even some crazy pilot."

But there was a general belief that despite such dangers, even the holdout were talking more for effect than with any hope of effective action.

WASHINGTON, April 25 (Reuters)—The marine guard at the American Embassy in Saigon has been reinforced by 40 men flown in by helicopter from the carrier Hancock off Vietnam, the Defense Department said today.

A similar reinforcement of the embassy in Phnom Penh was made several days before the helicopter evacuation of Americans from the Cambodian capital two weeks ago.

The department spokesman, Maj. Gen. Winant Sidle, said the embassy in Saigon asked for the reinforcement for the 80 marines normally assigned there as a precautionary measure.