SF EXAMINE 12

A Bleak Cambodia Outlook

Decision to Keep Capital

PHNOM PENH — (AP) — The Cambodian government feels it has no alternative but to let nearly half of the embattled country come under Communist control, diplomatic sources said today.

It is concentrating on trying to save the area around Phnom Penh and the rice belt northwest of the capital.

This is the outlook not quite three months after military officers ousted Prince Norodom Sihanouk, paving the way for U.S. and South Vietnamese entry into eastern Cambodia and prospective Thai intervention in an area on the western frontier.

Lost Control

The current situation is bleak.

The government already has lost control of the big area in the northeast and the situation there is growing more grave by the day.

But it has vowed that Phnom Penh and the area extending northwest around Tonle Sap Lake must be defended, the informants said.

The decision to give up territory to the enemy was viewed as realistic by Western military experts.

They said that, even massing its forces around the capital and along the rice belt. the government has only an even chance of surviving the

monsoon rain season, which runs about five months.

The government is also determined to hold at all costs Battambang and Siem Reap. provincial capitals west and north of Tonle Sap Lake. The cities, both regional military headquarters, are on roads to Thailand which may become the government's lifeline to the outside world.

New Losses

Government forces have been unable to push far enough southward to link up with allied units now in the provinces of Kampot and Takeo. There has been a heavy concentration of enemy troops along the route leading south.

U.S. troops are scheduled to leave Cambodia June 30 and a major part of the

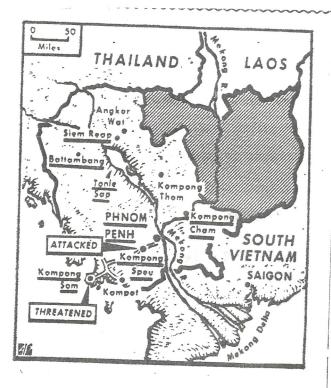
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South Vietnamese invasion force is expected to follow soon after that

Adding to the gloomy picture was a report from military sources today that enemy sources had seized nearly half of the provincial capital of Kompong Speu in sharp fighting 30 miles south of Phnom Penh.

The town lies on Route 4, the only highway open to Kompong Som, Cambodia's major port, formerly known as Sihanoukville.

Any direct threat to the port, through which all of the fuel and other vital supplies for Phnom Penh must pass, could have grave consequences. The capital has only a two-week oil stock on hand.



Cambodia is reported to have ceded control of shaded area bordering South Vietnam to the Communists but is said to be ready to defend Phnom Penh, the area around Tonle Sap Lake and the Siem Reap and Battambang regions.

"Open City"

Enemy troops also made a strong attack at Tonle Bet 50 miles northeast of Phnom Penh in what could be the prelude to new strikes against the Mekong River town of Kompong Cham, military headquarters for that region.

Tonle Bet was destroyed in fighting two weeks ago, but the Cambodians have held control of Kompong Cham, hampering the flow of North Vietnamese supplies down the Mekong to forces in South Vietnam.

Fighting at Siem Reap, near the ruins of the Angkor Wat temples has died down, spokesmen said, but strong enemy forces are still in the area.

The Phnom Penh government has declared Angkor and its historic temple ruin an "open city," a Cambodian military spokesm an ansaid, meaning that, if enemy forces occupy the site, government troops will take no action.

The spokesman said he had no official word that the North Vietnamese and Viet Cong, believed to be in close to division strength around Siem Reap, had actually moved into the ruins.