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U.S. Cites Gains in Laos Amid Reports of Setbacks

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WASHINGTON, March 18—The Nixon Administration sought today to maintain both its composure and its optimism in the face of mounting reports that the South Vietnamese were being compelled to retreat in Laos.

At his regular briefing this morning, Ronald L. Ziegler, the White House press secretary, asserted that the South Vietnamese had inflicted "substantial" losses on the enemy, and that the operation itself was "proceeding toward its objective of disrupting" enemy supply lines in the Ho Chi Minh Trail network.

The same assertions were advanced at the Pentagon, where Jerry W. Friedheim, the Defense Department spokesman, said that the South Vietnamese were "continuing their disruption" of the trail and that orders had not yet been given for "any major redeployment of South Vietnamese troops."

Mr. Friedheim also disclosed however, that there had been indications of increased enemy activity in the northern half of the demilitarized zone which straddles the border between North and South Vietnam.

He said the North Vietnamese

had replaced at least some of the regiments that were sent from three divisions stationed just north of the zone to contest the South Vietnamese operation in Laos.

Saigon's Forces Shifted

Mr. Friedheim further noted that the demilitarized zone represented one flank of the current South Vietnamese ground operation in neighboring Laos, and that the South Vietnamese First Infantry Division, which normally shields the zone, was now in Laos.

There was some speculation here that in these and other comments Mr. Friedheim was starting to build a case for early withdrawals by the South Vietnamese from Laos. But Mr. Friedheim denied that he was trying to provide any such justification, asserting instead that he was merely describing the military situation as he saw it.

Mr. Friedheim declined to characterize the new activity in the demilitarized zone, nor would he say whether it was in any way a violation of the tacit understanding of 1968, under which the North Vietnamese were said to have agreed to stop military operations across the zone.