U.S. Aide Says Laos Wants to Keep Ties

Government leaders today, say year. retain her ties with the United said, however, that it is unlike- als from bank accounts in ing that Laos still wanted to

to maintain relations with the lion it reached during the last United States," said Mr. Habib, year.

the highest ranking Administration official to visit Southeast repeated anti-American demonstrations the turnover in strations throughout the country by people, chiefly wealthy Chinese and Vietnam and Cambodia. Try and the detention of a mese merchants, who are leaving, but most banking officials of Savannakhet, the Laotian foliationship," he added, "but Government has said that it it is still a matter for discussivant all American personnel." United States," said Mr. Habib, year.

by plane for Bangkok, senior for aid to continue only on a the largest banks at least 50 American officials disclosed straight grant basis. American per cent of the accounts had that negotiations on American officials have indicated that dwindled away and in some property and projects and on this may prove unacceptable of the smaller Chinese-run the future aid program had to Congress and the State De- banking houses that figure was begun, with a committee of partment. 21 Laotian Government representatives from each of the Change in City's Rule Cited So late and can be so easily ministries.

These talks will deal with that in Savannakhet, where precisely what and how much that in Savannakhet, where intended simply as a preliminaAmerican property and equipCommunist-led Pathet Lao ry signal that soon all currency transactions would be frozen week ago, a new civilian adminute over to the Laotian istration, apparently with confidence intended simply as a preliminary signal that soon all currency transactions would be frozen cy—also called the kip, but on a completely different exchange rate that has never been here provided an apparent of the community of the commu any aid programs might as- been appointed.

this afternoon that no specific Laos - since students first country that the Communists

Special to The New York Times
VIENTIANE, Laos, June 3—
Assistant Secretary of State
Philip C. Habib wound up two
days of talks with the Laotian
Covernment leadons today.

ly that aid will continue in any private banking facility "There is no question in my the future at anywhere near may exceed 10,000 kip, or mind that the leadership seeks the level of more than \$30-mil- about \$8, at one time.

it is still a matter for discus- wants all American personnel door when the whole herd has sion and negotiation." in the Agency for International fled," one French banking offi-Shortly after Mr. Habib left Development to leave Laos, and cial said, noting that even in

These talks will deal with tian press agency announced ers here believe that it was

There has been no effective take over. Mr. Habib told reporters in civilian administration in the This Pathet Lao kip is already a brief airport news conference city—the second largest in in use in the areas of the dollar figures had been dis-seized the administration cen-control.

cussed with respect to the aid ter there last month and sent

American officials here have has ordered that no withdraw-

Officially the order is designed to discourage the carry-

more than 90 per cent.

In fact, the measure comes Meanwhile, the official Lao-circumvented that many bankfully explained here—will soon