

Pathet Lao, After Closing U.S. Aid Unit, Is Reported Angry at Ending of Help

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VIENTIANE, Laos, Oct. 1—The Communist-led Pathet Lao, having seized and closed the once vast United States aid mission here during the summer, is now reportedly angry with the United States for having cut off further economic assistance, including a promised \$5-million contribution to a large dam project.

Diplomats say that the continued existence of the United States Embassy in Vientiane, the only one left in Indochina, may depend on whether Washington is willing to resume its aid.

Prospects for a resumption of aid, which totaled \$30-million last year, look poor. United States officials take the position that there must be some form of settlement of the troubles of the summer, when students, Laotian employes of the United States Agency for International Development and Pathet Lao soldiers took over the A.I.D. compound, a large American housing complex and other United States property valued at millions of dollars.

Moreover, American diplomats point out, Congress in July prohibited further aid of any sort to Indochina, including assistance given through international agencies.

Future U.S. Role Uncertain

In the meantime, United States officials here, who appear to have adjusted to their sudden loss of status, say they are uncertain about their future role.

"The Pathet Lao have been courteous in private and don't give any indication they want us out altogether," a senior United States official remarked. "But in nearly every conversation they raise the question of restarting aid. I don't plan more than a few weeks ahead."

In keeping with its new lowered position, the United States mission, which as recently as two years ago numbered 1,200 Americans, has been reduced to 28, including six Marine guards and a military attaché. No dependents are allowed.

One American official, reflecting how tenuous the United States role has become, now carries his entire file of classified documents, one thin folder,

around the embassy with him. The large embassy parking lot, crammed with dozens of cars left behind by Americans forced to leave Laos with almost no warning is a mute daily reminder of the past.

By contrast with some of his predecessors, whom the Laotians often accused of acting like viceroys, the new chief

United States representative here, Thomas J. Corcoran, the chargé d'affaires, is a quiet and unpretentious man.

Breaking of Pledge Charged

Although Pathet Lao officials refused to speak with American newsmen here this week, diplomats and others familiar with their thinking explained that when they insisted on the closing of the A.I.D. mission, they did not intend to end all American economic assistance.

Pathet Lao broadcasts have accused the United States of breaking its pledge to contribute to the Ngum River Dam project, about 40 miles north of Vientiane. In talks with diplomats here, the Communists have reportedly explained that the United States has an obligation to help heal the wounds of war and have quoted the 1973 Paris truce agreement on Vietnam in which the United States indicated an intent to provide postwar help in Vietnam, though not in Laos.

"All we wanted was to end the parallel administration in Laos," Premier Souvanna Phouma said, alluding to a common Laotian complaint that the aid mission was more powerful than the Laotian Government. The Premier, who for years tried to steer a middle course between the Pathet Lao and the Rightists, has been stripped of all his power since the Communists took over in Vientiane in May.

"The United States is such a rich and powerful country it should not attach importance to such small questions," Prince Souvanna Phouma said of the seizure of United States property. "I would think it is in the interests of the United States to keep this embassy," he added, speaking in French.

Private Property Taken

However, United States officials here, while recognizing that they cannot hope to obtain full compensation for the losses suffered last summer, insist that there must be a settlement of "unresolved problems," as a diplomat put it. In particular, the diplomat explained, officials want some basic recognition by the Pathet Lao representatives that there was a difference between property they took that belonged to the United States Government and property that belonged privately to Americans.

American cars, stereo sets, clothing and food valued at hundreds of thousands of dollars were reportedly looted. An American school, a large medical unit with supplies and a swimming pool were also taken over by the Communists.

The major American aid item that has been terminated is the United States contribution to the important Foreign Exchange Operations Fund, which for 10 years has provided the only means for Laos to make purchase in foreign markets. Last year the United States share of the fund was \$16.1-million, more than half of the \$32-million total. The remainder came from donations by France, Britain, Japan and Australia and Laos's own meager foreign earnings.

This year Washington had given \$5-million before payments were ended in June.

Last month the United States announced that it was also canceling its promised \$5-million contribution for the second stage—estimated at \$40-million—of the Ngum River Dam project. The dam provides electricity not only for Laos but also for Thailand. West Germany has indicated that it will make up the missing amount.

Little Farm Aid Budgeted

The two outlays, for the Foreign Exchange Fund and the dam, along with (U.S.) salaries and maintenance expenses here, would have accounted for most of the \$30-million or so originally planned in United States aid for Laos this year. Only a small amount, as in past years, was to go for assistance to agriculture, education and other typical aid programs.

In fact, some American and other diplomats now wonder what was achieved by the hundreds of millions of dollars the United States spent here over many years. American economic aid alone, which was only a fraction of the military spending, has totaled about \$920-million since 1955 for this country of three million people.