American military billet called Victoria Friday morning is regarded for as a significant milestone away from winning the anti-Communist war here.

The last hopes of any type of victory in this political-military war by the American and South Vietnamese forces seems to be fading.

The final indications that the anti-Communist military regime can survive seem to be passing.

The Vietnamese political trends are slowly gliding towards by towards age series of provisional and interim neutralist governments, which will bequeath to to American combat units "either age camouflaged retreat, if notiptnot age humiliating defeat, one Western diplomat explained.

(More-Miller-HD)

The significance is that while the f overt Communist Viet Cong can continue their military acts of terror—even in Saigon—the more flamman nationalist elements in the vorit volatile northern provinces are still choosing to openly, if notrptnot deliberately, to the continue to attack the Vietnamese government and the American military presence rather than the Communists.

In short, the nationalist elements in the northern provinces, possibly infiltrated by covert Communist subversives, are more anti-government and anti-American than the they are against the Communists.

battle on the streets of Saigon, and then blew up the American officers billet, killing three Americans and three Vietnamese, wouldn't wounding seventy two Americans and eleven Vietnamese.

Yet, four hundred miles north of Saigon, in the notbed of revolt revolting hotbed of Hue, Buddhist-led demonstrators held as a "virtual prisoner" an important general dispatched from Saigon to make a compromise with the anti-government dissident elements. But, General Phan Xuan Chieu, who is secretary-general (or no. three) in the ruling ten-man, anti-Communist military junta, instead of obtaining a compromise, was forced to march to the Hue radio station by rabid students, and then was "quasi-detained" in their struggle committee headquarters.

(More-Miller-BD)

"The seizure of General Chieu makes impossible any compromise between the Saigon government and the Buddhist-fomented dissidents." one highly reliable source explained. "Nobody ever thought that their could be a compromise in the first place. but this is the final evidence that income are attempts to do so are only wasting time. And wasting time now med means to help the Communists."

In both Hue, with the military discipline of the Vietnamese armed forces appeared to be shattered as reports reached here that the ten-thousand man First Intention Vietnamese Infantry Division was also turning against the Saigon government and would refuse to by obey any orders to maintain law and order in the face of the rising tide of anti-government, anti-American dispersan disturbances, disorders and possible future violence.

In Saigon, the political cohesiveness of the Vietnamese armed forces which is considered to be the oxign walten major anti-Communist political force in the country-also seemed to be broken. The seizure of General Chieu would have a disunifying impact s within the ten-man ruling junta itself, sources believed, while at the same time, Vietnamese government sources said that executive chief of staff of the Vietnamese at the Vietnamese High Command, Maj. Gen. Linh Quang Vien, wouldmin warmen is transferred and will/be re-assigned as Minister of Interior.

## The move is interpreted here

The transfer of the Ministry of Interior—which is significant in that it controls the Vietnamese police—from evi civilian to military hands is regarded here as a tipoff that the Saigon regime may possibly attempt to crackdown on extremist and subversive troublemakers, especially in the northern provinces.

In the face of these internal political traffic turbulence, the Vietnamese anti-Communists had hoped that the rock of stability in the political piecture would be the American official position in Washington.

Instead the call by Vice President Hubert Humphrey this week for a non-aligned South Vietnam and South East Asia; in the words of aye Vietnamese government official, was "the hand-writing on the wall. The Americans are tossing in the sponge here."

at this crucial juncture, is considered likely to widen the cleavage between the Americans and the Vietnamese at all levels, as well as further political intimidation of the riche wealthy property owning classes.

"The Vietnamese government has been clamping down for more taxes from the wealthy property owners—even though this is their economic base of support for the regime," one reliable source explained. "Now, the Vietn Cong through terrorism are warning these property owners to deal with the Communists. So, even the rich class in Saigon is caught between the hammer and the anvil."