

"SEC. 663. Exchanges of Certain Materials.—(a) Notwithstanding any other provision of law, whenever the President determines it is in the United States national interest, he shall furnish assistance under this Act or shall furnish defense articles or services under the Foreign Military Sales Act pursuant to an agreement with the recipient of such assistance, articles, or services which provides that such recipient may only obtain such assistance, articles, or services in exchange for any necessary or strategic raw material controlled by such recipient. For the purposes of this section, the term 'necessary or strategic raw material' includes petroleum, other fossil fuels, metals, minerals, or any other natural substance which the President determines is in short supply in the United States.

"(b) The President shall allocate any necessary or strategic raw material transferred to the United States under this section to any appropriate agency of the United States Government for stockpiling, sale, transfer, disposal, or any other purpose authorized by law.

"(c) Funds received from any disposal of materials under subsection (b) shall be deposited as miscellaneous receipts in the United States Treasury."

22 USC 2423.

22 USC 2751  
note."Necessary or  
strategic raw  
material."

WAIVER OF PROHIBITION AGAINST ASSISTANCE TO COUNTRIES ENGAGING  
IN CERTAIN TRADE OR SHIPPING

SEC. 33. Chapter 3 of part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 664. Waiver of Prohibition Against Assistance to Countries Engaging in Certain Trade.—Any provision of this Act which prohibits assistance to a country because that country is engaging in trade with a designated country, or because that country permits ships or aircraft under its registry to transport any equipment, materials, or commodities to or from such designated country, may be waived by the President if he determines that such waiver is in the national interest and reports such determination to the Congress."

22 USC 2424.

POLICY WITH RESPECT TO INDOCHINA

SEC. 34. (a) The Congress finds that the cease-fire provided for in the Paris Agreement on Ending the War and Restoring Peace in Vietnam has not been observed by any of the Vietnamese parties to the conflict. Military operations of an offensive and defensive nature continue throughout South Vietnam. In Cambodia, the civil war between insurgent forces and the Lon Nol government has intensified, resulting in widespread human suffering and the virtual destruction of the Cambodian economy.

22 USC 2431  
note.

24 UST 1.

(b) The Congress further finds that continuation of the military struggles in South Vietnam and Cambodia are not in the interest of the parties directly engaged in the conflicts, the people of Indochina or world peace. In order to lessen the human suffering in Indochina and to bring about a genuine peace there, the Congress urges and requests the President and the Secretary of State to undertake the following measures:

- (1) to initiate negotiations with representatives of the Soviet Union and the People's Republic of China to arrange a mutually agreed-upon and rapid de-escalation of military assistance on the part of the three principal suppliers of arms and material to all Vietnamese and Cambodian parties engaged in conflict;
- (2) to urge by all available means that the Government of the Khmer Republic enter in negotiations with representatives of the

Khmer Government of National Union for the purpose of arranging an immediate cease-fire and political settlement of the conflict; and to use all available means to establish contact with the Khmer Government of National Union, and to urge them to participate in such negotiations. The United States should urge all Cambodian parties to use the good offices of the United Nations or a respected third country for the purpose of bringing an end to hostilities and reaching a political settlement;

(3) to utilize any public or private forum to negotiate directly with representatives of the Democratic Republic of Vietnam, the Provisional Revolutionary Government, and the Republic of Vietnam to seek a new cease-fire in Vietnam and full compliance with the provisions of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, including a full accounting for Americans missing in Indochina;

(4) to reconvene the Paris Conference to seek full implementation of the provisions of the Agreement of January 27, 1973, on the part of all Vietnamese parties to the conflict; and

(5) to maintain regular and full consultation with the appropriate committees of the Congress and report to the Congress and the Nation at regular intervals on the progress toward obtaining a total cessation of hostilities in Indochina and a mutual reduction of military assistance to that area.

24 UST 1.

Report to  
Congress.

#### PRINCIPLES GOVERNING ECONOMIC AID TO INDOCHINA

22 USC 2431  
note.

SEC. 35. (a) Congress calls upon the President and Secretary of State to take the following actions designed to maximize the benefit of United States economic assistance:

(1) to organize a consortium to include multilateral financial institutions to help plan for Indochina reconstruction and development; to coordinate multilateral and bilateral contributions to the area's economic recovery; and to provide continuing advice to the recipient nations on the use of their own and outside resources;

(2) to develop, in coordination with the recipient governments, other donors, and the multilateral financial institutions, a comprehensive plan for Indochina reconstruction and economic development;

(3) to develop country-by-country reconstruction and development plans, including detailed plans for the development of individual economic sectors, that can be used to identify and coordinate specific economic development projects and programs and to direct United States resources into areas of maximum benefits;

(4) to shift the emphasis of United States aid programs from consumption-oriented expenditures to economic development;

(5) to identify possible structural economic reforms in areas such as taxation, exchange rates, savings mechanisms, internal pricing, income distribution, land tenure, budgetary allocations and corruption, which should be undertaken if Indochinese economic development is to progress;

(6) to include in Indochina economic planning and programing specific performance criteria and standards which will enable the Congress and the executive branch to judge the adequacy of the recipient's efforts and to determine whether, and what amounts of, continued United States funding is justified; and