exist in their territory in the field of agricultural working practices, in close co-operation with UNICEF, ILO, FAO and the private sector.

The ICCO has decided to include in the design of its relevant projects, activities in support of member countries in the eradication of unlawful practices concerning child labour.

KOUAMÉ EDOUARD,
*Executive Director.*

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JOINT STATEMENT, November 30, 2001

The Association of the Chocolate, Biscuit and Confectionery Industries of the EU, the Chocolate Manufacturers Association of the USA, the Confectionery Manufacturers Association of Canada, the Cocoa Association of London and the Federation for Cocoa Commerce, the Cocoa Merchants Association of America, the European Cocoa Association, the International Office of Cocoa, Chocolate and Confectionery, the World Cocoa Foundation, the Child Labor Coalition, Free The Slaves, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations, and the National Consumers League (sometimes hereinafter the ''Signatories'') recognize the urgent need to identify and eliminate child labour in violation of International Labour Organization (''ILO'') Convention 182 with respect to the growing and processing of cocoa beans and their derivative products. The Signatories also recognize the need to identify and eliminate practices in violation of ILO Convention 29 with equal urgency.

The Signatories affirm their support for the International Labour Organization's (LIO) mission to improve working conditions worldwide, as exemplified in the ILO Declaration on Fundamental Principles and Rights at Work. We also share the view that practices in violation of ILO Conventions 182 (the ''worst forms of child labour'') and 29 (''forced labour'') result from poverty and a complex set of social and economic conditions often faced by small family farmers and agricultural workers, and that effective solutions to address these violations must include action by appropriate parties to improve overall labour standards and access to education.

The Signatories support the framework provided in the Protocol signed by the Chocolate Manufacturers Association and the World Cocoa Foundation on September 19, 2001, which provides for cooperation and for credible, problem solving in West Africa, where a specific program of research, information exchange, and action is immediately warranted. This Joint Statement expresses the shared commitment of the Signatories to work collaboratively toward the goal of eliminating the worst forms of child labour and forced labour in cocoa growing.

The strategies developed as part of this process will only be credible to the public and meet the expectations of consumers if there is committed engagement on the part of governments, global industry (comprised of major manufacturers of cocoa and chocolate products as well as other, major cocoa users), cocoa producers, labour representatives, non-governmental organizations, and consumers that have joined this process.

The Signatories recognize the need to work in concert with the ILO because the ILO will play an important role in identifying positive strategies, including developmental alternatives for children engaged in the worst forms of child labour and adults engaged in forced labour in the growing and processing of cocoa beans and their derivative products.

The strategies to be developed will be effective only if they are comprehensive and part of a durable initiative. The steps to be taken to sustain this initiative include: (i) execution of a binding memorandum of cooperation among the Signatories that establishes a joint action program of research, information exchange, and action to enforce the internationally-recognized and mutually-agreed upon standards to eliminate the worst forms of child labour in the growing and processing of cocoa beans and their derivative products; (ii) incorporation of this research that will include efforts to determine the most appropriate and practicable independent means of monitoring and public reporting in compliance with those standards; and (iii) establishment of a joint foundation to oversee and sustain efforts to eliminate the worst forms of child labour and forced labour in the growing the processing of cocoa beans and their derivative products. The Signatories welcome industry's commitment to provide initial and ongoing, primary financial support for the foundation.

We anticipate that other parties may be able to play a positive role in our important work. Subject to mutual consent by the Signatories, additional parties may be invited to sign onto this statement in the future.

Witnessed by the International Labour Organization this 30th day of November, 2001. Geneva, Switzerland.

Mr. Frans Roselaers, International Labor Organization.

Mr. David Zimmer, CAOBISCO.

Mr. Lawrence Graham, Chocolate Manufacturers Association of the USA.

Mr. John Rowesome, Confectionery Manufacturers Association of Canada.

Mr. Phil Sigley, Federation for Cocoa Commerce.

Mr. Thomas P. Hogan, Cocoa Merchants Association of America.

Mr. Robert Zehnder, European Cocoa Association.

Mr. Tom Harrison, International Office of Cocoa, Chocolate and Confectionery.

Mr. Bill Guyton, World Cocoa Foundation.

Ms. Darlene Adkins, The Child Labor Coalition.

Mr. Kevin Bales, Free the Slaves.

Mr. Ron Oswald, Allied Workers' Associations (IUF).

Ms. Linda Golodner, National Consumers League.

ASSOCIATION OF THE CHOCOLATE, BISCUIT AND CONFECTIONERY INDUSTRIES OF THE EU, CHOCOLATE MANUFACTURERS ASSOCIATION, CONFECTIONERY MANUFACTURERS ASSOCIATION OF CANADA, EUROPEAN COCOA ASSOCIATION,
*December 1, 2001.*

INTERNATIONAL ALLIANCE JOINS FORCES TO ADDRESS CHILD LABOUR ABUSE IN THE WEST AFRICAN COCOA SECTOR

The global cocoa and chocolate industry today joined a diverse group of partners to sign a joint statement re-affirming the urgent need to end the worse forms of child labour and forced labour in cocoa cultivation and processing in West Africa. The joint statement was signed by representatives of non-governmental organisations, anti-slavery and human rights experts, consumer groups and labour representatives. The International Labor Organization (ILO) witnessed signature of the statement.

The problems of the worst forms of child labour and forced labour are complex and can only effectively be addressed with the commitments of all the partners signing the statement today, together with governments. The global cocoa and chocolate industry is committed to playing an active part in this initiative. A significant effort is under way to asses the precise scope of the problem through independent investigative surveys. The data of the surveys will be analysed by experts during the first quarter of next year.

Today's joint statement is in keeping with the commitments made by industry to address the worst forms of child labour and forced labour. On 19 September this year, industry developed and signed a protocol, which lays out an action plan to combat the problem, with input from governments and human rights experts. Active implementation of the industry Protocol began in October this year.

In addition, industry has constituted a Broad Consultative Group to advise in the formulation of appropriate remedies for the elimination of the worst forms of child labour and forced labour in the growing and processing of cocoa beans. The signatories to the joint statement have been invited to join the Broad Consultative Group.

The signatories to the joint statement are: Cocoa and Chocolate Industry, The Association of the Chocolate, Biscuit and Confectionery Industries of the EU (CAOBISCO), International Labour Organisation (Witnessing); The Chocolate Manufacturers Association of the USA (CMA), Free The Slaves; The Confectionery Manufacturers Association of Canada (CMAC), The Child Labor Coalition; The Cocoa Association of London (CAL), The National Consumers League; The Cocoa Merchants Association of America (CMAA), The Federation for Cocoa Commerce (FCC), The International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations (IUF); The European Cocoa Association (ECA); The World Cocoa Foundation (WCF); The International Office of Cocoa, Chocolate and Confectionery (IOCCC).

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## CHINESE MILITARY'S USE OF FOREIGN TECHNOLOGY

Mr. KYL. Mr. President, a recent article in the Far Eastern Economic Review on China's use of foreign technology to modernize its military explains the far-reaching impact of China's purchase of foreign technology on that country's military capabilities. For example, it describes Rolls Royce's recent sale to China of 90 Spey jet engines, some of which will likely be used for the Chinese military's JH–7 fighter bombers. The technology used in these engines is admittedly dated; but some are concerned that the sale may represent the beginning of a larger relationship between Rolls Royce and China. The article also details China's growing reliance on Russian-designed aircraft, missiles, and navy destroyers and submarines. A February 2001 article in Jane's Intelligence Review described the relationship further, stating:

> Between 1991 and 1996 Russia sold China an estimated $1 billion worth of military weapons and related technologies each year. That figure doubled by 1997. In 1999 the two governments increased the military assistance package for a second time. There is now a five-year program (until 2004) planning $20 billion worth of technology transfers.

Perhaps of even greater concern is that, according to the Wisconsin Project on Nuclear Arms Control, the United States approved $15 billion in ''strategically sensitive exports'' to China during the 1990s. These exports included equipment that can be used to design nuclear weapons, build nuclear

weapons components, improve missile designs, and build missile components. And it is important to remember China's primary objective in acquiring these and other military technologies, to be able to defeat our long-standing, democratic ally Taiwan in a conflict quickly enough to prevent American military intervention.

Last September, the Senate passed S. 149, the Export Administration Act of 2001. S. 149 was approved despite serious concerns of some, including myself, that the U.S. export control process is ineffective in stopping the export of militarily sensitive technologies to countries, like China, that pose a potential military threat to the United States or to U.S. interests abroad. S. 149, if enacted into law, would allow China to import even more sensitive technology than it has in the past. It would decontrol a number of dual-use technologies, including items used to make nuclear weapons and long-range missiles.

I urge my colleagues to take a moment to read the Far Eastern Economic Review article, and to consider the impact on China's military capabilities of foreign technology purchases and, more importantly, the potential long-term ramifications of further weakening the U.S. export control process.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Far Eastern Economic Review, Jan. 24, 2002]

CHINA—ARMS

(By David Lague in Hong Kong)

Buying Some Major Muscle: The People's Liberation Army is shopping for foreign arms and the latest military technology with a vengeance; Costing tens of billions of dollars a year, this drive will change the face of its forces at war and is unsettling some foreign governments.

In the field of frustration and broken dreams that for many foreign firms is the China market, arms dealers and suppliers of technology to boost military firepower have discovered their El Dorado.

International arms-trade monitors estimate that China is now the world's biggest arms importer as it steps up a drive to re-equip the People's Liberation Army so that, if necessary, it has the strength to recover Taiwan by force and can deter intervention by the United States in a cross-strait conflict.

From supersonic fighters and missiles to computer-aided-design software the PLA and its associated civilian agencies are filling order books across the world.

''In my view, practically every area of PLA modernization is affected by the acquisition, utilization, absorption or development of foreign technology,'' says PLA watcher Richard Fisher of the Jamestown Foundation in Washington.

The Stockholm International Peace Research Institute in its 2001 yearbook noted that China had become the world's biggest importer of arms in 2000, mainly through deliveries of ships and combat aircraft from Russia. These imports were valued at close to $3 billion, more than twice any other buyer's tally. In the secretive world of the international arms trade, the true value of Chinese offshore orders is difficult to uncover. Defence experts estimate up to half of Russia's $4 billion in military sales last year went to China. When combined with imports of so-called dual-use technology—equipment and know-how with military as well as civilian applications—most analysts expect the total to be much higher.

To pay for what Fisher described as its international military ''spending spree,'' Beijing announced in March last year that its published defence budget was jumping more than 17% to $17.2 billion. Real annual spending, including payments for foreign weapons and technology, is estimated by many analysts at more than $60 billion. The government is already signalling that it plans further defence-budget increases this year.

The main beneficiaries of Chinese spending: Russia and Israel, since the West imposed an arms embargo in retaliation of the 1989 Tiananmen Massacre. U.S. and European makers of nonlethal military hardware and dual-use technology are, however, eager suppliers.

The independent U.S. Wisconsin Project on Nuclear Arms Control calculates that Washington approved some $15 billion in strategically sensitive exports to China in the decade up to 1999. These included advanced computers needed to design and test nuclear weapons, machine tools for making missile parts and specialized equipment used for making military semiconductors.

Some key customers for U.S. technology are the China Precision Machinery Import-Export Corp., a maker of anti-ship missiles, the National University of Defense Technology, which designs weapons, and Huawei Technologies—accused by Washington of helping Iraq improve its air-defense system.

In recent years, much international attention has focused on sensational allegations of Chinese espionage at U.S. nuclear-arms laboratories. But far from having to steal much of the latest military technology, Beijing is simply buying it.

''Western companies want to get into this market,'' says Taipei-based PLA analyst Tsai Min-yen of the Taiwan Research Institute. ''The way they can build contacts with China is to sell these dual-use or nonlethal technologies.''

Even such top Western firms as British engine-maker Rolls-Royce are looking for a piece of the action. It sells defense equipment as part of its broader aerospace, marine and energy business in China—though it is reluctant to give details of its military sales.

Rolls-Royce confirmed to the REVIEW that it recently supplied up to 90 Spey jet engines and spares to China that defence analysts believe the PLA intends to fit on to its JH–7 fighter-bombers—also being modified with modern radar and long-range missiles.

Rolls-Royce spokesman Martin Brodie says that the company first supplied this engine type to China in the 1970s and continues to support that original deal. ''The details of our support are, as with most companies, a matter of commercial confidence,'' he says.

The PLA needs more of the reliable Spey engines because it failed to copy those it received earlier and hasn't designed a local replacement. Rolls-Royce argues its Spey engines incorporate 1960s technology, implying they will not significantly boost PLA power. In contrast, Asia-based Western defense officials say the Pentagon objected to the latest deal on the grounds that it would enhance the PLA's capabilities.

Rolls-Royce indicates more defense-related business is on its mind. On a visit in October, Chief Executive John Rose discussed ''current cooperation and opportunities for the future'' with officials from China's Commission on Science, Technology and Industry for National Defense, according to a company statement.

Earlier British technology sales proved a boost to the PLA. In 1996, Racal Corp., now part of the French Thales Group, sold up to eight Skymaster long-range airborne radars to be fitted on PLA Navy Y–8 aircraft. Britain at the time justified the sale by saying it would help Beijing against rampant smuggling. Since then, the specialist defence press has reported that these aircraft are used to assist Chinese missile warships locate distant targets.

Other British sales are aimed at civilian use but seem to offer clear military advantages. Surrey Satellite Technology, perhaps the world's leading micro-satellite maker, has played a major role developing China's infant micro-satellite industry with technology transferred to China through a joint venture with Beijing's elite Qinghua University. Specialists have warned that this type of technology is vitally important for the Chinese military to mount combined air and sea operations in the Taiwan Strait.

Company spokeswoman Audrey Nice rejects any link between Surrey's technology and the Chinese military. ''The PLA does not exist as far as Surrey is concerned,'' she says. ''There are no defence applications whatsoever.'' However, she is unable to rule out Chinese military access to data from satellites launched as a result of the joint-venture collaboration. ''The satellite is owned by Qinghua University,'' says Nice, adding that any questions should be directed to the university.

To reduce its dependence on foreign suppliers, China is investing heavily in research and development to build a military industrial base. In the meantime, the PLA armoury resembles an overflowing shopping trolley at an international arms bazaar—with imported arms and technology ordered before the Tiananmen embargo being gradually introduced and combined with the newer purchases.

Should China go to war in the near future over Taiwan, its air force will rely on front-line Russian-designed strike aircraft alongside locally built fighters based on an Israeli design partially funded by the U.S.

Other Chinese-made aircraft will carry Russian and Israeli missiles and find their targets with British and Israeli radar and electronics. The navy will deploy a combination of powerful new Russian warships and submarines alongside locally built ships fitted with U.S. and Ukrainian engines and Italian torpedoes. French companies have supplier air-warfare missiles, tactical command-and-control systems and helicopters.

On land, the PLA will field modern Russian tanks and artillery. Many armoured vehicles will be protected with advanced Israeli-designed armour cladding. Older Chinese tanks have Israeli gun and gunsight systems.

Overhead, satellites built with British and German help will keep watch on the battlefield, fix positions for ground forces and feed target data to ships and aircraft. Meanwhile China's nuclear deterrent will be mounted on launchers improved with assistance supplied by the U.S.

Beijing isn't shy about its growing power. When one of the PLA navy's latest class of warship, the sleek 8,000-tonne guided-missile destroyer Shenzhen, berthed in Hong Kong in November after visiting Europe, it was touted as an example of how China was capable of building world-class warships.

That may be an exaggeration with most Western counterparts. But by regional standards, the Shenzhen's Ukrainian gas turbines,

French Crotale air-defense missiles, Russian YJ–2 anti-ship missiles and two Russian Ka–28 anti-submarine-warfare helicopters make it formidable vessel.

While the arms merchants pile in, there are clear signs of unease in some foreign capitals about the scale of China's arms-buying bonanza and the danger to regional security. For the U.S. and regional governments, the main concern is that short-term corporate greed is overpowering Western fears of arming a potential enemy of the future to the teeth.

Reflecting such official unease, New York-based satellite-maker Loral Space & Communications agreed with the U.S. Justice Department this month to pay a record $14 million fine to settle charges that it may have illegally given satellite know-how to Beijing.

Hughes Electronics of California is also expected to settle with Washington over its role in similar technology leaks.

A U.S. Congressional committee in 1999 accused both companies of helping overcome serious shortcomings in Chinese rocket launchers following an expensive series of failed satellite launches in the mid-1990s. Since then, China launched more than 30 satellites without a hitch. There are strong suspicions in Washington that the PLA's nuclear missiles carried on the same launchers and aimed at the U.S. are now more reliable because of information from U.S. firms.

At the same time as the probes into Hughes and Loral, Washington forced Israel to cancel a $1.25 billion sale of up to five Russian-built aircraft equipped with Israeli-made Phalcon early warning radar to the PLA. Such aircraft would be crucial in coordinating large-scale operations over the Taiwan Strait.

Anxious to keep its good relations as an arms supplier with Beijing, Tel Aviv is now negotiating to pay compensation to China for backing out of the deal. Diplomats say that discussions between both sides earlier this month in Beijing also covered what other hardware may be supplied by Israel.

But regardless of international pressure on sellers, tension across the Taiwan Strait is likely to prolong the feast for arms makers. As China's power grows, so does Taiwan's demand for yet more weapons to ensure parity. The Bush administration last year agreed to supply Taipei with its biggest arms package in decades, including a group of up to eight submarines that alone will cost more than $4 billion.

Watching the arms race, some analysts are questioning the wisdom of China buying hardware from such a range of suppliers. For a start, the logistical and technical support needed to maintain so many different weapons systems is a major challenge. And it takes more than just advanced hardware to be a military power. Training, military doctrine and the integration of weapons and sensors are also vital. There is also the danger that in trying to keep pace with Western firepower, China might overextend itself financially—as the Soviet Union did.

Nevertheless, analysts such as Tsai in Taipei believe that the sheer pace of its spending is allowing China to close the military gap with the U.S. and the rest of the West fast enough to pose a real security threat for Taiwan. ''It is unnecessary for China to catch up with the West in all fields,'' he says. ''They just need enough to deter the U.S. from becoming involved in the Taiwan Strait.''

## FORMER WISCONSIN GOVERNOR JOHN REYNOLDS

Mr. FEINGOLD. Mr. President, one of Wisconsin's great progressives died a few days ago. Former Wisconsin Governor John Reynolds passed away on January 6. He was 80.

The son of an Attorney General, and the grandson of a Representative in the State Assembly, John Reynolds came from one of Wisconsin's most distinguished political families, and he himself was the model of what public service should mean.

Reynolds, a native of Green Bay, was one of the founding fathers of the modern Democratic Party of Wisconsin, but his roots were in the Progressive Party of Robert and Phil La Follette. His grandfather was elected to the State Assembly as a Progressive Republican, and his father, who served as the State's Attorney General, was chairman of the independent Progressive Party.

John Reynolds, like his father, served as Wisconsin's Attorney General. He was the State's Governor from 1963 to 1965, and was appointed by President Johnson to serve as a Federal Judge in Wisconsin's Eastern District where he served as Chief Judge from 1971 until 1986.

But as impressive as it is, that resume does not do him justice. In memorializing John Reynolds, the Wisconsin State Journal wrote that his true legacy was his support of the rule of law and equal rights under the U.S. Constitution. Indeed, he may be remembered best as a civil rights advocate. His most famous decision as a judge was his 1976 order that Milwaukee schools be desegregated.

As columnist John Nichols wrote of him, ''John Reynolds never surrendered the Progressive vision that the political and economic rights of individuals must be protected against encroachments by corporate and political elites bent on self-service.''

In 1963, as a sitting Governor, John Reynolds supported civil rights demonstrations. In a statement he made in support of those demonstrations, John Reynolds said: ''The time is long past when Americans can be content with foot-dragging in civil rights. Those who have urged caution forget that those who suffer the pains of discrimination suffer them every day.''

Those words ring true today. They are a mark of the greatness of John Reynolds, a greatness that did not come from the offices he held, but from his principled compassion and political courage.

## NATIVE AMERICAN TRUST FUNDS

Mr. JOHNSON. Mr. President, I rise today to express my deep concern for the outlook of the trust fund management system. I have requested on numerous occasions that the Department of the Interior to consult with tribes on this issue. I understand this is difficult, given the scope and expanse of the approximate 560 Tribes in the United States, but it must be done in a far more meaningful manner than has been the case up until now.

Tribes feel that the Department of the Interior has presented a plan, and are simply going through the motions of ''consultation.'' The very idea of consultation is not to formulate a plan and then impose it upon the interested party. It is to work with the effected parties and formulate a plan together. This is the essence of consultation between the Federal Government and Indian Country; it is at the heart of true government-to-government relationship.

The present and future challenge the Department of the Interior, Bureau of Indian Affairs and the Office of Special Trustee face are a high priority for South Dakota's Indian tribes. As a member of both the Senate Indian Affairs Committee, as well as, the Appropriations Committee, I look forward to working on efforts to improve the quality of services provided by the Department, and to protect the interests of tribes in my state of South Dakota and across the country.

The issue of Trust Fund mismanagement is one of the most urgent problems we are faced with in Indian Country. Of all the extraordinary circumstances we find in Indian Country, and especially in South Dakota, I do not think there is any more complex, more difficult and more shocking then the circumstances we have surrounding trust fund mismanagement.

This problem has persisted literally for generations, and continues today. Administrations of both political parties have been inadequate in the response, and the level of direction and the resource provided by Congresses over past decades has also been sadly inadequate. The Federal Government, by law, is to be the trustee for Native American people. When the Trust Fund Management Act of 1994 has passed, I was hopeful that this accounting situation would at last be remedied. Unfortunately, this has not been the case.

In 1996, I was appointed by Chairman YOUNG to the Congressional Task Force on Indian Trust Fund Management, to review and study the management and reconciliation of funds administered by the Department of the Interior's Office of Trust Fund Management. Those meetings were informative but far from productive as three years and many millions of dollars later, this problem still persists.

My concern remains, where are we now, and what does the Department hope to accomplish from the creation of another bureau? Far too much time and resources have been exhausted attempting to remedy this deplorable situation, which affects far too many of South Dakota's poorest people.

This is one of the most urgent problems we face in Indian Country, and there are so many more problems that flow from, or the solutions stem from the inability to come to terms with this issue. Congress has reviewed his issue over 10 times in recent years. We should not have to continue to revisit this issue ten more times to get it solved.