

That's absolutely terrific. But if we put in more protectionist laws, more of those jobs would be coming here. Foreign companies would have to locate here to get U.S. business.

Q: Has NAFTA increased export demand for cloth and other products?

A: It's not true, and it's worse than that because what everybody isn't told is that the textile industry today is operating six days a week instead of seven, or five days instead of six. Most of them have cut off the third shift or are closing one day a month because imports are hurting demands here.

Q: What's the solution?

A: I'd like to see us withdraw from the World Trade Organization. The U.S. has one vote. Cuba can cancel our vote. Or St. Kitts, an island in the (Caribbean). . . . We also want higher tariffs. Our opponents say that would prompt retaliation. I don't know how anybody retaliates against their best customer. I would love to retaliate against some of my best customers who treat us badly.

Q: Why are you speaking out now?

A: We're a private company and we like to stay private, but we're fighting for our industry. We have 14,000 employees in the U.S., and one of my jobs is to fight for preservation of those jobs.

Q: Didn't some in the textile industry support passage of NAFTA?

A: It was a split vote in the industry. There were some who believed the industry might benefit. They believed no textile plants would go to Mexico. But already we see plants setting up there, where all-in costs are \$2 an hour compared to \$12 an hour in the U.S.

Q: Have you had to downsize?

A: No, but I have to tell you we're running on curtailed schedules and the industry has had to close 12 plants in an economy that's growing all over. We ought to be a growing industry. We ought to be creating jobs.

Q: What about plans to expand?

A: We plan to continue expanding. Last year, we bought a company in Japan that makes fabric for auto interiors. When you deal with international auto companies, one of their requirements is that you be located in parts of the world where they can exchange products.

Q: You don't often give interviews. Why?

A: The media emphasize the growth in exports and the jobs created by exports. There are figures collected by the government that are put together very skillfully. But there is no way to look at government figures to find out how many jobs have been lost to imports. I hear a lot of talk about the growth of exports but hardly anyone talks about the growth of imports, which in percentage terms are slightly less. But in absolute numbers, the U.S. imports three times as much as it exports.

#### THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, 4 years ago I commenced these daily reports to the Senate to make a matter of record the exact Federal debt as of the close of business the previous day.

In that report of February 27, 1992, the Federal debt stood at \$3,825,891,293,066.80, as of close of business the previous day. The point is, the Federal debt has escalated by \$1,190,704,977,476.86 since February 26, 1992.

As of the close of business yesterday, Monday, March 4, 1996, the Federal debt stood at exactly \$5,016,596,270,543.66. On a per capita

basis, every man, woman, and child in America owes \$19,041.42 as his or her share of the Federal debt.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT CONCERNING THE NATIONAL EMERGENCY WITH RESPECT TO CUBA—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 125

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on March 1, 1996, during the recess of the Senate, received the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

#### To the Congress of The United States:

Pursuant to section 1 of title II of Public Law 65-24, ch. 30, 50 U.S.C. 191 and sections 201 and 301 of the National Emergencies Act, 50 U.S.C. 1601 *et seq.*, United States Code, I hereby report that I have exercised my statutory authority to declare a national emergency in response to the Government of Cuba's destruction of two unarmed U.S.-registered civilian aircraft in international airspace north of Cuba.

In the proclamation (copy attached), I have authorized and directed the Secretary of Transportation to make and issue such rules and regulations that the Secretary may find appropriate to prevent authorized U.S. vessels from entering Cuban territorial waters.

I have authorized these rules and regulations as a result of the Government of Cuba's demonstrated willingness to use reckless force, including deadly force, in the ostensible enforcement of its sovereignty. I have determined that the unauthorized departure of vessels intending to enter Cuban territorial waters could jeopardize the safety of certain U.S. citizens and other persons residing in the United States and threaten a disturbance of international relations. I have, accordingly, declared a national emergency in response to these threats.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 1, 1996.

#### REPORT CONCERNING THE INTER-AGENCY ARCTIC RESEARCH POLICY COMMITTEE—MESSAGE FROM THE PRESIDENT—PM 126

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Governmental Affairs.

#### To the Congress of the United States:

As required by section 108(b) of Public Law 98-373 (15 U.S.C. 4701(b)), I transmit herewith the Sixth Biennial Report of the Interagency Arctic Research Policy Committee (February 1, 1994, to January 31, 1996).

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 5, 1996.

#### REPORT CONCERNING REVISED DEFERRAL OF BUDGETARY RESOURCES—MESSAGE FROM THE PRESIDENT—PM 127

The Presiding Officer laid before the Senate the following message from the President of the United States, together with an accompanying report; which was, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986, referred to the Committee on Appropriations, the Committee on the Budget, the Committee on Foreign Relations, the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Governmental Affairs.

#### To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one revised deferral, totaling \$91 million, and two proposed rescissions of budgetary resources, totaling \$15 million.

The deferral affects the Department of State U.S. emergency refugee and migration assistance fund. The rescission proposals affect the Department of Agriculture and the General Services Administration.

WILLIAM J. CLINTON.

THE WHITE HOUSE, March 5, 1996.

#### MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on March 4, 1996, during the adjournment of the Senate, announcing that the House insists upon its amendment to the bill (S. 1004) to authorize appropriations for the U.S. Guard, and for other purposes, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on Transportation and Infrastructure, for consideration of the Senate and the House amendment, and modifications committed to conference: Mr. SHUSTER, Mr. YOUNG of Alaska, Mr. COBLE, Mrs.

FOWLER, Mr. BAKER of California, Mr. OBERSTAR, Mr. CLEMENT, and Mr. POSHARD.

From the Committee on the Judiciary, for consideration of section 901 of the Senate bill, and section 430 of the House amendment, and modifications committed to the conference: Mr. HYDE, Mr. McCOLLUM, and Mr. CONYERS.

#### EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1909. A communication from the Secretary of Housing and Urban Development, transmitting pursuant to law, the semi-annual reports for the period April 1 through September 30, 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC-1910. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding a transaction involving exports to Ghana; to the Committee on Banking, Housing, and Urban Affairs.

EC-1911. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a statement regarding a transaction involving exports to Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC-1912. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the Monetary Policy Report; to the Committee on Banking, Housing, and Urban Affairs.

EC-1913. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of salary ranges for graded employees for calendar year 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC-1914. A communication from the Acting Chairman of the Thrift Depositor Protection Oversight Board, transmitting, pursuant to law, the semi-annual report of the Office of the Inspector General for the period October 1 through December 31, 1995; to the Committee on Banking, Housing, and Urban Affairs.

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 782. A bill to amend title 18 of the United States Code to allow members of employee associations to represent their views before the United States Government.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 219. A resolution designating March 25, 1996 as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. AKAKA:

S. 1585. A bill to authorize award of a medal to civilians who participated in the

defense of Pearl Harbor and other military installations in Hawaii against attack by the Japanese on December 7, 1941; to the Committee on Armed Services.

By Mr. COHEN (for himself and Ms. SNOWE):

S. 1586. A bill for the relief of Nancy B. Wilson; to the Committee on Finance.

By Mr. LEAHY (for himself, Mr. BURNS, Mr. DOLE, Mr. PRESSLER, and Mrs. MURRAY):

S. 1587. A bill to affirm the rights of Americans to use and sell encryption products, to establish privacy standards for voluntary escrowed systems, and for other purposes; to the Committee on the Judiciary.

By Mr. STEVENS:

S. 1588. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Kalypso*; to the Committee on Commerce, Science, and Transportation.

By Mr. GORTON (for himself and Mr. LIEBERMAN):

S. 1589. A bill to provide for a rotating schedule for regional primaries for Presidential elections, and for other purposes; to the Committee on Rules and Administration.

By Mrs. MURRAY (for herself, Mr. LEAHY, Mr. BAUCUS, Mr. BUMPERS, and Mrs. FEINSTEIN):

S. 1590. A bill to repeal the emergency salvage timber sale program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO:

S.J. Res. 50. A joint resolution to disapprove the certification of the President under section 490(b) of the Foreign Assistance Act of 1961 regarding foreign assistance for Mexico during fiscal year 1996; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY (for himself, Mr. BURNS, Mr. DOLE, Mr. PRESSLER, and Mrs. MURRAY):

S. 1587. A bill to affirm the rights of Americans to use and sell encryption products, to establish privacy standards for voluntary escrowed systems, and for other purposes; to the Committee on the Judiciary.

#### THE ENCRYPTED COMMUNICATIONS PRIVACY ACT OF 1996

Mr. LEAHY. Mr. President, I am joined today by Senators BURNS, DOLE, PRESSLER, and MURRAY in introducing a bill that is pro-business, pro-jobs and pro-privacy.

The Encrypted Communications Privacy Act of 1996 would enhance the global competitiveness of our high-technology industries, protect the high-paying good jobs in those industries and maximize the choices in encryption technology available for businesses and individuals to protect the privacy, confidentiality and security of their computer, telephone, and other wire and electronic communications.

The guiding principle for this bill can be summed up in one sentence: Encryption is good for American business and good business for Americans.

FBI Director Louis Freeh testified last week at a hearing on economic espionage and quoted Secretary of State Warren Christopher as saying that "Our national security is inseparable from our economic security." I could not agree more. Yet, American busi-

nesses are suffering a double blow from our current encryption policies. First, American firms lose billions of dollars each year due to the theft of proprietary economic information, which could be better protected if strong encryption were more widely used. Second, government export restrictions tie the hands of American high-technology businesses by barring the export of strong encryption technology. The size of these combined losses makes encryption one of the critical issues facing American businesses today.

Moreover, the increasing use of and dependency on networked computers by Americans to obtain critical medical services, to conduct research, to be entertained, to go shopping and to communicate with friends and business associates, raises special concerns about the privacy and confidentiality of their computer transmissions. I have long been concerned about these issues, and have worked over the past decade to create a legal structure to foster privacy and security for our wire and electronic communications. Encryption technology provides an effective way to ensure that only the people we choose can read our communications.

A leading encryption expert, Matt Blaze, told me in a recent letter that our current regulations governing the use and export of encryption are having a "deleterious effect on our country's ability to develop a reliable and trustworthy information infrastructure." It is time for Congress to take steps to put our national encryption policy on the right course.

The Encrypted Communications Privacy Act would accomplish three goals:

First, the bill encourages the use of encryption by legislatively confirming that Americans have the freedom to use and sell here in the United States any encryption technology that they feel is most appropriate to meet their privacy and security needs. The bill bars any government-mandated use of any particular encryption system, such as a key escrow encryption system.

Second, for those Americans who choose to use a key escrow encryption method, the bill establishes privacy standards for key holders and stringent procedures for how law enforcement can obtain access to decoding keys and decryption assistance. These standards would subject key holders to criminal and civil liability if they released the keys or divulged the identity and information about the user of the encryption system, without legal authorization. Commenting on these provisions, Bruce Schneier, who has literally written the textbook on encryption, said in a recent letter to me that the bill "recognizes the special obligations of keyholders to be vigilant in safeguarding the information entrusted to them, without imposing hurdles on the use of cryptography."