Resolution on United States Encryption Export Restrictions

WHEREAS, Current United States export control laws governing cryptographic products are adversely affecting American high-tech companies; and

WHEREAS, outdated cryptographic provisions dating back to World War II and the Cold War retard the ability of U.S. producers of cryptographic products to compete and succeed in the global market; and

WHEREAS, the future of the Internet and electronic commerce are reliant on the security of online transaction and a tremendous global market has for encryption technologies has developed; and

WHEREAS, Foreign competitors of data-scrambling technology, unfettered by strict government export controls on cryptographic products, are developing, marketing, and selling sophisticated encryption systems well above the United States limit; and

WHEREAS, Any benefit to American law enforcement or national security realized by American export controls on cryptographic products has been minimized by the rapid availability of strong, robust cryptographic systems produced by non-American companies and even by the ability to lawfully import these systems into the United States; and

WHEREAS, The Computer Systems Policy Project estimates that if the current outdated policy remains in effect, the cost to American companies could be up to $96 billion by the year 2002 and the loss of over 200,000 high-skill, high-wage jobs by the year 2000; and

WHEREAS, The National Research Council of the National Academy of Sciences has concluded after exhaustive study that United States export controls on cryptography may be causing American software and hardware companies to lose a significant share of a rapidly growing market, with losses of at least several hundred million dollars per year; and

WHEREAS, The current administration supports a “key recovery” system that would force computer users to give the government access to their encryption keys, thus allowing the federal government to monitor an individual's communications and on-line transactions without that individual's knowledge or consent; and

NOW THEREFORE BE IT RESOLVED that the American Legislative Exchange Council (ALEC) strongly supports efforts to immediately relax current United States export control laws governing cryptographic products to a level which is readily available in the global market.

BE IT FURTHER RESOLVED, that ALEC denounces any proposal that would require the implementation of a federally mandated “key recovery” program.

BE IT FURTHER RESOLVED, that the clerk of the (House of Representatives or Senate) transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the United States House of Representatives, and to each Member of Congress of the United States.