NATIONAL PRESS CLUB LUNCHEON WITH JANET NAPOLITANO

SUBJECT: U.S. DEPARTMENT OF HOMELAND SECURITY SECRETARY JANET NAPOLITANO DELIVERS THE SECOND ANNUAL "STATE OF AMERICA'S HOMELAND SECURITY" ADDRESS

MODERATOR: THERESA WERNER, PRESIDENT, NATIONAL PRESS CLUB

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THERESA WERNER: (Sounds gavel.) Good afternoon, and welcome to the National Press Club. My name is Theresa Werner, and I'm the 105th president of the National Press Club. We are the world's leading professional organization for journalists, committed to our profession's future through our programming, such as this one this afternoon, while fostering a free press worldwide. For more information about the National Press Club, please visit our website at www.press.org. To donate to programs offered to the public through our Eric Freidheim National Journalism Library, please visit www.press.org/library. And I also wanted to let you know that Washington, D.C. has declared this week, by proclamation, National Press Club Week. So thanks all of you for joining us today.

[applause]

On behalf of our members worldwide, I'd like to welcome our speakers and those of you attending today's event. Our head table includes guests of our speaker as well as working journalists who are members. And, if you hear applause from our audience, we note that members of the general public are attending. So it's not necessarily evidence of a lack of journalistic objectivity.

I'd also like to welcome our C-SPAN and our Public Radio audiences. Our luncheons are also featured on our member-produced weekly Podcast from the National Press Club, available on iTunes. You can also follow the action on Twitter using the hashtag #NPCLunch. After our guest speech concludes, we'll have a question and

answer, and I'll ask as many questions as time permits.

Now I'd like to introduce our head table guests. And I would like each of you here to stand up briefly as I announce your name. From your right, Ron Baygents, Washington correspondent for the *Kuwait New Agency*, Peggy Orchowsky, congressional correspondent, *Hispanic Outlook Magazine*. Eileen Sullivan, Counterterrorism reporter, Associated Press. Andrea Stone, senior national correspondent, *Huffington Post AOL*. Donna Leinwand-Leger, National Reporter, *USA Today* and past Press Club President. Liz Spade, managing editor of the *Washington Post*. Allison Fitzgerald, Speaker Committee Chair.

I'm going to skip our speaker for a moment. And we have Patty Gilio(?), principal with PFG Communications and a Speaker Committee member event organizer. Thank you Patty. David Silverberg, editor, *Homeland Security Today*, Gerry Zremski, Washington Bureau Chief, *The Buffalo News* and former NPC President. Irv Chapman, *Bloomberg*. And Mark Raimondi, Director of Communications, Washington, D.C. Harris Corporation and former spokesperson for U.S. Immigration and Custom Enforcement.

Thank all of you for joining us today. [applause]

Today I am very pleased to welcome our featured speaker, Secretary of the United States Department of Homeland Security, Janet Napolitano. As Secretary of the Department of Homeland Security, Napolitano leads our nation's collective efforts to secure the country from both terrorism threats and natural disasters. Today, she will deliver her second annual State of America's Homeland Security Address.

As just the third person in history to hold this position, Secretary Napolitano oversees a department with an evolving and wide-ranging mission, and coordinates the government's responses to an increasingly complex and interrelated array of threats. The Department's concerns range from border security and immigration enforcement to disaster preparedness, response and recovery, as well as the growing field of cyber security.

Secretary Napolitano's tenure at Homeland Security has been notable for her efforts to address all of these threats by forging new partnerships with international allies, expanding information sharing with state and local law enforcements, and building a collaborative effort to detect and disrupt threats early on.

At the same time, Secretary Napolitano has implemented a groundbreaking Department-wide efficiency review that is aimed at reducing costs, approving efficiency, and streamlining operations in order to build a leaner, smarter agency, that is better equipped to protect the nation. In an era where there is a growing focus on how the federal dollar is spent, Vice-President Biden recently called the Department of Homeland Security's Efficiency Review a "model effort for other agencies."

Before she was nominated by President Obama to lead the Department of

Homeland Security, Secretary Napolitano was twice elected governor of Arizona. She was the first woman to chair the National Governors' Association and was named one of the top five governors in the country by *Time Magazine*. Prior to that, Secretary Napolitano served as the U.S. Attorney for the District of Arizona and was the first female Attorney General of Arizona.

Please join me in welcoming Secretary Janet Napolitano to the National Press Club.

[applause]

JANET NAPOLITANO: Well thank you for the introduction, and thank you for the warm welcome. It's great to be back at the National Press Club. I want to thank all of you for coming. You know, established nearly nine years ago, the Department of Homeland Security is still a relatively young agency. Its creation represents one of the most sizeable reorganizations within the federal government since the Department of War and the Department of the Navy were combined to create the Department of Defense.

Every day, our workforce protects our air, land and sea borders and increasingly our cyberspace. They guard against terrorist attacks from groups like al Qaeda or homegrown extremists. They apprehend human traffickers and other criminals. They protect the President and the Vice-President. They help thousands of immigrants become new citizens of the United States.

Today, DHS has over 230,000 employees working to ensure the safety and security of the American people, in jobs that range from law enforcement officers and agents to disaster response coordinators, from those who make sure our waterways stay open, to those who make sure our skies remain safe. The men and women of DHS are committed to their mission. And, on behalf of the President, I would like to thank every one of them for their service. [applause]

Now, as I have said many times, Homeland Security begins with hometown security. And it's part of our commitment to hometown security, we have worked to get resources out of Washington and into the hands of state and local officials and first responders. We've made great progress in improving our domestic capabilities to detect and prevent terrorist attacks against our people, our communities, and our critical infrastructure. We've supported our nation's network of 72 fusion centers, increasing our ability to analyze and distribute threat information across the country.

We have invested in training for local law enforcement and first responders of all types, in order to increase expertise and capacity at the local level. We work with a vast array of partners, from local law enforcement, to the private sector, to community leaders across the country, all of whom are committed to doing their part to help keep America safe.

And we will continue to build on those efforts. At the same time, we have

worked to protect Americans from natural disasters. Last year our nation saw remarkable examples of resilience grounded in this work. We saw communities across the country bounce back from a historic number of disasters, from Hurricane Irene along the east coast, to fires in the southwest, from flooding along the Mississippi and Missouri Rivers, to the devastating tornadoes that hit the Midwest and the south.

The tornado that struck Joplin, Missouri last May leveled countless houses and businesses, destroyed most of the schools, and killed more people than any tornado since 1953. Yet, within days, the school superintendent announced that school would start on time this fall. And it did. and local health officials announced that the hospital would be rebuilt. And it will be. And the city manager was already drawing up plans to rebuild the city's downtown, currently underway.

I could relate similar stories, from Alabama to Connecticut, from New England to North Dakota, as we have seen, time and again, Americans are, by nature, a resilient people. Our role is to be part of the team that fosters that resilience and to strive to continue doing our job better and more efficiently.

Our experience over the past several years has made us smarter about the terrorist threats we face and how best to deal with them. We have learned that we can apply different protocols in different cases, depending on the information we possess about both the individual situation, and the threat environment as a whole.

For instance, not every traveler or piece of cargo poses the same level of risk to our security. The key to evaluating potential risk is information. By sharing and leveraging information, we can make informed decisions about how to best mitigate risk. And the more we know, the better we become at providing security that is seamless and efficient.

We can also free up more resources to spend on those threats or individuals we are bound to encounter but may not know much about. The known unknown. Think of it this way. If we have to look for a needle in a haystack, it makes sense to use all of the information we have about the pieces of hay to make the haystack smaller. This approach not only makes us safer, but it also creates efficiency within the system, for travelers and for businesses. Good, thoughtful, sensible security, by its very nature, facilitates lawful travel and legitimate commerce.

Simply put, our Homeland Security and our economic security go hand in hand. And accordingly, security measures should, to the greatest extent possible, be designed to facilitate the safe and efficient movement of people and goods while securing our critical infrastructure. The movement of people and goods and ideas has always driven the development of nations and provided opportunities for economic growth and prosperity.

In recent years, globalization has brought more diversity to world trade. Within the American economy, trade with our international partners accounts for roughly onequarter of our GDP. In other words, our economy is dependent on our ability to secure and facilitate the flow of people and goods to and from our shores. And the crisis for vulnerability in any part of the world has the ability to impact the flow of goods and people thousands of miles away.

Passenger originating in Ghana or piece of cargo from Yemen can threaten a plane bound for the United States. And massive flooding in Thailand can drive up the global price of computer hard drives, just as an earthquake and tsunami in Japan can grind assembly lines in American auto plants to a halt. We must, therefore, continue to look both within and beyond our physical borders, and develop strategies from threats that can originate both here at home or on the other side of the world.

Now, as the Federal Department charged with regulating the flow of people and goods in and out of the country, DHS has been transforming how we approach the relationships between security and trade. This transition will be a key ongoing focus for the department in 2012, as we continue our drive toward a risk-based information-driven approach to security, where what we know about a piece of cargo or a passenger allows us to better assess its risk and identify threats at the earliest possible moment.

We must recognize that security and efficiency are not mutually exclusive. We can enhance security while decreasing wait times, expediting travel, and keeping costs down. And we know we can because we're already doing so. This year alone, DHS will help facilitate about two trillion dollars in legitimate trade, while enforcing U.S. trade laws that protect the economy, the health and the safety of the American people.

So, how are we going to go about strengthening security even more while expediting trade and travel? Well, one key way is through trusted traveler and trusted shipper programs. These programs rely on mutually agreed upon information sharing, which allows us to know more about a traveler, more a piece of cargo, before it begins its journey. And, at the same time, these programs provide an economic benefit for the individuals, countries and companies involved, by expediting the movement of the goods and people that are critical to their business.

For example, Global Entry program that allow us to expedite entry into the United States for preapproved, low-risk air travelers. More than one million passengers have already joined Global Entry. And President Obama recently announced that we will be expanding the program in 2012 as part of the administration's efforts to foster travel and tourism.

We've also been expanding PSA pre-checks, a domestic trusted traveler initiative that enhances security, by allowing us to focus on passengers we know less about, and those who are considered high risk, while providing expedited screening for travelers who volunteer information about themselves prior to flight. Pre-check is currently available to U.S. citizens who are already members of existing CBP trusted traveler programs, as well as eligible airline frequent fliers. Pre-check passengers may be referred to a lane where they will undergo expedited screening, which can include no longer having to remove shoes, laptops, jackets, or belts.

Efforts like TSA pre-check represent an important evolution in the way we handle airline security, as we shift away from the one-size-fits-all model of passenger screening to one that is risk-based. And what's critical is that both of these initiatives strengthen security while expediting travel for those travelers we know the most about.

We're applying these same concepts in the area of cargo security. As part of a broader cargo security initiative, we now allow participating shippers to screen air cargo following the strict standards to support the 100 percent screening requirement of the 9/11 Act for cargo transported on passenger aircraft. We are reviewing our foreign partners' cargo screening, to determine whether their programs provide a level of security commensurate with the United States air cargo security standards. Those who meet the requirements are officially recognized to conduct screening for cargo traveling to the U.S.

We're also working with more than 80 countries to prevent the illegal theft or diversion of precursor chemicals that can be used to make improvised explosive devices or IEDs. Through these efforts, we have already seized more than 62 metric tons of these deadly materials. And we're partnering directly with the international trade community to provide expedited cargo processing for companies that undergo extensive vetting and meet strict criteria.

Just last week, I announced an administration-wide effort on global supply chain securities that build off of these programs. This new strategy represents a whole nation approach to global supply chain systems with two explicit goals: promoting the efficient and secure movement of goods and fostering resilient supply chain systems. Our efforts will be guided by three principles. We'll find smarter and more cost-effective ways to address security threats and maximize resources and expertise from across the United States. We will foster an all of nation approach to leverage the critical role played by state, local, tribal and territorial governments, and private sector partners, in strengthening supply chains. And, we will enhance our coordination with the international community and international stakeholders who also have key supply chain roles and responsibilities.

Now like the aviation system, our physical borders, both land and sea, serve not only as a crucial line of defense when it comes to our security, but also as a critical intersection of international commerce. The Obama administration has undertaken the most serious and sustained actions to secure our borders in our nation's history. And it's clear, from every measure we currently have, that this approach is working.

On the southwest border, illegal immigration attempts, as measured by Border Patrol apprehensions, have decreased 53 percent in the past three years, and are less than 20 percent of what they were at their peak. While seizures of illegal drugs, currency and weapons are all up. We have increased the number of Border Patrol agents to more than 21,000, more than double the size of the Border Patrol in 2004. And, as we have worked to combat illegal crossings, violent crime in U.S. border communities has remained flat or fallen in the past decade.

We're using technology in new ways, including license plate readers to detect suspicious vehicles, aerial surveillance, and cameras and sensors along the land borders. These kinds of technologies, combined with increased manpower and infrastructure, give our personnel better awareness of the border environment, so they can more quickly act to resolve potential threats or illegal activity.

We have invested heavily in infrastructure improvements at our ports of entry, including over \$400 million dollars in recovery act funds, to modernize older facilities along our northern border, to meet post-9/11 security standards. We have also expanded our busiest ports along the southwest border, ports like San Ysidro and Nogales. And we're working with our partners across the border.

Last year, we stepped up coordination with Canada, through the Beyond the Border Action Plan, to speed inspection of goods like car parts, so that factories on both sides of the border can operate more efficiently. We have continued to work closely with our Mexican counterparts, to protect shared critical infrastructure and expand trusted traveler and shipper programs, as part of a declaration, signed jointly by President Obama and President Calderon.

These efforts are not only speeding legitimate trade, they are also stopping illegal goods from entering the country, goods that could undermine domestic businesses that play by the rules. In fiscal year 2011, we interdicted goods representing more than \$1.1 billion dollars in retail value. Further, the value of consumer safety seizures, including things like pharmaceuticals, totaled more than \$60 million dollars, representing a 41 percent increase over fiscal year 2010.

Now, when it comes to the movement of people, our efforts are not just focused on promoting tourist and business travel to the United States. We are also enforcing our immigration laws in smart, effective ways, designed to protect communities while, to the greatest extent possible under current law, fostering legitimate employment and foreign investment.

The bottom line is that our nation's current immigration laws are sorely outdated and in need of revision. President Obama views such a revision as both a matter of fairness and as an economic necessity. And, while we continue to urge Congress to take up immigration reform, we have acted on clear and commonsense priorities when it comes to immigration enforcement under the existing laws.

We have reduced bureaucratic inefficiencies and Visa programs, streamlining the path for entrepreneurs who wish to bring their business to America. We have improved and automated the process for identifying individuals applying for, or in possession of a Visa, who may pose a national security or public safety risk. We're ending practices that break up American families by shortening how long the spouses and children of American citizens must wait abroad for a U.S. Visa that we know they're going to obtain.

For the first time, we have actually prioritized our enforcement resources, so that we can concentrate first on those individuals who are in our country illegally, and who are also committing other crimes. We're also focusing on the removal of repeat immigration violators and recent border crossers before they enter our country's interior.

And this year, we began reviewing the hundreds of thousands of immigration cases languishing on the immigration court docket, to speed the removal of criminal aliens while administratively closing the cases of those with no criminal record, who pose no risk, such as students who were brought here through no fault of their own, or members of the military.

We've also focused on employers who hire illegal labor and, by doing so, unfairly compete with employers who play by the rules. Now none of these actions substitute for statutory reform. But we can, we have and we will seek to enforce the law in a way that best meets our needs and our ideals.

Now, in today's high-tech security and commercial environment, we must also focus beyond just the physical movement of goods and people across our borders. That's why, in the area of cyber security, we're moving to create a secure environment for the flow of cyber commerce and helping support a secure marketplace for the exchange of goods and ideas.

We're deploying the latest tools across the federal government to protect critical systems, while sharing timely and actionable security information with public and private sector partners to help them protect their own operations. And beyond protecting the computer networks of the civilian side of our government, we are leading the effort to protect our nation's critical information infrastructure, the systems and networks that support the financial services industry, the electric power industry, and the telecommunications industry, to name just a few.

We now have dedicated representatives from these and other key economic sectors, working at DHS, alongside our own cyber security experts, to prevent, identify and address cyber incidents. We continue to work with the private sector, other government and national security and law enforcement agencies, and the international community, to mitigate the risks and reduce the potential for malicious actors to be successful.

Last year, our computer emergency readiness team responded to more than 100,000 incident reports and released more than 5,000 actionable cyber security alerts to our federal, state and private sector partners. And we are working with our international law enforcement partners to share expertise and resources, to combat electronic crimes, such as identity and intellectual property thefts, network intrusions, and a range of financial crimes. And these efforts show results.

In the last year alone, the U.S. Secret Service prevented \$5.6 billion dollars in potential losses to financial crime investigations and \$1.5 billion dollars through cyber

crime investigations. And, at the same time, I disrupted or dismantled more than 140 transnational criminal organizations capable of laundering over a billion dollars in illegal proceeds and illegally exporting 50,000 pieces of controlled technology.

Now, no one understands the need for security more than the business community. But one break in the supply chain can put an entire company at risk. And in today's world, it's not just big business that feels the impact of the global security networks. Small businesses are inextricably linked to the larger commercial world. And, in many cases, are serving as the engines of security innovation.

We want to encourage innovation. In fiscal year 2011, DHS awarded almost 30 percent of our total contracting dollars to small business, resulting in more than \$4.2 billion dollars in prime small business contracts. Our investment in businesses of all sizes is paying off in the development of new security tools. For example, our new Commercial First approach leverages the innovations and development done by industry to support the Department's nuclear and radiological detection equipment needs. The initiative facilitates interaction among industry, stakeholders and researchers to develop technology that is better and more cost-effective.

Businesses are also central to rebuilding a community after a disaster or other tragedy strikes. It's why, led by FEMA, we have changed how we work with businesses before, during and after a catastrophic event. We have seen that the more we do to make sure we're prepared for a disaster, the faster we will rebound. And that has immense economic consequences.

Last year, we supported 99 major disaster declarations. These included the response to Hurricane Irene that impacted 14 states, record fires in the southwest, flooding across the central United States, and devastating tornadoes that hit the Midwest and the south. In all of these instances, we have shown that we are dedicated to helping communities rebuild after disaster strikes.

And one of the many new ways we do this is by awarding contracts to local small businesses and adhering to this principle: hire local, buy local, and help communities get back on their feet.

Last year, I had the honor of attending the opening of the new 9/11 Memorial in New York City. That memorial, like the one at the Pentagon and in the field outside Shanksville, stand as a reminder of those we lost and we'll never forget. But these memorials must serve another purpose. They must stand as reminders of our need for vigilance in a dangerous world and as a symbol of our resilience as a nation, a nation that has proven, time and again, that we will always come back stronger from tragedy and adversity.

We have come a long way over the past year, and over the past 10 years since 9/11. We have learned a great deal about how to better secure our country. But we remain aware of how a successful terrorist attack or natural disaster can inflict damage far

beyond its human toll. Threats against our nation, whether by terrorism or otherwise, continue to exist and evolve. And DHS must continue to evolve as well.

Now, while we resolve to remain ever-vigilant against another 9/11 style attack, we also commit ourselves to deploying security measures that promote the movement of goods and people, and that build on our national resilience. Today, we're bringing new strategies to this effort, not only to confront an ever-evolving set of threats, but to protect and support the economic engines that makes our nation great.

We will do even more in 2012 and beyond. So I want to thank you for your interest today and for your continued engagement. Thank you very much.

[applause]

- **Q:** Thank you. What do you consider to be the most pressing threat America faces today?
- **A:** You know, I don't rank them in that way. It's not like top ten basketball teams. I think we have to constantly be vigilant against a range of threats. You know, terrorism didn't begin with bin Laden. It's not over with his death. There are other al Qaeda, al Qaeda-related groups. And we have the growth of homegrown extremists. So, working on countering violent extremism is important for us.

The whole range of intrusions that could interfere with the movement of people and goods, as I just explained, or in cyberspace-- I think cyberspace is an increasingly busy area for all of us. And then, you never know what Mother Nature is going to do. And that's why we have to work across the country now. That national capacity building, now what that's-- that's a phrase. What that means is that, when you have a lot of disasters happening simultaneously like we did this year, communities already have the ability to handle the response. And we can come in, as part of this. They're not just waiting for us to show up.

- **Q:** Like every federal agency, you will undoubtedly be asked to do more with less. And, given the austere budget environment, does your department have all the tools and resources it needs to keep America safe?
- **A:** Well, look. [laughter] You know, anyone could come up here and say, "I could always use more." And yeah, that's true. But I think the key thing is, do we have-and will we have what we need to maximize our ability to protect the American people? And I think, by finding new efficiencies, by leveraging resources, by realizing that we're not the only ones involved in security, there are a lot of other partners out there, they bring their own resources to the table, consolidating and coordinating those better, I think we can do the job we need to do for the American people and with the American people.
- **Q:** On Border Patrol, in Canada, the Beyond the Border Agreement includes a pilot project for pre-clearance on cargo on the Canadian side. When will this pilot project

be awarded? And, will there be a major border crossing like Buffalo's Peace Bridge considered?

A: Let me tell you what pre-clearance is. What pre-clearance is, is basically doing the whole customs process abroad. And we have that in several locations around the world. It is an important tool that we can use. It is expensive, so we can't do it everywhere. But in certain places, we can. And we think we'll be adding some more pre-clearance locations in 2012.

In Canada, I think we're moving toward that pre-clearance. The issue with the Peace Bridge is one that's associated with that. But that's something that we're working on very hard with the authorities there.

Q: We seem to continually hear that the next great threat will come in the form of a pandemic or other health-related biological crisis. Can you explain how DHS would coordinate with other branches of the government in the case of such a catastrophic event?

A: First of all, I want everybody to make sure you wash your hands carefully. [laughter] Don't forget. But one of the first disasters I managed as the Secretary was the H1N1 pandemic. And remember, at the beginning of that, we didn't know what kind of flu it was going to be. Was it going to be a la 1918, very deadly? Or was it not? And it took a few weeks to get that sorted out to see what the mortality rate really would be.

In the course of that coordination, we learned a lot of things. One of the things we learned is that a lot of the kind of security emergency response community out across the country is not necessarily linked up as tightly as it needs to be with the public health community. So we continue to work with HHS and other partners to bring that more tightly together.

We work, as well, on diagnostics. That's, I think, going to be a key area for us. Many people don't know, but we actually have a science and technology directorate within the department. We run some very important laboratories, including the laboratory at Plum Island, which looks at large animal, among other things, diseases, and vaccines for those. And we are working with other labs across the country.

The international aspect of this is key. If there is to be a pandemic, it will, by nature, be international. And so, working with our partners across the globe, we also have a unified effort there. Suffice it to say, I think lessons learned from H1N1, there were some, there always are after an event. Not only have we learned from them, we have now deployed them. We have exercised them across the federal government, across the administration, so that we will be even better able to respond should there be another pandemic.

Q: Sometimes more than one federal agency responds to an event or catastrophe and collects duplicate sets of information and evidence. What is being done to better

coordinate federal response in agencies and local responders?

A: Is this-- I'm assuming this is from a criminal scene. It sounds like it is. Well, normally, the first responder to most crimes is going to be your local police. They are the front line on most things criminal. But, on things that cross over into the federal government, we've worked very closely with the Justice Department and with the FBI, particularly on the Joint Terrorism Taskforces. That is the FBI Criminal Investigative side on terrorism. And next to the FBI, I think we have the most-- the highest number of agents assigned to those.

So there are times when it seems like there are duplication or redundancies or what have you. But I think, through greater use of taskforces and things like the JTTF, those things are being worked out on the ground and in the field.

Q: Despite 9/11 and the many natural disasters we have seen in recent years, most Americans and the businesses they work for ignore basic preparedness recommendations. Why is that? And how can you encourage preparedness planning?

A: Well, I'd be interested in some of the media strategies some of you all might be familiar with. Because it is constant messaging. And every year, particularly around the beginning of hurricane season, we really are pushing that, you know, "Be prepared. Have your ready bag. Have your plan where you will unite the family if you're divided," that sort of thing. And yet, we still find, from surveys and the like, that the majority of people really don't have those things together.

One of the ways we're dealing with that, quite frankly, is doing more education in the schools themselves, educating young people, because not only will they hopefully urge their parents to be prepared, but also, as they grow into adults themselves, hopefully they will have inculcated those values.

We are always looking for new ways to press that message, and also new ways to deliver the message. One of the things we've been doing over at FEMA, for example, is a much greater use of social media. Why is that? Well, that's because that's the way a lot of people receive their information now. And we need to get information packaged in a form that it comes to people in the way they receive it.

So we will continue to press the message. We will continue to work in our schools. We will continue to use social media and other delivery devices. And we will continue to convey the message that, boy, if people would take that time to really prepare and think through, then when there is a major disaster or catastrophe, we can focus our efforts, our equipment, our resources on those who are totally disabled from helping themselves.

Q: I think to the public, the most visible face of DHS is the, "If you see something, say something" campaign. We see it everywhere, from Wal-Mart to the National Hockey League. Do you think that folks are getting the message? And, are they

acting on it as they should?

A: Yeah. Actually, "If you see something, say something," this is our campaign that really reflects the shared responsibility of security and how everybody can be situationally aware. And, if they see something, say something, it's an easy-- easy to remember device.

Paired with that, we have a training program for law enforcement around the country called SAR, Suspicious Activity Reporting, which is really a defined protocol for how you get information and analyze it, and then share it to us, so that we can share it back to the country. That's a way to directly involve local law enforcement in our efforts.

See something, say something, it started with the Metropolitan Transit Authority in New York. It has now spread across the country. You see it on buses. You hear it on the Metro. You see it on Amtrak, major sporting events. All have adopted "See something, say something." And it now hopefully has developed a momentum of its own.

And it is, it's just a very straightforward way for people to just be aware, just be aware. And we've had some very significant cases where, because somebody saw something and said something, we've been able to prevent death or serious injury to others

Q: There is an increased fear in Muslim communities after news of alleged spies in mosques in what they call "unmentioned profiling." Do you find that that's a problem? And what are you doing about that?

A: Well, my view-- and realize, you know, I come to this from a prosecution point of view, I think, where I've been a U.S. attorney, I've been an Attorney General. And my view is that profiling is not effective law enforcement, because it is not necessarily intelligence-driven. And you can-- It diverts resources in ways and things that are more effective.

And so, I think within our shop, within the Department of Justice and other elements of the federal government that are involved in law enforcement, keep sharing that message that profiling is not the thing to do, and provide the training and supervision that help guide us in our efforts to those who really are posing the greatest risk. And we have, you know, matters on which we spend a lot of time. And we've really tried to think through-- We have our own Civil Rights and Civil Liberties Department. They have helped us think this through. Our privacy office has helped us think this through. And our own work with the Muslim community and other faith-based leaders has helped us think this through, how best to maintain safety and security without resorting to profiling.

Q: You said that the everyday traveler doesn't pose the same threat. How do you determine that if you're not using profiling? Or, what are you basing it on?

A: Yeah. Well, I'm not going to tell you all of it. [laughter] But, for example, we

may have information that leads us to believe that certain travel routes are problematic. And we can see that from a person's travel history. We may have information that we are looking, not for all people from a particular country, but for certain males who may have traveled here, here, and here, and are the ages of 20 to 50. And we could be looking for that.

So it's really taking the intelligence, the information derived from around the world, analyzing it, and then putting it into a format that gives us something to look for that, as I said in my talk, really confines the size of that haystack.

- **Q:** Do you think the terrorists will try to abuse the TSA pre-screen functions? And how can you prevent that?
- **A:** Well, one of the reasons-- That's a question I'm really glad someone asked. Because, you know, TSA gets a lot of pressure. "Why don't you just turn this stuff on?" And, "Why do you do what you're doing, anyway?" And the plain fact of the matter is that, in today's ever-evolving threat environment, aviation remains a target and the aviation sector, and it's so critical to the global economy, not to mention potential loss of lives should one of these potential attacks succeed.

So, as we move to a risk-based strategy, where we don't treat every passenger alike, it's important that we do it carefully, that we pilot things. We just finished, really, the pilot for pre-check. And now we can move it across to the rest of the country. I think we have it in seven airports now, just added Minneapolis and LAX. And we'll be adding others over the course of the calendar year.

But we go slowly so that we make sure that security values are not lost in the rush to have something that most travelers will find very easy to use. We have got to get the balance right.

- **Q:** What information gathering technologies for cargo does the federal government find the most depending? RFIDs or other technologies?
- **A:** Well, it depends on what kind of cargo we're talking about. I think we will see, over the course of the next year, as we keep working on the global supply chain strategy internationally, we will, with the World Customs Organization, the International Maritime Organization, the International Civil Aviation Organization, be able to reach some common standards about cargo, about information related to cargo, about how manifests are prepared and how early in the shipping process they are provided. And that information sharing, more than any other sensor-type device, that information sharing will probably be the most useful thing we have in the near term.

There may be, at some point, some technology developed that will allows us immediately to wave a wand and know exactly what's in cargo, and whether it's dangerous or not. But in the absence of that, we do some of those things, we do some kinds of checks that are very good. But that information sharing part, again, as I said

earlier, that information sharing part made more robust, and made more inclusive, gives us the best way to mitigate threat.

- **Q:** Do you think that U.S. foreign policy towards other countries can help you and have engaged as cooperate together to cut down on some of that?
- **A:** Actually, one of the things that surprised me when I took over at DHS, and as I mentioned, I'm only the third Secretary, and I've gotten to build on what Tom Ridge and Michael Chertoff did. And they did, really, yeomen's work in getting this huge department up and running. But we continue to evolve and mature. And one of the things that really has evolved and matured over the last few years, is the international reach of the department.

We have people, now, in 75-plus countries. I think we're the third largest international footprint of any federal agency. I spend a lot of my time on international work. And what I spend my time on is exactly what the question is about, which is forming these international partnerships that allow us to do things like screening as far away from our physical borders as possible. That maximizes our ability to prevent something from actually getting into the country or someone getting into the country that we don't want to.

So, over the course of the next year, yes, we will be working very extensively on global supply chain security with a number of countries. We will be partnering with some, and we have some pilots going on directly with some of our allies on coscreening and things. The whole pre-clearance issue that I described for you is really an international partnership. It's all designed because the nations of the world, you know, have an interest in making sure that peoples remain safe, and that the global economy can truly move safely and securely. And so, taking advantage of that kind of joint interest is kind of the sweet spot where trade and security intersect.

- **Q:** Can you elaborate a little more on how we guard our thousands of miles of coastlines and borders, especially those that aren't guarded?
- **A:** Well, the border-- let me just say. The southwest border, it's a combination of manpower, record manpower, technology, more and more off the shelf technologies that our Border Patrol agents compose, right to work, and infrastructure. And I think now one of our real infrastructure challenges is improving the actual physical land ports themselves, because we can shut down the land between our ports, our land ports. But the ports themselves, which is where you see lines, where the cargo needs to get through and so forth, that's where major improvements are often required. So, when you talk about San Ysidro or Nogales, that's really designed to help us secure the border, even as we get that legal travel and trade going through.

Northern border, the same way, different strategy. It's bigger, it's much more sparsely populated. The weather obviously is a little bit different. So we have to use different strategies up there. But it's the same kind of thing, perhaps greater use of aerial

methods as well, although we're using aerial at the southwest border.

And then, in terms of the Pacific and the Atlantic-- and when I say the Pacific and the Atlantic, I also mean down in the Caribbean and the like-- the Coast Guard is our lead. They have existed since the 18th century. They are charged with protecting our nation's coastline, protecting our waterways. They work a lot with state and local officials who are actually in communities that have large ports and the like. But they are charged with making sure that our maritime environment remains a safe one.

Q: Can you perhaps elaborate and kind of pat yourself on the back and talk about how the U.S. Customs seized-- you said 62 tons of bomb-making materials, how you guys managed to accomplish that?

A: Right. Well, okay. [laughter] I shouldn't do that. I think, because it's not my work, it's the work of others, so I get to stand here and describe it. But it's the work of men and women in this department. It's ICE, which is the lead on the interception of precursors. But this is a-- it's basically a very robust and specific information-sharing agreement that allows us to monitor and track the shipments of the kind of chemicals used in manufacture of IEDs, and to make sure that, as that commerce grows, and some of these are chemicals that are used in agriculture, for example, they have legitimate uses as well as illegitimate uses. And so, being able to separate those out, and making sure that the recipient is the right recipient, getting the right amount as properly described, is what this information-sharing agreement, how it works.

And the way these agreements can work even better, now, is our ability to connect data is so much more robust than it was 10 years ago, or indeed, even three years ago. Our ability to unite different types of databases, so we can make the kinds of queries necessary to say, "Hey look, we want to know whether this particular chemical is moving and where."

Q: Do you believe the U.S. shares responsibility with Mexico in the war against crime, given that America is the number one provider of guns to the Mexican cartels?

A: Well, I think-- I think the issue with Mexico is, you know, they are our close neighbor. They're our number two or three trading partner. There are thousands and thousands of jobs in the United States that relate to our travel and commerce with Mexico. They have been engaged and embarked upon a valiant battle against cartels, particularly in Northern Mexico, the cartels that manufacture narcotics, that get shipped north into the United States, some into Canada.

We have wanted to partner with them and share with them, in any way that we can, our efforts, because there's a joint interest in making sure that that battle that they are fighting is a successful one. So we're going to continue to do that. Obviously, I think if the question is referring to things like fast and furious, I think everyone has acknowledged that mistakes, serious mistakes were made there. The key question is making sure those kinds of mistakes, from my standpoint, are never again repeated.

- **Q:** Earlier you mentioned that the nation's current immigration laws are outdated and in need of revision. What would be your number one priority to change? And how would you change it?
- **A:** Oh, I can't limit it to just one thing. I think it's really, when you work in this area, there's just time and again, I'll go to meetings with, you know, businesses. And they can't-- They're coming up to me saying they can't get Visas for the kind of workers they need. I'll go to meetings with the agricultural community. They can't get people to help them harvest crops. They're letting acres and acres of cropland lie fallow. I'll go to meetings with communities and hear about families that have been torn apart.

I think, if you had to pick, in this whole area, one segment would be, you know, young people brought here, usually as small children, brought here by adults, their parents or whomever. They've been raised here. They may not speak the language of their country of origin. They've gone to school in the United States. They've done well. They've played by the rules. And, as they reach adulthood, they come into contact with immigration. And, all of a sudden, they're in line for deportation, for removal. These are the so-called Dream Act kids.

And, if you have to take just one element out of the whole universe of immigration that needs to be fixed, should be fixed, and came very close to being fixed by the Congress last year, it would be that category.

- **Q:** What is your vision for DHS with the National Security Programs to remain on schedule with budget reductions that are coming?
- **A:** Well, I think, you know, every element of the federal government has an obligation to find ways to do what we have to do more efficiently, in a more cost-effective manner. We have been looking for these ways for three years. And we done-We call our process "Efficiency review." But it's everything. You know, it's cutting down expenses related to procurement. It's doing certain things with IT to cut the cost of that. It's eliminating subscriptions to unnecessary periodicals-- I guess not from any of those represented here-- [laughter] You know, it's just a whole host of thing after thing after thing after thing.

And, as we find that-- and we're getting a lot of good ideas from our own employees. We've solicited them, "Where can we cut costs? Where are we doing things that don't need to be done?" And, as we do that, we're finding that we can get leaner and meaner. And we will keep trying within some of the strictures that we have, and requirements that we must accomplish. But we will keep trying to be as lean as we can be, given the fact that we probably have one of the most complicated set of missions of any department.

Q: We have some students here today from Georgetown University. And one of them asked a question, as a woman in national politics, do you think that your gender has

given you a unique perspective? And, what advice would you give to a woman seeking to enter government service?

A: Run. [laughter] I mean, you know, one of the things that I have found-- First of all, I think that public service is a great calling. I mean you can do wonderful things in a public service career. And a public service career can take many different forms. But, as someone who has been in elected office, one of the things I encourage particularly young women to do-- and young men if I-- You know, everybody to do, is look. Running and holding elected office is a grand privilege. It's serious business. But it is something that also has a certain amount of joy to it, the whole process of meeting the people and working with the people you are going to represent.

So, I wouldn't, you know, unfairly to one's self, say that you're not going to consider running in your own right. Everybody in this country has the ability to do that and ought to consider it. It is a wonderful experience with its ups and its downs but truly rewarding.

Q: We're almost out of time. But before I ask the last question, we have a couple of housekeeping matters to take care of. First off, I'd like to remind you about our upcoming luncheon speakers. On February 21st, we have Danica Patrick, NASCAR driver, as she will discuss her career in preparation for the Indianapolis 500. On March 14th we have former Representative Patrick Kennedy and Jim Ramstad, will be discussing the mental health parity act. And, on April 4th, we have Dr. Deepak Chopra, founder of the Chopra Foundation and the Chairman of the Chopra Center for Wellbeing.

And second, I'd like to present our guest with the traditional NPC mug. [laughter]

A: Oh boy. Thank you very much.

[applause]

- **Q:** And I have one last question. You talk about being-- that all of us should be prepared. And I would like to know what you have in your ready bag.
- **A:** I have the king of ready bags. I have, you know, my set of clothes, first aid equipment, extra batteries, extra chargers, a couple of good books, and the phone number and email address of everybody I'm going to have to be in touch with if I ever have to use that ready bag. And all of you all should have a ready bag as well. All right, thank you.

[applause]

Q: I want to thank all of you for coming out today. I'd also like to thank the National Press Club staff, including its Library and Broadcast Center, for organizing today's event. And finally, here is a reminder that you can find out more information about the National Press Club on our website. And, if you'd like to get a copy of today's

program, please check out our website at www.press.org. And again, I'd like to thank you very much. We're adjourned.

[sounds gavel]

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