

THE ASPEN INSTITUTE

ASPEN SECURITY FORUM

SECURING THE HOMELAND IN THE POST-POST 9/11 ERA

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SECURING THE HOMELAND IN THE POST-POST 9/11 ERA

(5:00 p.m.)

MR. ERVIN: Well, good evening everyone. As many of you know, I'm Clark Ervin, I'm the Chairman of the Aspen Institute's Homeland Security Program and the founder and organizer of the annual Aspen Security Forum.

We are delighted to welcome all of you to Aspen this week for this summer's forum. And I must say that it promises to be our most exciting forum ever. I'd like to begin by thanking our principal sponsors Ayasdi, Deloitte, Lockheed Martin, Symantec and Target, and our media partner this year NBC News and MSNBC. And we are grateful for additional support from AUSA, Capgemini and MITRE Corporation.

Tonight's session is part of the McCloskey Speaker Series. And so our thanks to Tom and Bonnie McCloskey for their support of the series and this evening's probative.

(Applause)

MR. ERVIN: When we gathered in Aspen last summer at the end of the Obama administration the world seemed like a particularly dangerous and complicated place. In the transition since to the new Trump administration what seemed impossible is reality, the world is even more complicated and dangerous. If there was any doubt about the danger that Putin's Russia poses to the United States, our NATO allies in the entire post-World War II international order that doubt has been erased. Though the president has developed a warm relationship with President Xi, China continues to assert its primacy over the South China Sea. North Korea has launched an ICBM posing a direct threat to United States. And though the so-called caliphate in Iraq and Syria is shrinking, ISIS continues its global reign of terror.

So as this week's speaker survey the global geopolitical landscape there is no end of challenges for them to explore and no end of questions for them to attempt to answer. So a warm welcome again to all of you. And with that please welcome Hugh Thompson of Symantec who will kick off tonight's program. Thank you very much.

(Applause)

MR. THOMPSON: Clark, thanks very much. Ladies and gentlemen, good afternoon. It's a real pleasure to be with you here at this forum, and Symantec is absolutely delighted to be a part of this event this year. Clark, we've admired this event for many years at a distance, so so thrilled to be here and a part of it. And I want to introduce our two speakers this afternoon. Secretary John Kelly is the nation's fifth secretary of Homeland Security, the job is only about 14 years old, but in that short time the threat landscape, as Clarke mentioned, has changed dramatically, and it continues to evolve daily.

Cyber security is now a critical concern, aggressive destabilizing action is happening and occurring by other nations against the U.S. and dominates national conversation. Compared to the post-9/11 era when the secretary's job was created things are even more complex today and they promise to be even more complex than that tomorrow.

Secretary Kelly enlisted in the Marines in 1970 and rose to lead the U.S. Southern Command and command the multinational force west in Iraq. Before President Trump named him to lead DHS he assumed the job 6 months ago and what an incredible 6 months it's been.

Our moderator is Pete Williams, justice correspondent at NBC News. Pete has been at NBC since 1993. Before that he was already a familiar face as Pentagon spokesman, and he got his start in broadcast news not from where we send, but here at KTWO in Casper, Wyoming in his hometown, a shout out to Casper for all those tuning in. So please join me, ladies and gentlemen, in welcoming Pete Williams and our special guest, John Kelly, United States Secretary of Homeland Security.

(Applause)

MR. WILLIAMS: Thank you. I thought for a moment this was going to be simultaneously translated into (inaudible). There was a dog barking, those people on this side of the room, that's what a --

Well, you heard Mr. Secretary, you heard Clark Ervin say this was going to be an exciting event, so please try to be exciting. Let me just start by asking what's a nice guy like you doing in a place like this? How did you happen to become and why did you decide to become secretary of Homeland Security.

MR. KELLY: Well, Pete -- and again, real privilege to be here, and thanks for the invitation, you and others had influenced my appearance tonight. I don't know why I'm sitting here, I don't know how I got here. I literally --

MR. WILLIAMS: That's reassuring.

(Laughter)

MR. KELLY: I literally did not know Mr. Trump at all and I didn't know anyone that knew Mr. Trump. I was, about 10 days after the election I was watching college football with my wife on a Saturday afternoon, I got a call, Reince Priebus. And I barely remember that. And once he convinced me it really was Reince Priebus and not one of my retired friends who does this kind of thing. You know, said Mr. Trump would like to have an opportunity to talk to you maybe about going into the administration, hung up. My wife said, "What was that all about?" And I just -- I was retired almost exactly 8 months from 45-1/2 years in the Marine Corps and, you know, 29 moves and I could go on and on. John, how are you doing? Now I have to tell the truth, I see John is here.

But anyways I said, "Well, it's Reince Priebus and they may offer me a job, what do you think?" And she said, "Well, you know, if we're nothing the Kelly family is a family of service to the nation." Two sons who are Marines, daughter in the FBI. So she said, "If they think they need you, you can't get out of it." And she said, "Besides, I'm really tired of this quality retired time we're spending together."

(Laughter)

MR. KELLY: So then I went up for a second interview about 10 days later and Mr. Trump walked in, it wasn't really an interview and said, "I like you take the hardest, and what I consider to be the toughest job in the

federal government." I panicked for a bit, I thought he was going to offer me the State Department. All I could think about is how do I get out of this, and he said, "Homeland Security." And I'd work so closely with Jeh Johnson who was a good friend in my time in SOUTHCOM. I knew what Homeland Security was about. I collaborate -- you know, I looked at it southwest border, at our country from the south looking north, which is very, very different view of the border if you were standing in America looking south. And I brought that perspective to the job and I think I think that's worked well for me. But that's how I ended up here.

MR. WILLIAMS: Very briefly, you've often mentioned that Jeh Johnson is a good friend. Do you still talk to him? Do you consult with him? You ask him for advice?

MR. KELLY: No, I will. But I think in my mind the best thing to do is to let some time between the two of us drift apart just so -- the most important thing is there is thousands of really great career federal servants in the organization. So when I have a question about why Jeh made a decision or why the Obama administration may have decided to do something, I can go to them and -- because I never -- I would never want Jeh or anyone in the previous administration to think that I was passing judgment, that I thought they were anything other than great, you know, public servants. So I can ask people and say why exactly did they do with this, why was this decision made by Jeh. And then they fill me in. I say, all right, that sounds reasonable to me, or that's good information I think we're going to with new policies we'll change that. So I would never want Jeh to ever think that I was questioning what he did while he was in the job.

MR. WILLIAMS: Well, speaking of policy, let's talk about airline security. After saying that it might be necessary to expand the ban on bringing portable electronic devices onboard in carryon bags, you might need to expand it possibly to all incoming flights to the U.S. from overseas. You said at the end of June Airlines would not be subject to that ban if they stepped up their security for flights into the U.S.

So how did you arrive at what is obviously a compromise between the security you might have wanted and

what the airline said they would accept or the traveling public would accept?

MR. KELLY: No compromise at all, at all.

MR. WILLIAMS: Come on now.

MR. KELLY: No, the -- I'll start by saying the threat that we saw right after I took over, I was briefed on, and you have to understand, people should understand that there are people who work very hard, long and hard to knock down an airplane in flight. Ideally they like to knock down a U.S. airplane in flight on the way to the United States, that's what -- that's the Stanley Cup World Series if you will of what they're. They they've luckily gone in other directions over the years because of the respect that they have for the TSA and the other things that we do at our airports, final points of departure.

But anyway very, very sophisticated, and this particular one, it was not only sophisticated but it was real and it was targeted at certain airports. So because we then, TSA built a device working with the intelligence community, working with the FBI, they built two devices actually, tested them, and we didn't feel at the time that overseas airports had the kind of security initially that could give me a comfort that they could detect this device.

By the way, and having been around explosions all my life, the device, as it was described to me, had an amount of explosive on it that I just did not believe could destroy an airplane in flight.

MR. WILLIAMS: When you say device you're talking about explosives and a laptop computer?

MR. KELLY: Or other large type electronic devices. So we tested it on a real airplane on the ground, pressurized, and to say the least it destroyed the airplane. So anyways we put on the 21st of March, we put some -- at 10 different airports, by the way all of these airports as of about an hour ago are off the list, so what we did after I put the protocol in place that we would not have large devices in the passenger compartment and worked very closely with the airlines and airline advocacy groups, my counterparts overseas to include the Middle East explaining what was going on because I can't tell them too

much about the intelligence where it came from, but all of that added up to, you know, we could actually use this crisis as a way to raise globally aviation security. So what we recently did was come out with a kind of a 60, 90, 120 2-year program and have said to all final points of departure, airfields in the world, if you want to fly directly to the United States with large electronic components in the passenger compartment you have to do these things. So in my view globally at least at those final points of departure airfields that come to the United States globally we have we are raising aviation security as opposed to just going after one single threat.

MR. WILLIAMS: And you're confident these measures could detect these devices?

MR. KELLY: I am confident, I am reasonably confident that we can detect the devices given all of the things that we are requiring people to -- so many of the things, by the way, you will never see. It's how we vet, how airlines, how countries vet the people at work, the insiders that work behind the counter, that load the airplanes, refuel the airplanes. You'll not see that, you'll probably, if you travel in the Middle East, not see canines, but there will be canines. You probably, what you will see is additional testing of electronic devices. What you will see is a greater number of people pulled aside for some secondary screening based on the country and based on an individual profile. But most of it you will not see. But I believe it raises aviation security adequately.

MR. WILLIAMS: So how -- you said it's not a compromise. How can it not be if where you started was we don't want laptops in carryon bags?

MR. KELLY: What it started was we have a device that we don't think we can detect with enough accuracy to give me comfort in terms of allowing it to go in the passenger compartment. That's where we were then. And the intel had told us where, the most threatened airfields, airports were. With these protocols in place that gives me sufficient confidence that we can detect it.

MR. WILLIAMS: You talk about of course detecting them with existing technology. So what is the Department of Homeland Security doing now to try to have a new

generation of technology that can give you more confidence you can detect these things?

MR. KELLY: The next -- that's a great question Pete, the next step in this is CT technology, we already --

MR. WILLIAMS: What does that mean?

MR. KELLY: It's a new kind of technology -- no. I don't know what CT stands for, but let me put it this way, when you go through your airport check in, your bag goes through today it goes through X-rays, your baggage checked goes through, for the most part CT technology, we're going to take the CT technology and in --

MR. WILLIAMS: Here's John Pistole, what does CT stand for?

MR. PISTOLE: Computer tomography.

MR. WILLIAMS: Computer tomography. Thank you.

MR. KELLY: Nerd.

(Laughter)

MR. KELLY: Former TSA director by the way.

MR. WILLIAMS: Please go ahead, you were talking about research before you were so rudely interrupted.

MR. KELLY: That the next step is CT technology. At the point at which the passengers go through. Right now it's X-ray and some other technologies. So the technology generally already exist, we just have to now start purchasing it. And airports will be required to purchase it in the out years.

MR. WILLIAMS: And so how long before we'll have this widely --

MR. KELLY: Probably between a year and 2 years. And by the way, Pete, we're not mandating in a sense that airports, airfields, airlines have to do this, what we are saying is if you don't do it you won't be able fly to the United States unless you put the, unless you restrict the large electronic devices.

MR. WILLIAMS: Let's ask you one other question about this. So the alternative is if you can't take it in carryon, you can't take it in your carryon bag or, you know, walk into with your hand you have to put it in your checked bag, but if it's still on the plane and it has explosives in it, isn't that still a hazard? What have you accomplished?

MR. KELLY: The threat would indicate at this point that there was no possibility of remote detonation. But again I can't emphasize enough, there are people out there, very smart people, very sophisticated people who do nothing but trying to figure out how to blow up an airplane in flight. So this is -- it's not going to stop. You know, CT technology is the next thing, who knows after that.

The other issue is, I already talked about the insider threat, baggage and things like that, the other issue is cargo airplanes. You know, there is a fair amount of cargo, what we would attribute to just cargo flown on passenger airplanes on a space available. They're constantly looking for ways to do this.

And so people like John Brennan before Mike Pompeo and me and others are in a constant, you know, battle game if you will to stay at least two steps ahead of them, and we are.

MR. WILLIAMS: In your confirmation questionnaire for the Homeland Security Committee you said this, "The number one threat to the nation is that we do not have control of our borders." And you also said the highest priority would be to close the -- that your highest priority would be to close the border to the illegal movement of people and things. Now that you've had some time in the job do you still think that's the number one threat to the U.S. security?

MR. KELLY: It is from my perspective. You know, let me just start up by saying my initial conversation which Mr. Trump was he said we need to secure the borders, couldn't agree more. He said but we have to ensure that the movement of legal people and legal things, whether it's Canada, the maritime borders or the southwest border, that that is not only unimpeded but is facilitated.

So the challenge is how do we get operation control of the border when you have, you know, literally tens of thousands of people in a very, very, very sophisticated network that has been operating now for a couple of decades at least that move people, things, anything up through the Central American (inaudible) into the United States. So if you can't control what's coming in, and when I was in Southern Command, and again looking at the United States from a different perspective, I would say anything that can pay the fare, and the fare isn't that high, can get into the United States. In my sense this is going back 6 years, 5 years, 4 years ago, or 3 or 4 years ago that I believe if there was a terrorist attack from outside the United States, once the forensics are done it will be seen that that individual or individuals came into the United States with either a dirty bomb or whatever they brought, come into the United States through this network.

Now, people will push back, have pushed back and said, well, the network is a transnational criminal organization network, true. The network, the people that run the network, and it's very sophisticated but fairly decentralized as well, there's a lot of people involved in this, but if they were to be responsible for terrorists -- a series of terrorist attacks against United States, wouldn't that scare them that the United States would respond to that and shutdown the network. And the answer to that would be yes, but they don't check bags, they don't do explosive residue testing, they don't check papers, if you got the money and say I want to go to the United States they will ask you what part of the United States you want to go to. I mean, it's that sophisticated, that efficient.

And what we're doing now is doing the best we can to stop the illegal movement of things and people into the United States. The movement of illegal aliens across the border in the last 6 months or so, but certainly post-20th January is down by 70 percent, 70 percent. And let me say upfront, the people that want to come to our country, I understand why they want to come to our country, we have a better country than they have, and they're overwhelmingly decent people. But the fact is we have a legal immigration system that allows 1.1 million people in every year that are on the road to citizenship.

We are trying to get our arms around and are getting our arms around illegal immigration, not legal immigration.

MR. WILLIAMS: So part of the answer to that is something that's been in the eyes of the community ever since the 9/11 Commission report, and that's an entry exit system, how are we doing on the exit part?

MR. KELLY: Well, we're doing very well, have done very well at the airports. You know, when a foreigner comes into the United States they're entered into a biometric system. When that person leaves, if they're a foreigner, there they're entered into the biometric system again, and so we know who comes in who goes out. What we have not done and I think the law was passed 12, 15 years ago -- well, it was part of 9/11, we have not done well on the ports, the land ports of entry, of which most of -- we have about 325,000 people come into United States every day by air, we pretty much know who they are coming and going, it's the other million or so that come in and out of the country across the Canadian border and across the Mexican border.

So in my time here I think we -- while we have certainly redoubled our efforts and we'll move down the road to get an exit system at the land borders as well.

MR. WILLIAMS: You think you'll have that in the next 3 years?

MR. KELLY: I don't know. You know it seems like a fairly simple issue, you just take the biometric system they're using at the airports and use it at the ports of entry. But the --

MR. WILLIAMS: Except that that everybody isn't lined up like that.

MR. KELLY: No, but well -- you have that right. But the fact is it is a heck of a lot more people, obviously this costs money. The great balance, the big balance on the borders of course is people don't want to be inconvenienced, certainly commercial truck drivers don't want to be inconvenienced. But if you're going to stop and enter people into the into the system and then check them every time they come in or go out, it's going to slow

things down. That's why other technologies, facial recognition, that kind of thing, I'm told that it's entirely possible in not too distant future.

And I've been down to the ports of entry along the southwest border a number of times. That you would be driving in, the cameras would look at your face, and unless the light turned red you could just drive on in because the camera, the system would recognize you. It's not going to happen tomorrow or the next day but that's the direction we're going in.

But the biggest thing the President and everyone along the border, north and south, whether it's the local governors, the police chiefs, the commercial people is don't get in the way of legal things crossing the border and legal people crossing the border. So we're going to work to that.

MR. WILLIAMS: The president's executive order that went into effect in March gave you a number of homework assignments including giving you 20 days to assess the reliability of visa background informations from the six countries covered by the order. That period is done. What did you learn? And what changes will be made as a result of it?

MR. KELLY: Well, we went slow on that just because I did not want to get crosswise with the courts. Now, we had huge numbers of accusations that we were not going to -- even though we were not going according to what the court told us to do, so we went very slowly, but the end of it is we -- as we've looked at the way people are interviewed, as an example, that want to come to the United States, for whatever reason, legally, a visa, the interview process, the paperwork they are showing, the proof of who they are and why they're coming I would say is probably dated. So as we look at it now the expectation will be that you, that the interviews will be longer and a lot more follow up.

As an example, the people that do these things for the State Department or USCIS, DHS, they're trained interviewers and can ferret out by certain lines of questioning what people really want to come to the United States. Example I would give you is, someone wants to come, they've got a passport, which is not always the case

today, they have a passport and long story short they have really no reason to return to whatever country they're leaving from. The chances are they're not going to -- they come into the United States and they will not go back, and that's borne out over time by kind of statistics. So if someone is, owns a business and, pick a country, Iraq, and their family is there, and they have a sister living in Dearborn, Michigan, and they -- the guy wants, someone wants to come over for, you know, Ramadan, that person has ties to Iraq. Financial, social, religious whatever. So the expectation was that person is a safe bet because he'll go back. But if they've got nothing in the country, they're leaving, and they've got a family in the United States we want to look closer at them.

And the other issue is passports and paperwork. Now, there is many, many countries in the world that have really substandard passports. We need to encourage and we are going to encourage them to upgrade their passports to what is today a world standard, chips and things like that, so that we can check the information electronically in the passport against who they are, who they say they are.

MR. WILLIAMS: So this could be changes beyond just the six countries in the executive order?

MR. KELLY: This would be world wide. I mean we have to raise this on a worldwide basis and we'll do that, so it's not just the six, it's -- and there are many countries -- oddly enough, I was looking at the list, and I'm not going to tell you what the list is, but I was looking at the list, there is a fair number of countries out there that surprised me that they don't have the top-of-the line passports as an example. Some countries don't have passports that, you know, that anyone in this room, in this tent would recognize. So the attempt, just like with aviation security, is raise the bar for the world by saying you need to go in this direction otherwise you're not going to come to the United States.

MR. WILLIAMS: So when would we expect to see some regulations or some -- this is similar to what you just did with --

MR. KELLY: Yeah, we're going through the rule process now. So, you know, it's certainly within the next 6 months, maybe 3. But we're going to watch -- I mean,

I've lost track of the court rulings, I have a large number of lawyers that live for court rulings. I just -- we're just being very, very careful, I do not want to get crosswise with the courts.

MR. WILLIAMS: But just to button this up here, what you're saying is there -- you're soon, we'll say, unless you come from a country that has a modern passport you're not coming here.

MR. KELLY: That's one thing we'll required, yes.

MR. WILLIAMS: Let me change the subject to election meddling. There are some outside experts and state election officials who have said that they don't think that the administration has a coherent strategy to prevent another country like Russia from successfully meddling in the next election. So what's being done now to deter the Russians or another country from interrupting or destroying or somehow tampering with our state election systems?

MR. KELLY: Well, Peter I don't doubt your source, but all of the input I get from all of the states are we don't want you involved in our election process, it's a state responsibility, I think there are 30, 40,000 municipalities in United States. Within states there's no one way that they run elections. What Jeh Johnson did, and I agree with, is he established the election system countrywide as critical infrastructure and then said we can help if you want to it. If you want it, ask us, you could design what help you might want, do your own thing, maybe we can come in and prove, that's entirely up to you as a state, we're not going to take it over.

I think they're nuts if they don't because I think in the world we live in, cyber wise, any second, third, fourth objective look at what you're doing would make sense, but if they don't want it, the help, they don't have to ask.

MR. WILLIAMS: Well, I understand it. But is basically all you can do is say I'm here with my hands behind my back call me if you need me, I'm like the Maytag Repairman, is there nothing more you can do?

MR. KELLY: Well, I mean the other things to do

federally is just watch these attacks, watch the activity of these various actors, not only nation states but, you know, other actors who are, you know, you have the nation states of course and then you have just criminals who are working to make money off of malware and things like that, and then of course you just have, you know, what I would term vandals who just do this for kicks. We are good at that at DHS defensively, we're getting better at that. The name of the game is coordination within our government at every level. And then of course partnerships, which are -- again, I had nothing to do with this, I just got here -- fantastic partnerships with the commercial tech industry not only in our own country, but worldwide. Nice and very, very talented people that could make a hell of a lot more money on the outside, but they are dedicated public servants and they are setting the standard for protecting everything in our country.

MR. WILLIAMS: Another dimension of the problem of course was the spread of false information using computer botnets and that kind of thing. Is that your problem, and if so, what are you going to do to try to prevent that?

MR. KELLY: Well, I think any injection of -- any cyber attack -- and I would in my very layman way look at that as a cyber attack. Any cyber attack, misinformation or malware or others, I think we have a responsibility and we do -- we are very good at tracking that. Doing the best we can -- you know, once we see it working with the FBI, working with everybody -- to try to track down.

(Phone rings)

MR. WILLIAMS: Excuse me.

MR. WILLIAMS: So is that something that now you're trying to develop a more robust capacity to deal with?

MR. KELLY: Yes.

MR. WILLIAMS: Do you need to take that call?

MR. KELLY: No, no.

MR. WILLIAMS: Okay, fine.

(Laughter)

MR. KELLY: It might be the president, so I do want to miss the call.

(Laughter)

MR. WILLIAMS: It's nice being a civilian, isn't it? Speaking of which, during your 45 years of military service you were accustomed to a clear chain of command. Is it clear who is in charge of cyber? It seems like every part of the government has a little bit of it, and when everybody has part of it, it seems like nobody is in charge. So who is in charge of cyber?

MR. KELLY: Everyone has -- you're right, there's a number of lanes in cyber, NSA, FBI, DHS, DoD. There's a number of lanes. I think the way forward is to make sure that everyone's collaborating. There is talk of maybe making one organization in charge of it all. There is talk of that. I'm not so sure that's the way to go again.

MR. WILLIAMS: What organization?

MR. KELLY: Don't know yet.

MR. WILLIAMS: Yours?

MR. KELLY: No. I would say that DHS should be in charge of defense of cyber and then coordinate -- and be the coordinator of that within our government. But who is --

MR. WILLIAMS: So it's interesting to me that you said should be. I mean we're not there yet. We still are not at the point where --

MR. KELLY: Let me tell you --

MR. WILLIAMS: -- we know who is in charge.

MR. KELLY: Yeah. No, we are in charge in terms of defense. Let me tell you, when we --

MR. WILLIAMS: For the government systems, right?

MR. KELLY: For the government systems, the dot gov systems. I was very impressed a couple months ago now or maybe a month ago when we saw that first big, big attack, worldwide attack. I'm at the White House. And you

had CIA on the screen, you had -- while in the room. You had all the people you might imagine in the room where on the screen. But the central kind of clearinghouse for the discussion was the DHS team. So you had FBI talk and CIA talking and NSA talking and we are watching the worldwide map as this thing moves from, you know, kind of the medical facilities in U.K. through Europe and off into the rest of the world.

And what's astounding -- should be astounding to everybody is where that was a worldwide multi, multi, multi million system attack, it barely got into the United States because of the effort, the defensive efforts, collective defensive efforts I would say organized to a large degree by DHS.

MR. KELLY: The -- you're going to take a trip here in another couple of days to Silicon Valley to talk with the CEOs and the leaders of Google and Facebook and so forth about whether they can do more to prevent their social media from being used as ISIS propaganda. What do you want them to do?

MR. KELLY: Well, I would start out by saying they already do a lot. The partnership is strong. They are responsible, responsive. So I'm going there to first and foremost to say thanks. And then -- and I'm going there with my counterpart from the United Kingdom, Amber Rudd, and then to talk to them as a group about what we can together do more, because the threat is morphing.

And I was just out in Jordan at the Aqaba event that the king of Jordan holds on a regular basis and he is a very, very close partner of the United States and a great man, unbelievably distraught at what's happening in the Muslim world relative to radicalism. And he himself is working very hard and I can't wait to talk to him about the meeting that we have up in Silicon Valley. He himself has got his people working hard: How do you not only -- in his world how do you counter the radical threat? How do you counter what ISIS is saying to people in the Middle East?

And by the way, Pete, this is not just about Muslim extremism. This is about neo-Nazis, white supremacists, this is about any extremists, any that could, that is, that are actively trying to recruit young people, get them radicalized. But we're trying to stop this before those young people take action that they will be sorry for the rest of their life and create great trauma to the

country.

MR. WILLIAMS: Well, presumably you're not -- I don't want to guess your answer -- but presumably you're not going to ask the Silicon Valley CEOs to counter the message, right? You're asking them to try to prevent their social media from being used to spread it.

MR. KELLY: Exactly, right. And again, I can't emphasize enough: with us, we have a great partnership with all of them -- a couple of smaller ones, not so much. And that will be another part of the message too. You know, the industry grows exponentially, as I understand it, so the larger organizations that are working with us to maybe work with the smaller startups to help them get to where we'd like them to be -- and that is, again, to just simply identify this type of thing that's on the Internet through their nets and help us protect the nation.

MR. WILLIAMS: Well, do you get the sense -- just a last question here -- that they could be doing a lot more?

MR. KELLY: I think they are doing a lot.

MR. WILLIAMS: You think they could be doing a lot more?

(Laughter)

MR. KELLY: You can always do more.

MR. WILLIAMS: Okay. Well, speaking of countering violent extremism, the DHS has awarded 26 grants totaling \$10 million over two years under the CVE, Countering Violent Extremism program. Most of the grants go to police organizations. Why isn't more of that money going to groups that want to be a bridge between the government and -- for example, the Muslim community or to Muslim organizations directly?

MR. KELLY: First, in my view, when I first got to the job six, seven months ago, I was briefed on this. Again, I'm a slave to my past. My past is I'm an operator. And I said, "Okay, what's the metric of success? If we're going to give money to these organizations, how do we know if the money is worth the investment? How many" -- "how can we tell that X number of people, young people did not get radicalized? Or if they did get radicalized, how can

we tell that we were able to deradicalize them through these various programs?"

My belief -- and I also said to them, "I think this is as much a local and a family and a mosque and a synagogue and a church problem as it is a federal problem. So let's look at people who are already trying to get at this problem. You know, what cities, what states are investing their own money. What police departments have good ideas already and are putting their own efforts against it and maybe look at what they are doing and reinforce what they are doing."

I mean, this is an experiment. I don't even know if it's possible. I don't know if they are any metrics. So as we looked at that. We looked at organizations that were putting their own money against it, had their own ideas, had been working this issue and then we looked to reinforce that. And we're not just going, again, after, you know, the organizations that were funding initially -- are looking at all types of extremism, again, neo-Nazi, anti-Jewish, all the rest of it, white supremacists. So we'll see where it goes.

MR. WILLIAMS: Well, with respect, though, \$10 million over two years doesn't sound like much of a commitment.

MR. KELLY: You're right.

MR. WILLIAMS: So you want --

MR. KELLY: That's the amount of money that Congress gave me. So that's --

MR. WILLIAMS: Okay.

MR. KELLY: -- what we will work with.

MR. WILLIAMS: Okay. Well, how do you get to what works? How do you know what works? How do you find that out?

MR. KELLY: That's -- you didn't listen to me just now.

(Laughter)

MR. KELLY: That's what we're trying to do. You

know, in every single conversation I have with a counterpart overseas, every single one of them, I ask them, "Is it possible" -- "what is your program like?" Europeans, Middle Eastern, Singapore, Australia, New Zealand, what is your -- I went to this Aqaba conference that President Abdullah of Jordan had, focused --

MR. WILLIAMS: I heard that part.

MR. KELLY: Yeah, all right -- focused on Southeast Asia, focused on -- many of them were from Islamic countries. And again, "What do you do? How are you doing it? Can it be done?" And within our legal justice -- some of them it's -- you know, we just tell the mosques what to say, and if they don't say it, then we arrest them. That's one end of the spectrum. I would never argue for that of course.

But the other countries are struggling with this. Saudi Arabia has a program -- again, we couldn't do it. But they involve the families, particularly the women in the families, mothers, sisters in particular. So whatever we can -- but right now we're experimenting.

MR. WILLIAMS: Some of your predecessors, especially Jeh Johnson, made a point of going around and visiting the Muslim communities in the U.S. Do you intend to do that?

MR. KELLY: Yeah, I was up in Dearborn very early on -- went to Dearborn, Michigan and visited several communities there in a conference. They came to us. So I've done that. I've been to some things in Virginia. It's on the -- but, yes, the answer is, yes, I've done that.

One of the things I would tell you is -- this may not seem like a big deal, but I spent three years of my life in Iraq and I've gotten to know thousands of good people who just happen to follow the Muslim faith. I have absolute respect for it. When I left after my last tour, I was honored by giving -- having been given an award by the Sunni endowment in Al Anbar Province, protector of the mosques, protector of the faith. And we turned that war around in Al Anbar Province. We turned that war around by reaching out to the mosques and the imams. And those very brave men that we reached out to -- because as soon as they were seen to be working with us, they were targeted by the extremists.

But we by working with families, by working with the imams -- I mean, I think I went to Friday afternoon prayers -- almost every Friday I was there just to show -- at a different mosque just to show my respect for the religion, show my respect for the people. So I have great admiration and great familiarity with the religion.

MR. WILLIAMS: Well, it sounds like -- you say then from your experience in Iraq that this can work, but you seem skeptical that it can work in the U.S.

MR. KELLY: Well, part of that engagement in Iraq was the imams telling us who the radicalized al Qaeda types were. And, you know, what we didn't then.

MR. WILLIAMS: Okay.

(Laughter)

MR. WILLIAMS: So back to countering violent extremism and I --

MR. KELLY: I would argue when we do that in the United States, by the way --

MR. WILLIAMS: Back to countering the extremist message, has the U.S. sort of given up on that, trying to publicly counter the message? Did it just not work?

MR. KELLY: Well, certainly I haven't. I think most people are trying hard. You know, I again get back to the grants for a second. I mean every single -- when I travel, I always, always, always meet with, if they will meet with me, the mayors of the cities that I visit and the law enforcement people. And I've spoken to -- twice now to the association of governors and several times now to these large associations of big city police chiefs or sheriffs and what not. And what they say about their outreach to every community in their jurisdiction is pretty impressive. So, no, I don't think so.

And then of course it shouldn't be lost -- I was in Saudi Arabia about a week -- 10 days before President Trump visited Saudi Arabia. And a few days before that, I was in Jordan. And they were excited over the fact that the president was making his first trip and specifically visiting Muslim countries first.

And during his time there, they had -- the Saudis, as you know, collected a large number of leadership from around the region. So, no, I don't think at all. I think Mr. Trump is doing everything he can now to try to counter that.

MR. WILLIAMS: I know that your eager to hear some questions from the folks here and we'll do that in just a moment. But let me ask you two other quick questions. One is about REAL ID; this again is a 9/11 Commission recommendation. Is every state going to make it?

MR. KELLY: I don't know. For those of you that don't know, the Commission said that every driver's license, every state driver's license had to be raised in terms of the quality of the license, the information. And in particular what you don't see is the person that's holding the license is actually the person whose name is on there. So it required a couple of pieces of documentation. You bring it to your license bureau, which is always a fun experience -- you bring it to the license bureau, show them that I -- you know, this is John Kelly, this is my birth certificate, this is my discharge from the military, whatever they require, and then they give me a license.

We don't -- the federal government doesn't take that information. That's done by the states. The law was passed, what, 15 years ago. About 25, 30 states went right after it, so they are already there. Some other states are working diligently to get there.

MR. WILLIAMS: And the deadline has been extended many times.

MR. KELLY: Well, I've been given the authority to extend. I just extended -- I think we have six states I just extended till October -- as long as they are showing me good faith, they are working towards it. Because what happens is there's a drop dead date two years from now, and if you don't have a REAL ID driver's license, you're not going to get on the airplane, you're not going to go on a U.S. -- or you're not going to go into a federal building unless you have --

MR. WILLIAMS: Unless you have another form of ID, a passport or --

MR. KELLY: Unless you have a passport. So what

we've done in those states, we have done in those states first of all working with the governors to say, "You know, Governor, you really need to have a discussion with your citizens to say that, 'You know what? Because of whatever reason, blame me if you want, but we're not going to' -- 'you're not going to be able to have an' -- 'you won't have an ID when the time comes. Go get a passport.'"

We have put public service announcements up in the states that are questionable. I would say in the six months -- six months ago my people would have said that probably 10 states won't make it. We turned up the pressure. I started talking purposely specifically to governors. We sent people out to work with the governors' team to say, "This is" -- "you know, this is what you need to do. So I think there's probably one or two states that won't make it, but we'll see.

MR. WILLIAMS: But the deadline is not the end of the year?

MR. KELLY: Well, there is a deadline coming up in January next for aviation. I think we're in pretty good shape with the exception of a couple of states. But the absolute -- I cannot use any discretion at all is 22.

MR. WILLIAMS: Let me ask you --

MR. KELLY: I'm sorry, 20.

MR. WILLIAMS: -- one other question here. I've noticed that whenever you speak to a group, when you testify before Congress, when you speak publicly somewhere you begin by praising the work force at the Homeland Security Department and we don't often hear a lot of that from cabinet members. Does that just sort of come naturally to you from your years in the military or did you think that that's something that needed to be done?

MR. KELLY: Well, it's called leadership.

(Applause)

MR. KELLY: You know, for 45 years I benefited from serving on the men and women who are the most amazing people in our society, the one percent, as we say, that serve the U.S. -- in the military, the five services. When I came to this job, I was really, really pleasantly surprised at all of the patriotism, all of the dedication,

all of the focus on protecting the nation is not just in the U.S. military. The men and women, particularly those law enforcement organizations, Secret Service, CBP, Customs and Border Protection, ICE are incredibly dedicated people doing incredibly dangerous things and every one of them loves their job.

So it comes natural to me when someone criticizes those kind of people whether in military uniform or the uniforms of the DHS. It angers me. I'm offended by it and I won't let it go by.

MR. WILLIAMS: All right, let's hear from you.

(Applause)

MR. WILLIAMS: There's somebody here with a microphone. So you're standing right next to that gentleman, go ahead.

SPEAKER: Thank you very much. General Kelly, thank you so much for your service to the nation. The ban on the six countries, every terrorist in the Western world including in the U.S., Riverside, Florida, New York, Brussels, Paris were either Saudis, Pakistanis, Emiratis -- none came from these six countries. What are we doing about those countries that actually are primary source of the terrorism in the Western world?

MR. KELLY: That's a great -- it's a great question. Let me start by saying again I was not part of the campaign. I joined the team, if you will, in late November. And that was the transition period. The EO that came out that identified the six nations were nations that had been already identified as questionable in terms of their paperwork and some of the things I've already mentioned, identified by the previous administration, by the Congress. So I think that was probably a start point.

But you're exactly right, what we needed as we looked at that -- and remember whether you believe it or not -- I do -- it was to be a pause so we could study all of the things that people should be showing us in order to get to our country illegally so that we could decide what we needed -- the so-called additional vetting, extreme vetting -- and sit down and say, "What do we need to do to further ensure that the people that are coming here are at least coming here" -- "the people who are" -- "who they say they are and coming here for the reason they state they are

coming to the United States."

So the pause of course went immediately in court and you know all of that, it goes back and forth. So as I've explained just a little bit earlier, now we're in the process and we've taken a worldwide look at countries and said, "These are the countries that we're not satisfied have the kind of documentation, have the kind of background checks," that kind of thing. "And so going forward, country A, B, C, D, E you need to start working really quickly at getting better in terms of your paperwork, your upgraded passports, whatever. Otherwise your citizens won't be able to travel to the United States."

But you're right. I mean, the databases we have, all of that that we do every day find people who are coming to the United States for nefarious purposes, every day for nefarious, nefarious purposes, crime, questionable in terms of the terrorism. But the databases are only as good as -- if the person is in them. And an awful lot of people -- and we see this in the European attacks -- an awful lot of people are not in the system in a negative way.

You know, the fellow that came down from Canada and stabbed the police officer in I think Michigan a couple of weeks ago -- he survived thankfully -- was not in the database. So when he came down from Canada, they checked the database, he's fine. So the databases are great, all the rest of it is great, but we do really need to enhance this process.

MS. HARMAN: Jane Harman, Aspen trustee, head of the Wilson Center and recovering politician. Secretary Kelly, thank you for your service. The largest unfulfilled recommendation of the 9/11 Commission was that Congress reorganize itself so that it could focus on the homeland security mission. That was many, many years ago. I'm really asking you specifically about an event that may happen this week, which is that the House Homeland Security Committee on a bipartisan basis will probably vote to reauthorize your department for the first time since it was formed. What does that bipartisanship and that effort mean for your future?

MR. KELLY: First, I guess I would say our government was designed by the founders to be fairly slow, but this is really ridiculous when you think of it, 15 years. If we don't get it this year -- and it's -- as you say, it's bipartisan on the House side. I'll save my

novenas in terms of the Senate side. But I truly believe that it's time to do this.

And one of the things I'm hoping for is that we can really start looking at the efficiencies within the Department. I mean there are 22 different parts of this Department, all of them continue to be more or less separate in their own stove pipes -- that all come to my desk. Jeh Johnson started a program before he left, Unity of Effort, to try to streamline the Department where we can take advantage of what efficiencies we can. We're going to put that on steroids. The number two, Elaine Duke, who is my number two, a wonderful woman and has a lot of experience in DoD and in DHS -- is that's the biggest rock that I have put in her pack.

But if we don't get it authorized, I mean the inefficiencies will continue. And I would just offer: you know, in my time as a military person, I answered to four committees, two on each side, and they were apolitical committees. You got to know them. And there was never a question -- when you dealt with the committees, there was never -- you know, we might say we need 10 aircraft carriers and they might think we only need nine. That's fine. But they would work it out. The point is they worked together.

Mike Chertoff said today -- where is he? -- that I answer to 150,000 committees. I don't. But I do answer to 120 committees and subcommittees. I have committees -- I have parts of my organization that fall into two committees of jurisdiction and the individual that heads that committee will go to one hearing and be told "don't you dare" and go to another committee and be told "you better."

So we've got to authorize it. You know, all kidding aside, this is the time to do it and I just really hope the Senate takes this up and gives us a way forward on this.

MR. WILLIAMS: This just happened on the guest worker visas, didn't it? You get all sorts of conflicting advice from Congress.

MR. KELLY: You do. I mean the issue happens to be every year. Mostly in the resort industries there's a requirement for summer help. And H-2B visas they are called. And there are agencies that are built up over the

years that will actually contract -- bring people in from all over the world. A conversation I had with one of the Senators from Alaska that this has to do with salmon and crab packing or something.

But they actually bring large numbers of people from the Philippine islands, transport them, house them, feed them as they work in the factories there. And the same thing up where I'm from, New England. You know, the season starts in Memorial Day; it goes away in Labor Day. During that period -- the claim is -- and this is one part of the argument, the claim is that we can't get Americans to do these jobs anymore. And it always breaks my heart because actually they are the jobs my father did and my mother did and their generation did. But anyway -- and in my generation those are the things we did as college kids to go up there to work in Ogunquit or Kennebunkport or whatever. But apparently we can't get Americans to do that anymore, so we have to bring them from Eastern Europe and Asia and places like that.

But that's one side of the argument. The other side of the argument is: "We can't get" -- "no, you're taking jobs away from Americans." So I had the authority, the discretion given to me by the Congress that I could raise the number to 66,000. They raised it to -- they put 66,000 in, but they couldn't get any more. They gave me discretion to put 66,000 --

MR. WILLIAMS: To go above that.

MR. KELLY: To go an additional 66,000, discretion. But they passed the bill in May. They should have passed the bill in September, but they passed the bill in May. And I then had to take input working with the Labor Department because we had to certify that the jobs if we raise the rate, the numbers, that we couldn't get American workers to do that. That takes time.

There's also a process once I made the decision -- and the decision was rather than go to 66,000 to raise it to simply 15,000. But the system that we have to work through, again, congressionally mandated, is one that takes roughly a month. So now we're at the point where we can start -- those agencies can start to look for workers. But of course there's only roughly a month left to the season. So the point I'm making is: Congress dumped this on me. And as soon as the law passed, I was getting dozens of calls from both sides, both sides of the Hill, both sides

of the aisle and it was about 50/50, don't you dare or you better.

And of course we had holds put on some of our nominees that had nothing to do with this topic. But at the end of the day I decided to go under what has been done in the past, rather than go 66, 15. But I've also told the Congress, "I'm never going to do it again. Either solve these problems yourself or I'm not going to exercise discretion. Yeah, the discretion I exercise in the future will probably not make you happy."

MR. WILLIAMS: A question over here? Okay, there was a question over there. Yes, right in the front row. If you could just wait. Someone is scurrying to you right now.

MS. FELDMAN-PILTCH: My name is Maggie Feldman-Piltch. I'm from the American Security Project. And, Secretary Kelly, you've mentioned in the past that one part of your career that you enjoyed the most had to do with floating hospitals, particularly at SOUTHCOM. And I wonder when you think back on that experience and what was so meaningful about that, how it makes you think about what we refer to as illegal immigration, particularly in the case of Venezuela, maybe partnering with some people and countries we haven't partnered before. I know we haven't really touched on this yet and it's a bit different, but I wonder if you'd be willing to speak to it.

MR. KELLY: Could you just boil that down to --

MS. FELDMAN-PILTCH: Sure. So I know when you were at SOUTHCOM a lot of time and energy went into providing floating hospitals to various Central American countries and I wonder if you see a role for that in our immigration policy?

MR. KELLY: Yeah. The job in SOUTHCOM was very, very unique. It was overwhelmingly non-military. There's almost no possibility, slight possibility of state on state, no one is going to -- state on state violence. No one is going to invade the United States from that part of the world. So most of what I did day to day was counter drug and partnering with various nations.

One of the places that clearly needed all the help we could get it was Central America. They are great people, great countries, but they are suffering terribly

because of our drug addiction in the United States, because of our drug demand in the United States, recreational drugs. And I'm thinking here methamphetamine, heroin and cocaine, all of which is produced south of our border and then trafficked into United States.

The profits that come out of that drug market are fantastic, and as a result, countries to our south, Mexico and further south, suffer terribly because of the violence of the trafficking and the production. So as Americans we should be ashamed of ourselves that we have done almost nothing to get our arms around drug demand and we point fingers at people to the south and tell them they need to do more about drug production and drug trafficking.

But to your point, to try to influence the lives of folks who lived in places like Central America, we worked very, very hard to inject investment, certainly U.S. help. One of the things -- working collaboratively with the State Department. And as a co-sponsor, the Mexicans came on board. We asked them to -- we had a conference on prosperity and then a second day conference on security in Miami about three weeks ago. We had 12 or so countries come on board; there's Canada, Colombia, a great country. Peru, Chile, Spain, EU all came on board as observers. The idea is to try to help those countries out economically, but not by simply giving them the handout, by investment.

Other things we did throughout the region. The hospital ship is an example that we get every other year. But much of what I did day to day, week to week, year to year down there had to do with social and economic development and always, always, always human rights. I never traveled to a country that I did not meet with human rights groups to discuss not only how their police are doing, how their military is doing, what the impact of drug trafficking is on their nations, but also to find out how my folks are doing relative to their behavior in Southern Command or in that part of the world.

MR. WILLIAMS: That's all the time we have. I want to thank our speakers John Pistole and also ---

(Applause)

MR. WILLIAMS: -- Secretary Kelly.

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