



Panel 3: OVERLOOKING MONROE? PROTECTING OUR HEMISPHERE AND HOMELAND

Moderator:

Courtney Kube, NBC News

Panelists:

Mr. Joseph T. Lonsdale, Co-Founder and Managing Partner, 8VC
Gen. Paul M. Nakasone, Commander, U.S. Cyber Command
Gen. Laura J. Richardson, Commander, U.S. Southern Command
Rep. Mike Waltz, U.S. House of Representatives, Florida

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Courtney Kube:

Thank you very much. Good morning. Welcome to what I am confident is going to be the highlight of the Reagan National Defense Forum in 2023. I'm putting that out there, so it's got to be true now, all the pressure is on our panel. As you heard from our voice of God here, this is "Overlooking Monroe, Protecting the Hemisphere and the Homeland." Of course, Monroe is referring to the Monroe Doctrine of 1823. And just to geek out for a second here, I'm sure the amazingly smart people at Reagan knew this, but today is actually the 200th anniversary of the signing -- or of the announcement of the Monroe Doctrine. It was December 2nd, 1823, and I think it's super cool that we get to sit here today and talk about it. It was of course when President James Monroe announced it in his annual message to Congress, and it was a declaration that foreign powers could not become involved in the affairs of independent countries in the Western Hemisphere.

And at the time, of course, it was directed at European powers, but the threat has shifted in 200 years. So we have a terrific panel here today to address this and other things in the hemisphere. I have my order wrong, so let's see. We have Congressman Mike Waltz. He's a Republican member of the House of Representatives from Florida. He's also a retired Colonel in the National Guard and the first Green Beret elected to Congress.

General Laura Richardson has been the Commander of US Southern Command for just over two years, I believe. And also, important to our topic today, she was the commanding general of US Army North, which is the Service Component Command for US Northern Command.

We have General Paul Nakasone, the commander of US Cyber Command, the director of the National Security Agency and Central Security Service Chief. I hope you get paid extra for three roles. I'm just saying I've got an agent I can put you in touch with. We'll get you some extra on that. And then we have Joseph Lonsdale, he's a serial entrepreneur and one of the co-founders of Palantir, and he now runs 8VC, which is a venture capital firm. So welcome all. I want to start with the -- well, this is a big topic, right? So let's start with a big question. What do you see as the biggest threat to the Western Hemisphere and to the US homeland right now? And I'm just going to go right down the line, starting with Congressman Waltz.

Rep. Mike Waltz:

Well, I'd have to say right now in the present, it's the cartels that have essentially taken operational control of our southern border. And according to a number of estimates, control anywhere from 30 to 40% of Mexican territory. So if we're looking at more Americans dying each year than we lost in Vietnam in 10 years through fentanyl and other types of illicit narcotics that are coming across, one. Two, that these organizations are essentially paramilitary transnational crime organizations. They're not like the mafia, they're much more like ISIS. And we need to start treating them that way. When the Mexican Army, the Mexican military is fought to a standstill with armored vehicles, heavy weapons, their aircraft shot down when they try to go arrest a cartel member, that is an existential issue that is literally right on our border.

So Representative Dan Crenshaw and I have produced -- have proposed legislation to authorize the use of military force. I have to say, with a strong caveat: no one is talking about invading Mexico. We are talking about our overwhelmed law enforcement, Customs and Border Patrol, and others that do not have access to assets like General Nakasone has in terms of offensive cyber, space, drones, and other types of methodologies. But the bottom line, Courtney, is we need to unleash military resources to take on what is now a national security problem. If you change the name from Jalisco and Sinaloa to ISIS and Al-Qaeda, I don't even think we would be frankly having this debate. That's the shift, we went from the '90s to the 2000s, I think that's the shift that we need to see. Now, again, it's an authorization, but I think it will push very scarce resources towards this problem set. And we know how to take down networks. We've been doing it all over the world. We've done it in Colombia, we can do it in Mexico as well.

Courtney Kube:

General Richardson?

Gen. Laura Richardson:

So I would say for the Department of Defense, our number one pacing challenge is the People's Republic of China. And so that's at the top of our list. But make no mistakes that

for our partner nations in the South America, Central America, and the Caribbean, transnational criminal organizations are at the top of their list of what they face every day. And I look at the instability and insecurity that they stir up and plow the ground. I mean, they've become way more powerful, diversified their portfolio. It's not just trafficking of drugs, it's humans. It's illegal mining, illegal logging, illegal fishing. I mean it's the whole portfolio, and a \$300 billion revenue business annually. Very powerful. But then it's also what we've got to do better at is following the money, us from Team USA and our inter-agency and following that money of how that money is laundered, cleaned, and then put right back into that very powerful system. But in terms of the People's Republic of China, I think through the Belt and Road Initiative is how they bring their authoritarian model under the disguise of a developmental model into the hemisphere. And that's how they bring their instruments of national power together under this communist government, and why they're so effective looking like its investment economically, when really it's a lot of extraction at the end of the day.

Gen. Paul Nakasone:

So Courtney, first of all, thanks for allowing us to be part of the best panel at Reagan. Fantastic. I would say that to really reinforce both the Congressman and General Richardson's point, the near-term threat for us, I think, is transnational criminal organizations. We lose a hundred thousand people in our nation every year to drugs such as fentanyl. And as we think about what we need to be able to do to impact that, the near-term impact for me is through re-authorization of 702, to be able to ensure that we have the identified intelligence that can lead us to the types of mitigations that prevent that type of precursor and that type of chemical entering our nation. But the longer-term threat truly is the corrosive influence of both China and, I would say, Russia. Think about the diplomatic, information, military, economic influences that both nations are having on our southern border and certainly in the hemisphere. If we think about it, our national security, our national prosperity, our national identity, I think is tied very, very closely to this region. And sometimes we forget that. And I think this is an opportunity certainly today as we talk about it too, to remind ourselves just how important that region of the world is to the United States.

Courtney Kube:

And this is a super smart audience here, but section 702 of FISA. Can you just explain what that means?

Gen. Paul Nakasone:

Right, Section 702 --

Courtney Kube:

It expires this month, right? I believe?

Gen. Paul Nakasone:

It expires on the 31st, which provides the ability for the US government to collect information on foreign intelligence targets operating outside the United States that utilize US communication systems such as email and telephone. A critical capability that allows us to be able to ensure the protection of the United States, provide insight to our policymakers and, support military operations.

Courtney Kube:
Great. Mr. Lonsdale?

Joe Lonsdale:

Thanks Courtney. I'm honored to be up here with these amazing leaders. From my point of view, unfortunately, we really, really lack leadership from the top in our country to acknowledge these two threats and what needs to be done. Basically, the border should be a military issue. We have some of the best and brightest in our country running our military. We have capabilities that would be able to secure our border if we treated it like a serious defense issue. And we have not. The transnational criminal organizations have their tendrils into Mexico. They have their tendrils into these local governments and they're killing Americans, and it's very clear how we can stop them. And a lack of leadership from both these last two administrations means that we're not doing it, first of all. And second of all, the other threat, I totally agree, both China and Russia are extremely involved in the politics of Central and South America.

I was saying earlier I was with the President of Colombia, with some friends who were very close to him, the former President of Colombia, Duque, and the people they caught coming across their border, involved in political rallies, involved in helping the far left there were people sponsored by Russia, sponsored by Cuba. The same people who helped shift Chile to the far left. These are not just like local parties. These are our adversaries, realizing that can cause trouble for us and for the world, and have crony governments that they can work with if they push these places to the far left. And we've lost confidence in ourselves because of former things we did in the seventies, eighties, nineties, where we no longer are involved down there nearly as much as we should be. And so we have these huge threats coming from our adversaries breaking things in this part of the world.

Courtney Kube:

All right. Let's take these issues one at a time. By the way, you can ask questions that will come up on this iPad here, but I don't know how you'd do that. So some way the audience can ask questions and we'll get to some of those later on. Let's take these issues one at a time, starting with China. General Richardson, since you were the one who first mentioned this, I guess can you walk us through how China's presence is changing in Southern Command's AOR?

Gen. Laura Richardson:

Yeah, so thank you. It has definitely changed. It's a game changer. I think that, and as I've said, and I've repeatedly said in this forum actually, the Reagan Forum, that the investment -- and through the Belt and Road Initiative in the region, 22 of our 31 countries in the hemisphere are signatories of the Belt and Road Initiative. Again, I say that that's how they bring forward their instruments of national power all wrapped in a tight, nice box that again, looks to be investment in the region, but it's all of our critical infrastructure in the hemisphere. It's deep-water ports, it's 5G telecommunications. It's safe city, smart city technology, a.k.a. population surveillance technology. It's space. Why do we have the most PRC space-enabling infrastructure in this hemisphere out of anywhere else in the globe and looking to almost double in those space facilities in the near future? And so when you just look at that, the encroachment on the 20 yard line, in

our red zone, to the homeland. As you talk about the Monroe Doctrine, hemispheric security is really, really important. We need to have this partnership doctrine where we are better partners and we're securing our hemisphere, shoring up and helping our partner nations and helping these democracies deliver for their people. I think that's really, really what's important, because each and every day our strategic competitors are waking up figuring out how they're going to undermine democratic institutions and democratic governments.

Courtney Kube:

Why is China doubling its space infrastructure in your AOR? I mean, what are they using it for?

Gen. Laura Richardson:

I think that it's able to with the vulnerability of the partner nations of the countries in this region because of the impacts, I say it's the residual impacts of COVID that are still lingering. And the 170 million people thrown into poverty, the 8% GDP decrease on average for countries, the high being an 18% GDP decrease for countries -- or for a country -- they're still trying to dig out of the hole. So they're looking for how do they deliver for their people. You've got leaders, presidents that are in the seat for one term of four years, they're working on a stopwatch and at a calendar, and we've got to be able to deliver at the speed of relevance for the assistance that they need from our democracies, and from our democracy here in the United States because their security is our national security as well. And I would say just the instruments of national power: diplomacy information, military, which was what I bring to the table, and then economics. We were just listening to Secretary Raimondo's Fireside Chat and she's talking about how national security rests on our economic security. That's absolutely correct. And what I've come to realize, because our leaders in the hemisphere, they don't see everything that team USA is bringing to the fight. We are not bringing it. We have all-star teammates on team USA, but we are not bringing our instruments of national power together synchronized as a full-fledged team. We can do better at that because all the elements are there.

Courtney Kube:

Congressman Waltz, what do you see as the major threat from China in the hemisphere?

Rep. Mike Waltz:

Well, I mean, just to add a little color to what the General is talking about. Case in point, Hurricane Dorian a few years ago comes barreling towards our coastline. It literally does a miraculous halt and then turned out into the Atlantic, but before it turned, it sat over The Bahamas for a devastating three days and just wiped out the northern islands. I just had the Bahamian foreign minister come see me and say, look, the Chinese ambassador there is very aggressive, is very effective. They are doing what they do in terms of taking key assets, whether it's port rebuilding or what have you, in exchange for aid. And at the end of the day, the Bahamians, because we really weren't present, we don't have an ambassador there at this point, they gave up their fishing rights as collateral. I mean, this is 60 miles off the coast of the United States as collateral for some redevelopment aid in the wake of a hurricane.

The United States should have been there. That's in NORTHCOM, that's not in the General's AOR, but this is what they do over and over again, whether it's a space tracking station as collateral in Argentina, whether it's ports in Brazil, I mean, I think we need a real wake up call to the sense that 30 -- roughly 30 to 35% of our food in the winter flows out of south central America and into ports in Florida and ports in southeastern United States. Well, if you look at how many ports the Chinese are investing into, including on both sides of the Panama Canal, which is critical obviously to global shipping and our ability to reposition our fleet, I mean, they have their tentacles in so many areas, literally right in our own hemisphere. I have your place mat of all of the investments that they have made, whether it's port processing, whether it's ports, space tracking stations, electrical grids, but they could have a devastating effect on our economy, on our way of life, that I just don't think we collectively realize how interdependent we are economically, whether it's energy, food or shipping, or otherwise with our Southern Hemisphere neighbors.

Courtney Kube:

General Nakasone, a couple of months ago you put out a warning about some potential Chinese malware that may have infiltrated US infrastructure. Does the US currently have evidence that China has right now pre-positioned malware inside US critical infrastructure, and why? Are they just waiting to use it? I mean, how big a threat is that?

Gen. Paul Nakasone:

We did talk about this in the spring of 2023 where we said we see Chinese activities in a number of different networks, particularly in the Indo-Pacific region, where they had positioned capabilities that we did not think were solely for intelligence gathering. So the question becomes why are you in that critical infrastructure? But I think the important piece is what are we doing about it? And what we're doing about it is very similar to what we're doing with General Richardson, it's how do we stay engaged? How do we have a series of partnerships? We in the hemisphere have sent two different hunt forward teams to defend forward capability that allows us to, at the request of a foreign government, see if there are adversaries on their networks and then be able to ensure that those adversaries are no longer able to stay there. That's part of the partnering piece that I think we have to bring, not only as an all-star team, but as a consistent persistent engagement with our friends and allies in the region.

Courtney Kube:

But I mean, is there now evidence that they actually are infiltrating US critical infrastructure today right now, or is it -- I mean beyond the warning that you put out in May, are they physically inside US infrastructure?

Gen. Paul Nakasone:

So we have given indicators in terms of this is the type of activity that the Chinese are conducting in a number of different activities throughout the world, and that systems administrators and those that run computer organizations should be very cautious about.

Courtney Kube:

And you're confident that the US, whether it's the government or private industry, is able to detect that before it could potentially be a --

Gen. Paul Nakasone:

We do. And I think that's one of the really good news stories that we've been able to do is how do you work with a series of partners, both public and private, to be able to say: this is what our adversaries are doing and we should be very worried about it. And not in necessarily classified channels, but how do we talk about this to the world?

Courtney Kube:

Joe, how can private industry work with the US government on this problem? Are they doing enough? I mean, is there enough coordination?

Joe Lonsdale:

This has been I think a positive trend over the last several years where it used to be that the companies that would run the cyber infrastructure for the most advanced technology companies, most advanced banks, and others would have almost no role in the US government. And there'd be entirely different companies that were winning all of from the US government. And it's like you see the animals that would evolve on, like the Galapagos Islands, if you put them on the mainland they would be slaughtered, because that's kind of how the government technology was for a long time. And fortunately, in the last few years you are starting -- and that's a little too glib, if you go back to the 1970s, 1980s, the NSA was way ahead of private industry, by the way. I mean, I grew up in an era where -- in computer science -- where the NSA would do something and then the academics would figure out 20 years later why they were doing it.

And so, I think if you go to the mid-century, there was the very best and brightest technology there. And I think what happened, perhaps really the big shift was in the nineties is you had so many trillions of wealth being created and so many new advances in technology that a lot of these things in the private world in certain areas did get to be way ahead, much more so than they ever were in the past from our perspective. And I think it took a while for the culture in the government to realize that and to say, oh, wait a second. There is some stuff out there that these giant corporations are doing with people in Silicon Valley that is more advanced than us. And I think you've seen that realization in some areas, and you have seen them start to adopt more private things, which is a positive trend.

Courtney Kube:

Congressman Waltz, do you think that the US is doing enough to protect critical infrastructure from cyberattacks?

Rep. Mike Waltz:

I think they're doing all they can from a defensive standpoint, I think the question to ask is do we need to move to more of a deterrence model --

Courtney Kube:

An offensive model?

Rep. Mike Waltz:

An offensive model, and a deterrence model, much like the evolution that we had in nuclear warfare in the 1950s and sixties. I mean, if we know that the Chinese Communist Party are putting capabilities in our rail systems, in our ports, in our nuclear infrastructure, and otherwise, not to collect information, but to essentially damage that infrastructure and therefore our economy, our way of life, do we think about that differently from a doctrinal standpoint? Is there much different than putting a missile into that infrastructure or causing it to implode through cyber means? Either way it's destroyed or incapable. So have we communicated from -- as a policy matter to the Chinese Communist Party that we can and will do this as well and take a mutually assured destruction approach. Because the old kind of, "do we start flicking the lights in Beijing?" and send a very strong signal on our offensive capabilities to therefore -- I mean, we're having that same conversation in space in that new fighting domain as well. I personally believe, and the General knows far more than I do, that we can only place so much defense. I mean, we can't bat 1.000 and that we have to really look at some paradigm shifts on making them understand that this would be mutually assured destruction if they went down that road as a preventative measure to hopefully prevent them from doing that.

Courtney Kube:

General Nakasone, you've sort of overseen what has been a shift from more defensive to some offensive cyber operations, or at least acknowledging that the US is conducting them over the last five or six years, now five years. Can you give us any sense of how much of your cyber operations are offensive versus defensive right now?

Gen. Paul Nakasone:

Yeah, so I think it's better to think about it in the thought process of an entire persistent engagement spectrum. So everything you can do from defense to effects based operations is something that we can do today. And I'm very confident in terms of not only being able to see the threat, but also being able to react to the threat, but also our adversaries knowing that we have incredible capabilities that if the president determines that's necessary, that we would be able to utilize them. So that whole perspective in terms of having a full spectrum operation is something we need to do. But the other thing is that -- I think Joe touches on this very well. It's with a series of partners. This is the interesting part of the domain where 95% of our critical infrastructure is with the private sector. Being able to operate with the private sector, that's what we can do. And this is what we've shown over the past several years.

Courtney Kube:

One piece of critical infrastructure --

Rep. Mike Waltz:

Courtney, on that, the Russians and the Chinese have unleashed their, and I put in air quotes, "private sector," often offensively. I mean our companies are coming to us and saying, we are under a deluge, a tsunami of ransomware attacks, but yet that offensive capability on our end is reserved in the government space, heck, is reserved in the Title X space. And so back to Joe's analogy of the Galapagos, do we have, if we unleash Silicon Valley forward, or they believed that we could -- I mean that is a very different

conversation with all kinds of ramifications, I get that, but that's where from an oversight and a policy standpoint on the Intel committee, those are the questions I'm asking. And nuclear mutually assured destruction, it was very clear what each side could do to each other. I don't know that our adversaries believe that we have the capability and the will to unleash that should they do it to us and therefore keep the peace. And that's I think a question we need to continue to ask of ourselves.

Courtney Kube:

What do you think about that idea, Joe, this idea of, I guess, projecting that idea to an adversary, and can private industry in some way be a part of that?

Joe Lonsdale:

Well, I mean, first of all, I 100% agree, you need to be standing up to them and calling them out. China from their point of view is in a Cold War. I mean, you had Chinese and Russian troops marching with the Mexican troop parades. I live in Texas, right nearby our border. Recently, you have China putting in the Huawei networks and spying on all these countries. You have them buying up the ports. You have them influencing elections to try to push in socialist governments that they could be friends with and control. What we saw this last month with Iran is that when Israel was very clear with the backing of the US that if they were attacked from the north, they would consider it an not from our friends in Hezbollah in Lebanon, but from actually Iran itself, they deterred them because the Iranian mullahs did not want to be assassinated. I think you have to be very, very clear with China that if certain things happen that you're doing right now in the Central America and it's hitting us, if you're supplying these things are coming into the us, there's going to be an aggressive response in return. And until we have the leadership to say, we're going to actually call you out and respond, they're going to keep hitting us through their proxies and they're going to keep doing what they're doing.

Courtney Kube:

Joe mentioned sort of the cyberattacks and the impact on democracy. That's something that you see in the SOUTHCOM area quite a bit. General Richardson, can you talk to us about who is behind some of the cyberattacks and what the goals seem to be in your area?

Gen. Laura Richardson:

Well, it's our strategic competitors that are trying to replace us in the hemisphere and be there for our partners, act like they're being there for our partners when they probably caused the situation to begin with. And so, what we're doing on the SOUTHCOM side of the house in the Department of Defense is help our partner nation militaries and their public security forces with cyber operation centers, with updated equipment, with the training and things like that, that help them bring up their level of being able to protect their networks. But as our strategic competitors are attacking their networks with the ransomware, the hacktivist attacks, very, very severe and on all of their networks. I mean, you're talking the financial institutions, healthcare, I mean, nothing is being spared and it's very sporadic. It's with a lot of our countries. And so, cyber and being able to protect themselves and their governments, I mean, we're really talking about sovereignty.

Countries are very, very proud and very, very strong on their sovereignty for their nations. But the cyber is a whole different ballgame because there aren't alarm bells that go off in some cases until that your data has been snatched, and then you're trying, you're being, it's like getting kidnapped for ransom, and you're having to pay some kind of a fee or whatever, and the billions of dollars in fees that are having to be paid right now. I'll just refer back to the 60 Minutes interview with our FBI director Wray and the Five Eyes Intelligence Chiefs all coming together about a month ago, doing an unprecedented interview talking about the importance of what the People's Republic of China is doing stealing data. It's the number one global espionage threat to democracy that democracy has ever faced in our entire history. If you have not watched it, I recommend you watch that 10- or 15-minute interview talking about our data, talking about how companies, our US companies, and might not be interested in geopolitical activities, but geopolitical entities are interested in you. And in order to protect our national security, we have got to work as a team, and we have got to put national security at the forefront because our data is being stolen.

Courtney Kube:

I normally would never recommend watching anything but NBC News, but I actually agree. The 60 Minutes spot was pretty good. Joe, did you want to add?

Joe Lonsdale:

When we were at PayPal early on, this is like 20, 21 years ago, before it sold to eBay, and the Chinese and Russian mafia literally then – and these weren't necessarily state actors, these were independent actors that were kind of sanctioned by the state. They were stealing tens of millions of dollars a year from us, hundreds of millions of dollars a year from the sector. They made a bunch of our competitors go bankrupt. And this was a very profitable thing in those countries. And when we found people stealing from us in the US, you'd work with either a secret service or the FBI, the two branches in charge of that, and you'd arrest them when you take care of it. When we found them there and we report to the governments, it was very clear they're being protected by their governments.

And what's very frustrating to me is that that you have very clear criminals based in those countries caught red-handed stealing from us, clear evidence. And our government would do nothing from a foreign policy perspective to say, by the way, stop stealing from us. Stop doing this. We're going to sanction you, we're going to punish you. We're going to do something to hurt your country for doing this. And that still seems to be the case today, that when our countries are stolen from by these actors in those countries – which by the way, at this point, we have lots of evidence that China has actually been creating groups of hackers and helping them do this. So it's like semi-state sanctioned these days. And we'll find evidence, and yet we still have these trade agreements with China and there's no punishment of China. And it's very confusing to me why we lack leadership from the top of our country to hit them back and deter these activities. We just lack that leadership.

Courtney Kube:

Why do you think that is?

Rep. Mike Waltz:

We got a promise in 2013 from Xi that he would stop. I couldn't resist.

Gen. Paul Nakasone:

So if I might, I think that it's also, we should talk a little bit about what has changed over the past five years, this idea of persistent engagement. How do we persistently engage with our adversaries? Not episodic, not when we think we need to strike them hard, but every single day. And this is where we need to enable, enact our partners. So it's the FBI, it's Secret Service, it's the State Department. It's being able to bring these different levers of our government to bear. As I mentioned, working with General Richardson, being able to deploy teams when a foreign country asks, "Hey, we need some assistance." Being there matters, and showing up with a team from CYBERCOM to say, we're here to help you is the way that we do business today. And I think that it's also the ability to share information rapidly, right? It's being able to tell the private sector that, "Hey, there are the vulnerabilities right here." This is a much more nuanced approach that we have to take to a very difficult problem. This isn't always a nation-state. It could be non-nation-state actors. It could be hacktivists, it could be a number of different proxies. We need a very sophisticated strategy, which we're operating now, to be able to campaign against them at all times.

Courtney Kube:

General Nakasone another critical infrastructure piece that we haven't talked about is the elections. We're at T-minus 11-ish months away from the presidential election. You may still be in the job at that point, I don't know. Senator Tuberville is not here, so we're not sure if you're going to be able to retire or not. But have you seen any attempts against -- to influence the 2024 elections yet, and are you able to say whether the US is engaged in any offensive operations already to preempt them?

Gen. Paul Nakasone:

Yeah, here's what I can say: we haven't seen any of the attempts, to answer your question, first off, but we're not waiting. We've already at CYBERCOM and the NSA put together our election security group, which is our fourth election going back to 2018, and our strategy hasn't changed. We're going to gather intelligence, we're going to share information, we're going to take action. And in terms of taking action, that means everything from being able to provide unclassified reports of what our adversaries are doing to be able to work with a series of partners to be able to take down infrastructure that might be harmful to our democratic process. I'm very confident as we operate part of a broader government team operating outside the United States that will have impact again.

Courtney Kube:

I want to go to another thing that was brought up as one of the biggest threats to the hemisphere, and that's drugs, the flow of drugs from across the southern border. Congressman Waltz. Can you say why do you see, you explained a little bit in the beginning, but can you expand a little bit about why you see this as more of a military issue? I think if you're making the comparison between a Mexican cartel and ISIS, many Americans would say, well, ISIS goes across the border and attacks people. They may not necessarily see that as a fair comparison. So why do you see it that way?

Rep. Mike Waltz:

Well, because they're essentially, these groups are operating in a paramilitary fashion. I mean, as I mentioned, they have armored vehicles. They have heavy machine guns. They're able to fight a neighboring military to a standstill, shoot down their aircraft. In 2019, when the Mexican army went in to arrest the son in the Sinaloa cartel, a battalion's worth, I mean 800 to 1,000 cartel fighters surrounded the Mexican military, fought them to a standstill, and forced them to retreat. So we have to be careful with these distinctions. I remember us running around the world in the nineties trying to arrest Al-Qaeda as a transnational criminal group, and it took 9/11 for us to think about it differently. And the FBI at the time said, well, we didn't have enough evidence to hold up in US Court, therefore we didn't arrest some of the key leaders in Sudan and Somalia and elsewhere when a few years later we're taking them off the battlefield.

So I do think that our law enforcement entities are overwhelmed. They need supporting assets like what General Nakasone and CYBERCOM could provide. We could have surveillance assets that could begin -- whether you're disrupting their financial flows, you're disrupting their supply chains -- if their leadership is worried about where they're sleeping at night, then they have a harder time moving against both our neighbor and us. And look, of course, we have to have the cooperation of the Mexican government. We didn't initially have the cooperation of the Colombian government when we launched Plan Colombia, when we made it clear that we're going to start moving unilaterally, we'd rather move with you than without you, that relationship changed. Heck, AMLO refused just a few years ago to deploy his National Guard, but after some tough engagement, he had 25,000 of his national guardsmen and women on his southern border. And then finally, look, I think there's things in the non-military space we can and should be doing if we're talking about bringing supply chains home or at least getting them out of our number one pure competitor, under the grips of China, of course I'd prefer them to be in the United States, but let's start incentivizing for an investment into Central and South America through different types of incentive programs.

But when the only solution to get at the root causes is to spend \$4 billion, when we know that between corrupt governments and the cartels, they take anywhere from 30 to 40% off the top, do the math. You're actually fueling financially, through our foreign aid packages, often the very thing that we're trying to fight against. So I think there's a lot of things we could do, and I give General Richardson a lot of credit. Her and her team do so much with so little. We are constantly fighting for her place within, and that's not as much of a dig on the Defense Department as it sounds. I mean, they're stretched all over the world, but I do think we need to make SOUTHCOM much more of a priority. And then final piece, look, it's not just our 2000-mile southern border. We have a 95,000-mile coastline, and currently, of the things that we see on radar coming by air or by sea towards our coastline, we only have the assets to intercept 10% of them. That's 90% left unchecked coming into -- across the Caribbean or Southeastern United States or into the California southern coast. So right now, I think there's some policy changes, but there's also just a total dearth of resources that we should rethink.

Courtney Kube:

Do you think there's an appetite for an AUMF right now for that?

Rep. Mike Waltz:

Well, flattery -- or what is it? I don't know. Imitation's the best form of flattery. I can tell you when we see the presidential candidates, at least on my side of the aisle, saying that that would be first and foremost in their new administration, then I think so.

Courtney Kube:

General Richardson, Congressman Waltz said that you have, don't always have all the resources you need. I think you have about 2% of the total DoD ISR goes to SOUTHCOM. It covers about 17% of your needs, I believe. Is that roughly accurate? What do you think about this idea about potentially using the military in this manner along the southern border? Do you see it as, could it potentially be helpful to use the military against -- I know it's a policy question, but from a security perspective?

Rep. Mike Waltz:

Military resources, military resources. I just don't want anyone to think I'm sending the 82nd airborne into --

Courtney Kube:

Not an invasion of Mexico.

Rep. Mike Waltz:

And it makes for a good click headline, but that is not what we're after

Courtney Kube:

Well, let me ask it this way. What about using the military for more training for drug interdiction in South America? Do any of the allies ask for that? Do you think that could be valuable in this?

Gen. Laura Richardson:

I think that the training that we already do, the security cooperation training that we do with our military partners and our public security forces, because a few of the countries don't have military forces, that all goes to the professionalization of their force and their ability to counter the threats. We've got to be able to help them or they need help and meet them at the speed of need and the speed of relevance for them. So the training that we already provide helps with that. I would say back to your question on the ISR and the ability to see, our partner nations also have the same problem of being able to see threats and domain awareness. And so, innovation and technology is really, really important in that perspective. And just like to put a plug out that I advertise the SOUTHCOM AOR as an innovation hub for the services in our Department of Defense to bring their technologies to the region. Gosh, we're right -- my headquarters is right in Miami, Florida. We can test it right there with JIATF South, my Special Operations Command South, my Fourth Fleet. And we've been doing that actually, very successfully. So I put that out there because domain awareness, being able to see threats and go after the threats to get after the malign activity, obviously is extremely important.

Courtney Kube:

I want to put this to both General Nakasone and to Joe. How can each of you respectively see helping fill those gaps, those surveillance gaps that might support SOUTHCOM?

Joe Lonsdale:

Sure. So Anduril, one of the very first products they came out with was perimeter security. And it used to be, it still is in some places, that the way they see if someone's come across the border is you drive a pickup truck -- This is not Anduril's solution, this is the previous solution -- You drive a pickup truck with a metal grate, I'm not kidding. And you drive it and you smooth out the dirt, and then you go look for footprints later to see if anyone crossed it. This is the state of the art that we are still using, and that they've been using, and it's become pretty clear to me that -- so the Anduril solution, by the way, is you put up towers that are very cheap. They're commodity cell phone towers. You put radar and lidar and you use AI and cameras, and you can watch within several miles of the border on either side, and you can get real time alerts, and you can see the whole border.

And we've done this now for a large percentage of the border. For some reason we have not done it for the full percentage of the border, and it's become very clear to me, this is not really a technology problem. It's really just a leadership problem. Do the people who run this country want to secure our border? Do they want to see everything going on there, or do they want there to be illegal immigration for whatever political reason they're allowing it? And do we want to stop the hundred thousand fentanyl deaths each year, or do we want to allow that because it's part of our immigration strategy of one of the parties in charge. That clearly is what's going on because it's very easy to see what's going on the border with the best technology and we're not doing it.

Courtney Kube:

But why? What's stopping the US from adopting that technology?

Joe Lonsdale:

Because if we literally adopted and saw everything going on and secured it, then you would cut off the illegal immigration and there's -- a lot of politicians in this country do not want to cut off illegal immigration. It is a political choice, not a policy choice. We pretend it's a technology thing, we pretend it's a capability thing, but it's not. It's very cheap. It's very easy to see exactly what's going on on the whole border. It's not expensive at all relative to our spending. It's a tiny percentage of the spending. And right now, let's be honest, we know there's evidence, there's a ton of our border guards and border patrol being bribed. There's a ton of sheriffs on the border being bribed. There's ranchers who when they speak up, what's going on nearby, get assassinated. There's crazy murders in our country with the cartels that are randomly killing people because you're bringing these people in to help the cartels, I think it's a crisis. I think it's terrible. As a Texan, in Texas we're furious about this. We put up blockades, and they come in and they cut the blockades, let the immigrants in. So I mean, it's a very clearly a political choice being made to allow these people into our country.

Courtney Kube:

General Nakasone, is there more that can be done in the surveillance?

Gen. Paul Nakasone:

Number one thing I would tell you, Courtney, reauthorize 702. It is the most important ability and authority we utilize in the intelligence community to be able to provide the type of insights that General Richardson needs, what our policymakers need, what we need to prevent the flow of Chinese precursors into the United States and fentanyl. These are all things that 702 has allowed us to do. And at the same time, it's an authority that protects the civil liberties and privacy of Americans. And I cannot emphasize that more. It is an incredibly important authority we need to reauthorize.

Courtney Kube:

But every time it comes up, there's this fight, and it feels like it always goes down to the wire because there is clearly a concern that it is a violation of civil liberties. And I know there's that stat that you've given in the past that 99% of it is legitimately used, but the reality is because it's not transparent to the American people, they don't know that. So why -- I mean, can you make the case here for why it is a fair -- it's used fairly and not violating people in this audience's -- it's not you guys, but --

Gen. Paul Nakasone:

Well, I would go back to the Presidential Intelligence Advisory Board that said it's the most transparent surveillance authority that any nation has ever deployed. Secondly, I would tell you that there is a series of checks and balances, particularly oversight, on those of us that use it, from the judicial, the executive and the legislative branches. And so we are obviously addressing this, and we have to continue to make that case, and I certainly appreciate the support of others that have been doing that as well.

Courtney Kube:

I want to do -- one more to you, Congressman Waltz about the border issue, and the migrants who are coming across. Who are they, and where are they coming from?

Rep. Mike Waltz:

Well, I --

Courtney Kube:

I know it's a big question.

Rep. Mike Waltz:

The data that we have, and this has been an ongoing fight between Congress and DHS to actually get the data. Where are all of these people being sent? I mean, we have the highly publicized cases of Governor Abbott sending them to Chicago and sending them to New York, and now both mayors with a fraction of what Joe Lonsdale and his fellow Texans are seeing have declared citywide emergencies. Mayor Adams said, this is going to be the destruction of New York with tens of thousands of migrants versus the millions that have come across. So we don't fully know where everyone is going. We do know that the FBI director is ringing the alarm bells, that he is chasing nearly 200 cases off of the terrorist watch list. That's an increase from 11 just in the previous administration, and now nearly 200, they're not sure where everyone is.

And I fear, I mean, God help us if we have another San Bernardino, another Pulse Nightclub, or, God help us, another 9/11. So it's not just a migration threat, it's a counter-terrorism threat. And it's just, I mean, at 2 million per year, 1 million got-aways, that's three Jacksonville, Floridas per year being created somewhere, and the stress on our overtaxed school, hospital infrastructure and other systems. When I talk to a veteran who says, I can't get what I need, or I talked to an immigrant who came here legally, waited in line and followed the system, that's incredibly upsetting when you see others. And heck, I mean, just to broaden it, when we look at the withdrawal from Afghanistan, when you have various groups unfortunately having to advise Afghans to take the humanitarian visa from Brazil and then migrate through our southern border to get to the United States to get away from the Taliban, that is a broken, broken system. Finally, I would say we have to solve the border issue before we can solve the other issues. If you granted amnesty tomorrow for the 12 million illegal immigrants, which I would not be for just for the record, but if you did, you're going to be in the same problem five to seven years from now. So I think Joe's right, it is a political and leadership issue, not a technology issue.

Courtney Kube:

General Richardson, we only have a few minutes left. You testified that 42 of the 50 most violent cities in the world are in your AOR a couple of months ago. What's the biggest contributor to that? And does that have a direct impact on North America? I mean, does aggression lead to aggression?

Gen. Laura Richardson:

I think it absolutely does, and I would chalk that up to the transnational criminal organizations and that huge diversified portfolio, more powerful, the \$300 billion annual revenue per year. We have got to get after that. But quite honestly, like our strategic competitors, the People's Republic of China, Russia, that's in the hemisphere as well, the TCOs, this region is very rich in resources, and they have all discovered that. And that's why the investment through the Belt and Road Initiative, I mean we've got 60% of the world's lithium in the lithium triangle is in this region. PRC gets 75% of its lithium from this region. Gold, copper, light sweet crude that was discovered off the shores of Guyana. That's the fastest growing economy projected for the next five years at 25% GDP growth. Heavy crude in Venezuela. But you have this huge irregular migration problem right now, and the numbers are unprecedented, and they continue to grow every year, but because of this, families are on the move, and it's only predicted to increase.

So with the potential -- I'll go back to the resources of the region. Over 50% of the soybean in the globe is from this region. Over 30% of the sugar, beef, corn is coming from this region. How do we help this region reach a potential to feed and fuel the world? About 10 years ago, there was a lot of talk about this region being able to do that. Now there's not so much talk about that, but when you talk about these resources that are there, and we ask ourselves why the investment in all of the critical infrastructure by our strategic competitor, the People's Republic of China. So why is that? Well, the resources are there. This megaport that the PRC is building right now north of Lima, Peru will take off 15 days to get food. They get 36% of their food from this region.

It'll take 15 days off of that transit time, from 35 days down to 20. They won't have to go to Mexico or go to San Diego before they go to China. That'll be just a direct shot. Why is that? That's the PRC's plan, the gateway to Asia. But where are we coming up with the alternative solution for all of the critical infrastructure? Why are we not competing on the contracts and the tenders that these countries put out? Why is it only the PRC that's doing that? How are we mobilizing team USA to come forward and to compete for these contracts? And I would say with the administration's announcement of the APEP, American Partnership for Economic Prosperity, where 12 Latin American leaders were brought to the White House on the 3rd of November, and billions of dollars being channeled through the Inter-American Development Bank and the Developmental Finance Corporation into the hemisphere, specifically for critical infrastructure, is huge. It's a start, but we got to do more. We've got to double down and we've got to see the importance of this regional hemispheric security doctrine that we need to put our foot on the gas and double down, and it's a call to action.

Courtney Kube:

So you mentioned Guyana -- and I'm going to take a question from here so that I don't get voted worst moderator for not taking a question from the audience -- someone asked about, "Venezuela looks like they might forcibly annex territory from neighboring country -- that's Guyana -- how would regional partners respond to this and how would this impact US interests in the region?" I know there was the ICJ announcement yesterday or the day before, but it doesn't seem like that might have any real teeth here and might be able to stop Venezuela from this referendum. What do you think? Could this get -- pull the US in?

Gen. Laura Richardson:

So I would say that Guyana, and what's happening now with Venezuela as they prepare to gain -- as Maduro tries to gain popularity in preparation for the national elections that are coming up. It was good to see that that vote from the International Court Justice system was moved up to yesterday and they voted in favor of Guyana. And so, we'll watch very closely, obviously Guyana and the vulnerability of that nation and that democratic partner is very important to the United States.

Courtney Kube:

We only have about a minute left, and I feel like I always, we do these events and everyone wants to leave and hide under their seats. We talk about all the threats that are to the homeland right now. So I want to end on a positive note. And General Nakasone, I'm going to put you on the spot because you're getting ready to retire or play, I should say you're planning to retire. The timeline is unknown. Senator Tuberville is not here. Maybe after the game today, the football game today, he'll be in a good mood and everything will start moving through. But I just want to ask you, after nearly four decades in uniform, you've probably spent more time than just about anyone else in uniform focused on cyber issues for the United States. I have no idea if that's true, but that seems very plausible. Given how many years you've worked on the cyber issue, what do you see as a potential bright spot in how the US is moving forward in cyber, and I guess how things may be actually getting better?

Gen. Paul Nakasone:

Well, I think first of all, just take a look at over the past five years, what have we been able to do? We've been able to defend successfully four elections. Secondly, we have a structure now that goes from the top of our government down to our military, down to our broader inter-agencies where they're actually cyber organizations responsive to what's going on? The office of National Cyber Director, CISA, FBI, NSA, Cyber Command, these are all in place with roles and responsibilities that are important. And then I think importantly we have really good outreach, the beginning of extremely good outreach to partners, whether or not they're academic partners, private sector partners, or foreign partners, to be able to come together in a manner to be able to get after very, very difficult threats. It's a different environment today, and we've been able to respond to that environment, and I think that's the really positive piece that I take from it.

Courtney Kube:

Will you miss being in uniform when you finally retire?

Gen. Paul Nakasone:

I will certainly miss it.

Courtney Kube:

What will you miss the most?

Gen. Paul Nakasone:

The people, no doubt. I mean, being able to serve with General Richardson for well over two decades since we met each other at Leavenworth. Just a fantastic opportunity.

Courtney Kube:

Leavenworth Prison, you met each other at, did we make a little news here today? I'm just kidding. Thank you all so much. This was fascinating. And I have to say before we end that this is the first time in 10 years at Reagan that there's been a panel completely focused on the Western Hemisphere, just to give you a sense of how this is an issue that is not only important right now but growing. So thank you all. Thanks.

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