Secretary Rumsfeld: Carl, thank you so much for those very generous words. I appreciate them a great deal.

Please continue eating your lunch. The reason for the overlapping of the remarks and the lunch simultaneously is because I have to be back in Washington at 4:30 for a meeting in the White House so we're forced to do this.

Thinking back when I arrived here today, my long experience with this wonderful city. I can remember landing at naval air stations and air force bases here to refuel when I was a Navy pilot. I can remember back in 1969 when I was running the Office of Economic Opportunity, and as I recall Bophilia Jones was in charge of the community program at that time and this city had what was unquestionably one of the most constructive and helpful programs of any city in the country thanks to the community spirit and the cooperative spirit that existed.

In 1975 or '76 I came down to speak to the Chamber when I was Secretary of Defense, some 27 years ago. Don Keough urged me not to give the same speech today. [Laughter]

More recently I would come down here and see my friends the Whites and the Southern Center who have made such a fine contribution to foreign policy and defense issues.

Sam, I don't want to be critical, but you said you wanted a greater contact with Washington, D.C. Be careful. [Laughter] You might be like the dog chasing the bus that catches the bus.

Washington D.C. is a little like getting in bed with a hippopotamus. It's kind of warm and good until it rolls over. [Laughter] So be cautious.
Congressman Isakson -- Is Congressman Barr here too, I guess maybe, and my old friend Mack Mattingly, and members of your Board, Pete and Gene? It's good to see some old friends here.

Atlanta is known far and wide as one of our nation's really great cities with a rich history and a rich tradition and always a promising future.

I know that when America was challenged on September 11th that the spirit of your city and this state rose to the occasion. People here came to the aid of the country, flying flags, saying prayers for those killed in New York, Pennsylvania and Washington, donating blood, sending construction materials up to help repair the Pentagon. And needless to say, I thank you and I know all of the folks in the defense establishment thank you not only for that but for the wonderfully hospitable way you treat the men and women in uniform in this state. It is a state that's important to the Defense Department and it is a state that has always been hospitable and we value that.

Needless to say there are many brave troops based here in Georgia, and their wonderfully supportive families who are helping to keep our country strong in the global war on terror. Army Ranger deployed to Afghanistan from Fort Benning and Hunter Airfield, military police from Fort Benning, Army brigades from Fort Stewart, National Guardsmen, pilots and crews from Moody and Robins Air Force Base.

The Taliban have been thrown out of power in Afghanistan. The terrorist training camps have been shut. The Afghan people have been liberated and have at least a hope for a more democratic system and progress the likes of which they've not seen for many many years. But there are still many challenges ahead of us. Earlier this year I was in Warsaw, Poland -- Correction, earlier this week. I'm trying to think, today's probably Friday. And I think -- [Laughter] -- I think I left there on Wednesday.

We had a reception. The President of Poland had a reception for us in the room where the Warsaw Pact was signed. I can't imagine anybody who was wise enough to predict 25 years ago when I was Secretary of Defense that 25 years later I'd be in Warsaw, Poland at a meeting of NATO preparing for a summit meeting of the heads of state of NATO countries to be in Prague in the Czech Republic later this year. It never would have crossed my mind. A free Poland I think says a great deal about how much our world has changed for the better, but the world has also changed in some ominous ways as well.

As we speak, chemists, biologists, nuclear scientists are toiling in weapons labs and underground bunkers around the world, working to give terrorist regimes and terrorist networks weapons of unprecedented power and lethality. Those regimes are working with terrorist networks. If they share weapons of mass destruction terrorist states could of course attack our people without fingerprints.

In this new century our margin for error is notably different than it was in the 20th Century. In the 20th Century we faced essentially conventional capabilities. It's a wonderful credit, I suppose, to humanity that we've had nuclear weapons since 1945 and they've not been fired in anger. I don't suppose there's
been any other time in human history where there's been a major weapon system that has not been used for that long a period.

Regrettably the problem of proliferation and the pervasiveness of these technologies and indeed technicians is such today that we will have to be very attentive to see that we are able to continue that record of not having those weapons used.

The new security environment is not only different, but it could conceivably prove more dangerous than the Cold War.

If you consider the effects of September 11th in economic costs, just in New York alone they estimate there that it cost some $85 billion and 83,000 New Yorkers lost their positions. The estimated cost to the national economy ranges as high as a quarter of a trillion dollars in lost productivity, sales, jobs, advertising, airline revenues and the like, and that's not to mention the even greater cost in human lives and the suffering of so many who lost loved ones -- fathers, mothers, children -- on that day.

In the wake of September 11th we are all on notice and we ought to register the fact that we are on notice that another attack will be attempted. The only question is when and where and by what technique. It could be weeks or months, it could be a year or several, but they are determined.

There are a number of terrorist states that are pursuing weapons of mass destruction -- Iran, Libya, North Korea, Syria to mention a few, but no terrorist state poses a greater or more immediate threat to our security than that of Iraq.

Consider the following: Saddam Hussein ordered the use of chemical weapons against his own people, in one case killing some 5,000 innocent civilians. His regime invaded two of his neighbors, and they've launched ballistic missiles against four of their neighbors. He plays host to terrorist networks, assassinates his opponents -- both in Iraq and abroad. His regime has committed genocide and ethnic cleansing in Northern Iraq, ordering the extermination of some tens of thousands of people. They have amassed large clandestine stocks of biological weapons including anthrax and possibly smallpox. They have amassed large clandestine stockpiles of chemical weapons including VX and sarin and mustard gas. His regime has an active program to acquire and develop nuclear weapons.

Earlier this month the President warned the United Nations that that regime is a grave and gathering danger. He issued a challenge to the international community at the United Nations to enforce the numerous, some 16 UN resolutions that the Iraqis have repeatedly defied and defy still today.

The President said he wants to work with the United Nations Security Council but he also made clear the consequences of Iraq's continued defiance. He asked members of our Congress to support his recommendations pending before the UN and he asked the American people for their support to deal with this danger.
A decision to use military force has not been made and it is never an easy decision. It's clearly the last choice, not the first choice. No reasonable person wakes up in the morning wanting to go to war. It's dangerous, it's deadly, and there are clearly serious risks to acting. But in this new security environment we have to face the reality that there are also very serious risks to not acting and we, each of us -- you and me, the people of this country and indeed the people of other countries need to carefully consider and weigh both of those risks -- the risk of acting as well as the risk of not acting.

I will touch on a few of the questions that have been raised in recent weeks and issues that we and people across the globe are grappling with, then I would be happy to respond to questions here and discuss them.

I think it's important that questions be raised. I think it's important that they be discussed. This new security environment is distinctly different and we need to recognize that and we need to adjust our thinking so that we can live safely in this new environment.

Some have asked, for example, would an attack on Iraq disrupt and distract from the U.S. global war on terror. The answer is no.

Iraq, with its weapons of mass destruction, its listing as a terrorist state, its relationship with terrorist networks, is a part of the global war on terror. It's not a departure from the global war on terror. Our goal in that war is to prevent another September 11th or worse, a far more lethal weapon of mass destruction attack before it happens, whether that threat might come from a terrorist network or a terrorist state.

Second, the question is what is the proof that Iraq has nuclear weapons? Where's the smoking gun?

We don't believe Iraq does currently have nuclear weapons. There's no question but that they have a very aggressive program. They've had it for some 15 to 20 years. They were much closer than anyone had estimated when the forces got on the ground after the Gulf War some 11, 12 years ago.

But if you think about it, the last thing we should want is a smoking gun. A gun doesn't smoke until it's been fired and the goal has to be to stop such an attack before it starts.

As the President told the United Nations, "The first time we may be completely certain that a terrorist state has nuclear weapons is when, God forbid," he said, "they use one." We owe it to our citizens to do everything in our power to prevent that day from coming.

But we should be just as concerned about the fact that they already have biological weapons. For an idea of the devastation that a country could cause, inflict on our country with a biological attack consider the recent Dark Winter exercise that was conducted by Johns Hopkins University.

It simulated a biological weapon of mass destruction attack in which terrorists released smallpox in
three cities around the United States. Within two months the worst case estimates indicated up to one people could be dead and another two million infected. Even if one cut that estimate in half, it's not a pretty picture.

Another question, some have argued that Iraq is unlikely to use weapons of mass destruction against us or anyone else because unlike terrorist networks they have a return address. That is to say that why can't Iraq be deterred as the Soviet Union, for example, was deterred because we would know who had attacked us.

If Iraq launched a chemical or biological attack on the United States it would not necessarily have an obvious return address. There are a variety of ways to conceal responsibility for such attacks.

For example, they could give biological or chemical weapons to terrorist networks who could operate from within our country or against our forces or interests elsewhere in the world. We still do not know, for example, with certainty who was behind the 1996 bombing of Khobar Towers in Saudi Arabia. Indeed, our inability over a period of some 20 years to identify the sources of a number of terrorist attacks has taught terrorist regimes that that is indeed an effective means of attack.

Another question is why not focus on more intrusive inspections? To that I would answer that the issue is really not inspections, the issue is disarmament.

We are not opposed to inspections as part of a comprehensive solution, but even the most intrusive inspections have difficulty getting at Saddam Hussein's weapons of mass destruction. Many of his capabilities are mobile. They have been widely disbursed into dozens and dozens and dozens of different locations. Vast underground networks and facilities and sophisticated denial and deception techniques have been employed. In addition they have been placed in close proximity to hospitals, schools, mosques and churches.

Inspection can be useful when the target country is cooperating. The purpose of inspection is to validate something that the country to be inspected wants validated. A country that wants to be inspected is trying to prove to the world that in fact they are clean, they're not doing these things that people are concerned they might be doing.

Saddam Hussein's regime is not interested in disarming. They've demonstrated that over some 20 years. They have given up tens of billions of dollars in oil revenues under the sanctions program so that they could in fact keep these weapons of mass destruction programs going. If they wanted to disarm, they would have been billions and billions of dollars wealthier and their people vastly better off.

Long before the 2nd World War Hitler wrote what he intended to do, but the hope of the world's leaders then was that he would not do what he said he was going to do. Between 35 and 60 million people died because of a series of miscalculations on the part of the world's leaders and their publics.
He might have been stopped if the world's leaders had made different assessments and come to different judgments.

Saddam Hussein has also made his intentions clear. He's used these weapons against his own people. He's used them against his neighbors. He's demonstrated an intention to take the territory of his neighbors. He plays host to terrorist networks. He has repeatedly praised the September 11th attacks. He is giving $20,000 or $25,000 to the families of suicide bombers who are killed in their terrorist attacks.

So the question comes down to this. How will the history of this era be recorded?

When you look back we can see that there have been many books written about threats and attacks that had not been anticipated, and after the fact they wrote books like At Dawn We Slept -- The Untold Story of Pearl Harbor or they write books like Why England Slept, and trying to figure out what had happened. Why was it that those cataclysmic events occurred when they might have been avoided. What might have been done differently?

Indeed in the past year we're already seeing books on September 11th that are trying to go back and look at the evidence and figure out why that attack could not have been avoided. The Congress is holding hearings. A commission is now being appointed to go back and look, to try to connect the dots. What happened prior to September 11th that might have been pieced together in some way that it could have been avoided?

It's tough. It's tough to do it after the fact, but it's even tougher to try to connect the dots before the fact. And of course the task of government is not to write books about why England slept or what happened on September 11th. The task of government is to try to connect the dots before another September 11th occurs or a September 11th of vastly greater proportions.

The debate, the discussion, the dialogue that's taking place in this country is good. It's healthy. It's happening across the globe. It's not easy, these issues. It is a difficult thing to try to accurately weigh the risks of doing something, and it is a very difficult thing to weigh the risks of not doing something and it's the balance between those that our country, our President, our Congress and indeed the other free nations of the world are having to consider in this distinctly different security environment that we're facing in the 21st Century.

The task it seems to me is to conduct ourselves in a way that when people look back in five, ten, fifteen years, they'll be able to say that the people of this generation did weigh those considerations carefully, they did make correct assessments and correct judgments that were in the best interest of their people. Thank you.

[Applause]
I will be happy to respond to questions. I'll answer the ones I can answer, and I'll respond carefully to the ones I can't. [Laughter]

Question: Mr. Secretary, first of all I'd like to give you my personal thanks for your rock solid leadership. It's obvious I think to all of us.

[Applause]

Secretary Rumsfeld: Thank you very much.

Question: My next point is on your point of connecting the dots which is very difficult to do. We all as business people deal with that every day. Also I want to let you know, I think you know this too, in this period of uncertainty it's getting harder and harder for us to connect the dots for our customers, and our customers for their customers.

So while everything is never certain, I think it would be good to take whatever action we need to take to clear the air on this, and that's the major point I want to make.

It is obvious that coming up on a political year the political organizations are not going to look at this through an eye of common sense. They're not going to do that. So when you talk about the focus on terrorism and you talk about acting before something happens, and what seems to be the major objection of people that are against the principles you have and I have is that we're going to delude ourselves away from the focus on terrorists.

Why would there ever be any view that there are not terrorists, not al Qaeda, not whatever in Iraq today? And if there is, why don't we just act on that point? We know we need to say where they are, but come out, show the proof, and then move on that point? That to me seems something you don't have to go prove a lot of the other scenarios that are out there.

Secretary Rumsfeld: Your point being that you're looking for some hard evidence of some specific terrorists physically in Iraq at a given moment.

Question: Right, because you can't prove all these other things.

Secretary Rumsfeld: Yeah. Well, I wish that were possible. The problem is that we have ways of gathering intelligence as you well know -- technical means, human sources -- and as that information is gathered and then other countries gather information and we share that information. We are able to come to conclusions, assessments more often than conclusions, but sometimes conclusions.

There is a certain portion of it that can be released because it would not compromise the way we got it or from whom we got that information. There's a larger portion that one cannot release. It is a fact that you would put people's lives at risk in some instances. You would immediately close off the channel of
that information in other instances. It seems to me that the appetite for more and more and more
information is insatiable. There isn't enough.

The only way you can prove something is for there to be another terrorist attack and then we should
again have another congressional committee and get another bunch of authors to write out why it
happened. That is the only certainty we'll get.

There is a desire on the part of the American people and people around the world to want to have proof
beyond a reasonable doubt like you do in a court of law because our interest there is to protect minority
rights. Our interest is to gain intelligence so that we can protect the American people. It is critically
important.

I tried to do what you're talking about the other day. Before I left for Poland I gathered some thoughts
with a couple of people who work with me -- Paul Wolfowitz and others. We said why don't we get
this into the intelligence community, let them scrub it over the next week or so, see if they can find out
what portion of it can be made public. They did, they came back, we ended up with five or six
sentences that were bullet-proof. We could say them, they're factual, they're exactly accurate. They
demonstrate that there are in fact al Qaeda in Iraq. But they're not photographs, they are not beyond a
reasonable doubt, they in some cases are assessments from a limited number of sources. They're in
some cases hard information that were to release it would reveal a method of gathering it. And it
seems to me that if our quest is for proof positive we probably will be left somewhat unfulfilled. The
same thing is true in business. When you make judgments about what markets you're going to go after
and what acquisitions are going to be made and where the investments are going to be made, you end
up making them based on 40, 50, 60, percent of the information that you can get in a reasonable period
of time, and if you waited for the next 20-30 percent of the knowledge you could get the market would
be gone and the investment would be gone.

So unfortunately, there's an awful lot more at stake in this case, but we have to face that fact that we're
not going to have everything beyond a reasonable doubt.

Question: Is there a general consensus in the free world that the inspections that are being offered now
by Iraq are going to be a charade? Or do some people believe we'll really be able to find out? Is that
issue still on the table?

Secretary Rumsfeld: The issue is still on the table. There's no question but that there are people who
are so hopeful against ten years of evidence, but nonetheless hopeful that maybe this time they might
be sincere in saying they will allow inspections in without conditions.

The problem is right after they said that, within 48 hours, they started applying conditions. Those that
were surprised shouldn't have been. [Laughter] I mean the only thing surprising is that they were
surprised. [Laughter]
They are very good at what they do, the Iraqis, let there be no doubt. He has spun the rest of the world and the United Nations and the United States around his finger by leaning forward when he had, to leaning back when he could, and it's gone on and on and on.

Is it possible you could have inspections so intrusive that in fact you could find a lot, even if he were not cooperating? Probably. UNSCOM got a lot of information and then they were thrown out. And they never got all of it by a darn sight. Much of what they got came through defectors and some of those defectors were then murdered -- even the sons-in-laws of Saddam Hussein after they came back to the country. To get defectors to function you have to get them out of the country and you have to get their families out of the country.

An inspection really is not designed for a hostile environment. It just isn't, that isn't how it's supposed to work. An inspection is supposed to go in and inspect something to see if in fact people are doing what they said they wanted to do so the rest of the world would know they were doing that and it would be validated, is all.

This is a hunt that is just monstrous. The many locations and the difficulty of finding them. They had overhead photography in some instances when UNSCOM was in there, the UN inspection teams, where they were going in the front door and stuff was going out the back. But there are people who are still hopeful.

Of course the goal, once you set your goal as inspections you can get them for awhile, until they are too intrusive. If your goal is disarmament, then you have to back up and say what kind of inspections do you have to have to achieve that? That is what they're discussing and negotiating up at the United Nations right now.

The President has made a conscious decision that he thought it was appropriate to go to the Congress and ask for their support and make the discussion one that would engage the country and he made a decision to go to the United Nations and help the world community understand that for 11 years Iraq has been systematically violating 16 of their resolutions, and if the United Nations wants to be relevant in this world and wants to have a role in this world, it ought to be concerned about that fact, and it ought to engage it and think about it. I think that's what Secretary Powell is wrestling with in the United Nations and what the President's going to have to face and see how that sorts out.

Question: Thank you, Mr. Secretary. I work for a company, Internet Security Systems, and we are constantly monitoring hacker threats and strongly suspect state-sponsored cyber attacks. I just wanted to know your comments, especially from countries like North Korea and China. I just wanted to know your comments on the role cyberspace plays in national defense and if there are any suspects of that in Iraq.

Secretary Rumsfeld: If one thinks about it, there are very few countries in the world that have any appetite for engaging Western armies, navies or air forces. The problem is it's very expensive to do that
and they lose. [Laughter and Applause]

All the people in the military or who served in the military, stand up. [Applause]

That's why they lose. So what do they do? They look for vulnerabilities. And where are our vulnerabilities? Our vulnerabilities obviously are to terrorists because we're free people and we don't want to live in basements and hide. We want to be able to get up and go where we want and say what we want. Terrorists, weapons of mass destruction are terror weapons. They don't even have to be used to terrorize and to alter behavior. Cruise missiles. An enormous number of cruise missiles in this world with GPS. They're very accurate. With modifications they can get substantial range. Ballistic missiles, we have no defense against ballistic missiles, and clearly they have a terror weapon aspect. Cyber attacks, here's a country, our country, the Western world is so heavily dependent on technology. We are more skillful but we are also more vulnerable than other countries to attacks against our technology and our dependency on technology. There's no question but that we already have a number of instances where countries have attempted to attack our technology in some cases through cyber attacks, in other cases through jamming, and it's something that we have to expect and anticipate as we look at all of our vulnerabilities and the kinds of capabilities that are now available to the world in the hands of so many people.

You go into one of these houses in Afghanistan and someone busts through the door and what do they find? They find laptops and pagers and cell phones and all kinds of technologies that weren't developed in Afghanistan. They were developed, technologies in the United States of America and Western Europe.

Question: Mr. Secretary, given the fact that you are so skeptical as I think everybody is about [inaudible], [inaudible] got four or five points that [inaudible] --

Question: Inspections?

Secretary Rumsfeld: No, the whole range. [Inaudible] What four or five things have to become clear in order for the United States not to proceed with military action [inaudible]?

Secretary Rumsfeld: I have to not answer that simply because that's a call for the President and not me. He has not made that judgment. He has made the judgment that the one choice we do not have is to do nothing. That every day, every month, every week that goes by the capabilities are becoming more robust, more mature, more dangerous, and the opportunities for them to be transferred to terrorist networks greater.

I really believe that the construct I provided is what he and you and I and others have to do. We simply have to balance those risks -- the real risks of doing something and the risks of not doing something. We're going to have to evaluate that decision and it's a tough decision.
It would be wonderful if we picked up tomorrow's paper and read that Saddam Hussein decided to leave and go live in some other country with his family and a few close, intimate friends. [Laughter] That would be a preferred way of dealing with this.

I also want to say I'm impressed that you've almost lost your Chicago accent there, Leo. [Laughter]

Question: Mr. Secretary, many of the allies that we had in 1991 are not signing up. France, Germany and others. How is the process of coalition-building going?

Secretary Rumsfeld: It's terrific. If you think about it, after September 11th we had no coalition. Today we have 90 nations, half the nations on the face of the earth. It's the largest coalition in human history. It is breathtaking in its breadth and its depth. It was not there on September 12th. Now the President has not made a decision with respect to Iraq so there isn't any coalition-building as such. There's a coalition being worked on to find support in the United Nations for the resolutions that are apparently being fashioned up there.

I must say that there are a number of countries that are voluntarily tossing support over the transom without being asked directly. For the most part they very likely will not say so publicly and until the President concludes that that is something that ought to be done and sits down with them and works through why and how and what might happen.

So I have no doubt in my mind that if a decision were made that that had to be done, that force had to be used in Iraq, that there would be a substantial coalition of countries, just from what I know already.

If you think about it, if you were a neighbor of Saddam Hussein's and he was big and strong and you were not, your support might very well be private rather than public, particularly if you live in the neighborhood like that. [Laughter]

I was, as I say, just in Warsaw and I'm trying to think, at least two countries sidled up to me and said we're interested if it has to be done.

So the argument that this Administration is unilateralist is utter nonsense. This President has put together a coalition with Colin Powell and his team of 90 nations. That is amazing. And if a decision is made, which I have no idea what he'll decide or what would or should be appropriate, but I don't doubt for a minute that there will be any number of countries that will be supportive, helpful, and cooperative.

I'm going to have to go. I thank you so much. It's a delight to be with you. [Applause] - END -