

take that partnership for granted, and I can promise you that my government never will.

But nor should we forget that our responsibilities extend—extend beyond our own borders and across generations, which means getting rid of that outdated notion that a healthy environment and a strong economy stand in opposition to one another. And it means that when we come to issues like climate change, we need to acknowledge that we are all in this together. Our children and grandchildren will judge us not by the words we said, but by the actions we took or failed to take.

If we truly wish to leave them a better world than the one we inherited from our own parents—and I know, Mr. President, that you and the First Lady want this as strongly as Sophie and I do—we cannot deny the science. We cannot pretend that climate change is still up for debate.

[Prime Minister Trudeau spoke in French, and no translation was provided. He then continued in English as follows.]

Thank you, Mr. President, for your leadership—your global leadership—on the pressing issue of the environment and climate change.

And finally, we believe—Canadians and Americans—in the fundamental truth that diversity can be a source of strength, that we are thriving and prosperous countries not in spite of our differences, but because of them. Canadians know this. It's why communities across the country welcomed more than 25,000 Syrian refugees over the past 4 months, and not as visitors or temporary citizens, but as Canadians. But of course, Americans understand this too. It's why each generation has welcomed newcomers seeking liberty and the promise of

a better life. It's what has made America great over the past decades.

We know that if we seek to be even greater, we must do greater things: be more compassionate, be more accepting, be more open to those who dress differently or eat different foods or speak different languages. Our identities as Canadians and Americans are enriched by these differences, not threatened by them.

On our own, we make progress. But together, our two countries make history. Duty-bound, loyal, and forever linked, whatever the future holds, we will face it together: neighbors, partners, allies, and friends. This is our experience and our example to the world.

Barack, thank you for all that you have done these past 7 years to preserve this most important relationship. May the special connection between our two countries continue to flourish in the years to come, and may my gray hair come in at a much slower rate than yours has. [Laughter]

And with that, on behalf of 36 million Americans, I propose a toast to the President, to the First Lady, and to the people of the United States of America. Cheers.

[Prime Minister Trudeau offered a toast.]

NOTE: The President spoke at 8:32 p.m. in the East Room at the White House. In his remarks, he referred to White House Trip Director Marvin D. Nicholson, Jr.; Sen. R. Edward “Ted” Cruz, in his capacity as a Republican Presidential candidate; and Xavier, Ella-Grace, and Hadrien Trudeau, children of Prime Minister Trudeau. He also referred to his sister Maya Soetoro-Ng and nieces Suhaila and Savita Ng. Prime Minister Trudeau referred to his parents-in-law Estelle Blais and Jean Grégoire; and musician Justin D. Bieber.

Remarks During a Question-and-Answer Session at the South by Southwest Interactive Festival in San Antonio, Texas

March 11, 2016

Texas Tribune Editor-in-Chief, Chief Executive Officer, and Cofounder Evan Smith. Hi, Mr. President.

The President. It's good to see you, and hello, Austin! I love Austin, Texas.

Audience member. We love you!

The President. I—thank you. It's just good to be back.

Mr. Smith. Nice to have you here. Welcome. Welcome to Austin. Welcome to South by Southwest. Let's make a little news. You stopped at Torchy's on the way in from the airport.

The President. I did.

Mr. Smith. You did.

The President. I did.

Mr. Smith. Would you please share with the world what you told me backstage: your order? Perfectly in keeping with your political views.

The President. I ordered the Democrat. But then, I ordered a Republican and an Independent, because I wanted to give all people a proper hearing.

Mr. Smith. That's right.

The President. I wanted to be fair.

Mr. Smith. Bipartisan in tacos as in life.

The President. That's exactly right.

Government Use of Information Technology

Mr. Smith. That's how it goes. Mr. President, you're very nice to be here with us today. And you came for a purpose. You want to accomplish something. You said as much in your weekly radio address last weekend. I got the opportunity to hear it. Some people in the room have not heard it. For their benefit, and people outside the room, would you say why you're here? Make the pitch in miniature, please.

The President. Well, first of all, I'm here because I like excuses to come to Austin, Texas. [Laughter] And that's a good enough reason. And I want to acknowledge your mayor, Steve Adler, who bought tacos with me.

I normally don't do this, but I'm going to embarrass somebody; I want to also acknowledge the Chancellor of the Texas System because he's one of my favorite people and a truly great American—

Mr. Smith. He's somewhere over here.

The President. —Bill McRaven, who I think is over there.

Mr. Smith. Yes.

The President. He—it's pretty rare where a chancellor of a university system can really

mess you up. [Laughter] So, in case any of the students are wondering, don't mess with your chancellor. [Laughter] Yes, but I knew him as Admiral, and he served America as well as anybody has served it.

Look, the—we are at a moment in history where technology, globalization, our economy is changing so fast. And this gathering, South by Southwest, brings together people who are at the cutting edge of those changes. Those changes offer us enormous opportunities, but also are very disruptive and unsettling. They empower individuals to do things that they could have never dreamed of before, but they also empower folks who are very dangerous to spread dangerous messages.

And part of my challenge since I've been President is trying to find ways in which our Government can be a part of the positive change that's taking place and can help convene and catalyze folks in the private sector and the nonprofit sector to be part of the broader civic community in tackling some of our biggest challenges.

And I—just three things that I talked about during my weekly address where this group, I think, is primed to make a difference. Number one, we're spending a lot of time figuring out, how can we make Government work better through technology, digital platforms, and so forth? So, for example, we've reduced the FAFSA form process where you apply for student aid by about two-thirds just by digitalizing it, putting it online, making it a little more commonsense. We have made it now possible to apply for Social Security online in ways that couldn't be done before. Across agencies, we're interacting every day with our Government, and the question is, how do we make that work better?

Mr. Smith. Yes.

The President. Because an antigovernment mentality grows if people feel frustrated because they're not getting good service.

The second thing that these new technologies allow us to do is to tackle big problems in new ways. We had a conference in Washington a few weeks back on what we're calling precision medicine: the capacity today to potentially

cure diseases because we understand the human genome and we understand that a cure for me may not be the same as a cure for you. And there's incredible research taking place all around the country, but we haven't gathered all that data together to make sure that the whole is greater than the sum of its parts.

And number three, we want to make sure that we're using big data, analytics, technology to make civic participation easier. Voters—increasing voting rates and making sure that people are informed about who they're voting for and why they're voting. Making sure that community organizations or activists are able to meet and help to shape our society in new ways.

So the reason I'm here really is to recruit all of you. It's to say to you as I'm about to leave office, how can we start coming up with new platforms and new ideas, new approaches across disciplines and across skill sets to solve some of the big problems that we're facing today? Because, I've said this before, I said it at the State of the Union, the most important office in a democracy is the office of citizen. And right now, with all the talent that's out there, our Government is not working and our politics isn't working as well as it should. The only way we're going to solve that is to make sure that we're getting citizens involved in ways that we haven't up until now.

Patient Protection and Affordable Care Act/U.S. Digital Service

Mr. Smith. Mr. President, the theory of bringing tech more closely aligned with Government in solving problems is great, but the reality is that the culture of the tech sector and the culture of Government could not be more different. Government is big and bloated and slow and risk averse, and it's run on outmoded systems and outmoded equipment. Tech is sleek and streamlined and fail-fast and enamored of the new and the shiny. How do you take these two things that seem culturally to be so unlike and put them together in a way where they can and want to work together? *[Laughter]*

The President. Well, let me give you an example of the big and the bloated and the frus-

trating. You may recall that I passed this law called the Affordable Care Act to sign people up for health care. And then the website didn't work. *[Laughter]*

Mr. Smith. I heard that. Heard that, yes.

The President. And this was a little embarrassing for me because I was the cool, early adaptor President. *[Laughter]*

Mr. Smith. Right. Not exactly an advertisement for—*[inaudible]*.

The President. And my entire campaign had been premised on having really cool technology and social media and all that. Well, here's what happened, was that the procurement systems, the specifications, the way that software was built in Government was adapted for the age when procurement was for buying boots or buying pencils or buying furniture as opposed to buying software.

And so there's an example of an outdated system, bloated, risk averse, not working well. Here's what happened as a consequence of healthcare.gov breaking down, though: We had to bring in a SWAT team of all my friends from Silicon Valley and from Austin and some of the best software engineers in the world to come in and fix it, which we did in about 3, 4 months' time.

And what we realized was that we could potentially build a SWAT team, a world-class technology office inside of the Government that was helping across agencies.

Mr. Smith. Yes.

The President. We've dubbed that the U.S. Digital Services. And we've got some of the top talent from Google, from Facebook, from all the top tech companies. These folks are coming in, in some cases, for 6 months, in some cases for 2 years, and they are making an enormous difference in making sure that veterans are getting services on time, fixing outdated systems, making sure that agencies like the Small Business Administration that has been clunky, is redesigning itself so that if an entrepreneur wants to start up a business here in Texas, that they can go to one spot and within a day they've handled all the regulatory redtape that used to require them maybe months to navigate.

Now, the folks who are working in this Digital Service, they're having a great time and in part because they are harnessing incredible skills to a purpose where they know that millions of people can be helped.

Mr. Smith. Yes.

The President. And what they'll tell me is that as long as they feel that they've got a President and somebody who's providing some air cover, there's no system that they can't get in there and work and change and make it significantly better.

So part of my job is to try to institutionalize that over the next several years. And I want to make sure that the next President and the Federal Government from here on out is in constant improvement mode and we're constantly bringing in new talent and new ideas to solve some of these big problems. It can be done. It will—it requires some effort, but everything requires some effort.

Government Use of Information Technology/Counterterrorism Efforts

Mr. Smith. Because, Mr. President, you know, I talked to tech people in advance of your coming, and I said, if you were asked by the President or by the administration to come in and work with them, what would the conditions need to be that would make it possible? And they said, well, we would need some kind of a carve-out, some kind of flexibility from rules and regulations. We would be willing to work with the Government; maybe we would then donate back the IP to the public sector. Or if we want to give some of the employees from our payroll the opportunity to work in Government, maybe we could get—as you would with another kind of donation—some sort of a tax break back. We'd be willing to work, but the Government would have to come at least a little bit in our direction. You're saying you're willing to do this?

The President. Well, I'm not saying I'm willing to do it; I'm saying we're doing it.

Mr. Smith. You're doing it now, yes, sir.

The President. It is currently happening.

Mr. Smith. Right.

The President. And the opportunities are there. But I want to focus on the fact that there are different ways for people here to get engaged. It's not just you coming in, although that's—we want to create a pipeline where there's a continuous flow of talent that is helping to shape the Government. The other thing that we're doing, though, is we're also convening people to solve problems, and they may in their existing roles be able to work together to make a huge difference.

I'll give you a specific example. Before I came in here, I met with an incredible group of people—entrepreneurs, moviemakers, organizers, tech leaders—to talk about how we make a real difference on countering violent extremism. It's not enough if we're going to defeat ISIL just to take out their leadership or to control certain territories, if, in the virtual world, they are consistently reaching kids here in the United States or elsewhere in the world and recruiting them and twisting their minds to do terrible things. We've got to be able to penetrate that.

For good reasons, we don't want the Government to be the lead on that. First of all, we're not credible with the people who might be receiving those messages. Second of all, it's dangerous if the Government gets in the business of propaganda. So what I said to them was, we'll help convene and put you guys in a room together. Where there are resources that are necessary, we can help provide it. But essentially, you figure out how we can reach young people who might be vulnerable to extremist messages.

You tell us, based on the analytics and the data and the algorithms that you're working with on a day-to-day basis to sell products, what is it that's going to really penetrate here. How can we amplify powerful stories that are already taking place so that there are platforms that can reach as many people as possible?

Voter Participation

Mr. Smith. So whether you solve the problem or they solve the problem, it's all good?

The President. Exactly.

Mr. Smith. Right.

The President. I'll give you a second example, and that is the issue of voting. I mentioned this earlier. We're the only advanced democracy in the world that makes it harder for people to vote. [Laughter] No, I—you're laughing, but it's sad. We take enormous pride in the fact that we are the world's oldest continuous democracy, and yet we systematically put up barriers and make it as hard as possible for our citizens to vote. And it is much easier to order pizza or a trip than it is for you to exercise the single most important task in a democracy, and that is for you to select who is going to represent you in government.

Now, I think it's important for a group like this, as we come up to an election, regardless of your party affiliation, to think about how do we redesign our systems so that we don't have 50-percent or 55-percent voter participation on Presidential elections and during off-year congressional elections you've got 39 or 40 percent voting.

Mr. Smith. Mr. President, you're in the State with the worst voter turnout in the country over the last few years.

The President. By coincidence.

Mr. Smith. We would take 55 percent tomorrow if we could get it. [Laughter]

The President. I mean, I—there is a reason I'm bringing this up. [Laughter]

Mr. Smith. Yes.

The President. But it's not just Texas. And so one of the things that we're doing is engaging folks who are already doing interesting work in the online space, how can we create safe, secure, smart systems for people to be able to vote much easier online, and what are the technologies to help people get aware of what they're voting about, who they're voting for—that's, again, an issue where you don't want the Federal Government engineering all that.

Mr. Smith. Right.

The President. But what we can do is to have the incredible talent that's represented in this auditorium really spend time thinking about that and getting to work on it.

Mr. Smith. But governments, Mr. President, governments need to play a role in that they

have to pass legislation that enables some of these things.

The President. Yes.

Mr. Smith. So in Texas, again, a State with terrible voter turnout over time, we broke records on primary day, but we still had the second worst voting age participation of any State that's voted so far.

The President. Right.

Mr. Smith. We can't get out of our own way. You need, in Texas, legislation that enables this. We won't even allow people to register to vote on—to register to vote, not vote—register online in Texas, register online. We can pay our taxes, we can hold our phone up at the supermarket to pay with our credit card, but somehow, online voter registration is perceived to be insecure, or same-day registration.

The President. It's not insecure. It's done because the folks who are currently governing the good State of Texas—[laughter]—aren't interested in having more people participate. I—look, but—[applause].

So, obviously, you've got to make a political argument about why this is important, and not every State is going to move along the same direction. But I will tell you that if we can create more and more models that show that if made easier, more people vote, and that it is seamless and that it is secure, and jurisdictions that are willing to adopt and support these new mechanisms are in place, and if we are building more models of civic engagement and using the tools and technology that we're doing—that we're using to buy things to participate in self-governance, then over time—look, Texas is never going to be an early adapter of what I'm talking about here. [Laughter] But it—but over time, pressure builds for us to create systems that make Government more responsive and make it work better.

Antigovernment Sentiment/Financial Regulatory Reform/Political Participation

Mr. Smith. Let me stay with Texas and touch on something you alluded to earlier: that there are a lot of people in the world today who don't like government, don't trust government, don't think government can do good. You are

in Texas, the hating-on-government capital of the Western world, right? [Laughter] This—we hate government so much we'd rather have no government, except we then wouldn't have anybody to sue. [Laughter] So we need government for at least one reason. [Laughter] How do you change the perception that government can do good at a moment when people have decided government can't do good?

The President. Yes, I—well, part of it is the fact that when government does great things, we take it for granted, and it's not a story. I mean, every day, government is delivering for everybody in this room, whether you know it or not. I can find the fiercest libertarian in the room with—who despises every level of government, thinks it's all corrupt, thinks—but they're checking the weather on their phone—[laughter]—and lo and behold, it turns out that there's a Government satellite out there that—

Mr. Smith. That's government.

The President. —is facilitating that.

Mr. Smith. Right.

The President. And they'd be really irritated if they couldn't figure out whether it was going to be 70 and sunny or 60 and rainy tomorrow. And—but that's not reported as government. We just take for granted, of course, there are roads, and of course, there's a geosatellite system, and of course, we have special forces who are making sure that folks aren't blowing up our buildings. Well, the—part of our task is to tell a better story about what government does.

Now, government is often its own worst enemy in the sense that it has to also be more responsive where people interact in a direct way with government. I've said before that I could change the politics of America faster than just about anything if I could just take control of all the DMVs in the country. [Laughter] Because if somebody goes to get their license renewed and it takes them 2 hours—

Mr. Smith. And they walk away frustrated.

The President. —and everybody is kind of surly—

Mr. Smith. Right.

The President. —that's going to—that's their impression of government.

Mr. Smith. Yes.

The President. Or if their primary interaction with government is the IRS, you just don't have a good association with government when you're writing that check. But if we make it easier, if we're—if it's being done online, if suddenly, you have the capacity to interact with government in a way that also gives you some feedback about how your tax dollars are being spent or why this is important for what you're doing, so that it's a two-way exchange as opposed to something that feels distant and that you have no control over, then people's attitudes change.

Now, here's the problem, and this is why politics matter. If there are those who despise government—oftentimes, because the absence of government allows them to pollute or keep as much money as they can or not have to answer to consumers who are complaining about their practices—if they are controlling those who are currently in government and government gets starved of resources, then it can be a self-reinforcing notion that, in fact, government doesn't work because it's being starved.

A great example of this, by the way, I met with financial regulators this week to just get a report back on how we're doing on Wall Street reform. One of the things that the left and the right agree on is that after the financial crisis, nothing changed, and all those folks on Wall Street who had done these terrible things just got away with it, and we didn't change the system, and it's just the way it is now. Well, the truth of the matter is, actually, a lot changed. The banks have been forced to capitalize much more. The—some of the shoddy practices have been shut down. We set up a Consumer Finance Protection Bureau that prevents some of the mortgage practices that had ended up not only hurting individuals, but also destabilizing the entire system. Derivatives now have to be set up on a clearinghouse platform that allows oversight in a way that didn't exist before.

The financial system is much more stable than it used to be. And “too big to fail” actually is much less likely, because if somebody engages in reckless practices we can now unwind them without them bringing down the entire system.

Mr. Smith. So how come we don't know it then?

The President. Well, first of all, that's not a story that is interesting to people. [Laughter] What's more interesting is a cynical view that terrible things happened and nothing got changed. And that's how it gets reported both in popular culture as well as in the media.

But the second thing that's happened is, where it's not—where we still have work to do in this space, the main reason we have work to do in this space is because this Congress has prevented oversight agencies like the SEC and the CFTC from having enough staff and resources to be able to enforce as well as they could some of the laws and the rules that are put in place.

And so we go back to the need for civic engagement. We cannot solve the problems in government and we cannot solve the problems that we face collectively as a society unless we, the people, are paying attention.

Mr. Smith. Right.

The President. And in a age in which people are getting information through digital platforms, through the Internet, where people's attention spans have shrunk, it is critical that all of you who are shaping this environment are spending time thinking about how are we getting people—how are we getting citizens engaged, and you yourselves have to be engaged and spend some time thinking about it.

It doesn't mean you have to do it full-time. It doesn't mean that you have to run for office yourself. But it does mean that if—whatever your field is, there is a way right now for you to engage and participate to take this democracy back in ways that we have not seen in a very long time.

American Recovery and Reinvestment Act of 2009/Broadband Internet Access

Mr. Smith. What you're preaching, Mr. President, again—nobody will take issue with the idea of more civic engagement in a digital age. But the question is whether everybody, all of us in this country, are in the same digital age, right?

You're in a State that is seeing rapid changes in its population. We'll soon be Hispanic majority. Well, in this State, as in a lot of other States, the digital divide—access to Wi-Fi, access to devices continues to be an enormous problem. Fifty percent of adults in Hispanic households have no access to Internet at home.

The President. But the—

Mr. Smith. Fifty-four percent of African Americans have access, but 46 percent do not. Many more White households have access to the Internet than do non-White households. We know that we have this massive digital divide in this country, in Texas and elsewhere. Shouldn't the Government, before we start providing all the civic engagement through the digital space, make sure that everybody is in the digital space first?

The President. Which is, actually, exactly what we've been trying to do over the last several years. When we passed the Recovery Act—the stimulus that was very controversial at the time and that continues to be criticized by the other party, despite the fact that unemployment is now below 5 percent, and we avoided a Great Depression, but—thanks, Obama. [Laughter] The—but embedded in that was a massive investment in making sure that communities that had been left out of broadband and Wi-Fi were reached. And we have made enormous progress in extending more and more Internet access—high-speed Internet access to communities all across the country.

A second example: We set up something called ConnectED, where our goal—and we're on track to meet this by 2018—is that 99 percent of classrooms have access to high-speed wireless. And the way we've done that, in part, is through Federal spending, but what we've also done is, we've partnered with an array of companies.

Mr. Smith. Right, private industries.

The President. Private industry has really stepped up.

Mr. Smith. Right.

The President. And so part of the task—you're right that we've got to make sure that, given the power of this space, everybody is

plugged in. But one of the great tricks to all this is making sure that whatever Government is doing is then supplemented with and enhanced by a private sector and nonprofit sectors that are ready to step up. And it's not just, by the way, getting a line in or Wi-Fi there. It's also training teachers. We've set up something called—well, open book? Somebody out here—

Audience member. Open eBooks.

The President. Huh?

Audience member. Open eBooks!

The President. There you go, Open eBooks.

[*Laughter*] I knew there was somebody in the audience—

Mr. Smith. Yes, who would know it, right.

The President. —who'd know about this.

[*Laughter*] To make sure that kids in places where—that don't have a lot of books that suddenly they have access to this enormous e-library, and that that becomes folded into the mechanics and the infrastructure that's been set in place.

Political Participation/Antigovernment Sentiment/Government Utilization of Information Technology

Mr. Smith. Right, but Mr. President, very good, it's important to have wired classrooms, but part of the problem is that 70 percent of homework assignments by one measure, given by teachers, require some Internet access.

The President. Right.

Mr. Smith. So it's one thing to wire classrooms; the problem is homes.

There was a story in the New York Times about a month ago that had a couple of kids from McAllen, a brother and sister, standing outside their school building into the wee hours of the night having to do their homework on their phones, using the Wi-Fi from the school after hours because they had no Wi-Fi at home.

The President. Which is why—

Mr. Smith. This is 2016. It just seems crazy.

The President. Which is why we've set up something called Opportunity Networks that is going to go into public housing, rural communities, low-income communities to make sure

that access is available precisely so those young people can do the work.

Mr. Smith. You're going to try to solve this problem?

The President. I am trying to solve every problem. But what I'm—[*laughter*]—but here—

Mr. Smith. You've got to have a goal, I understand.

The President. But here's the point that I want to make. These are solvable problems, but it's not a matter of us passively waiting for somebody else to solve it. And that's part of the mindset that I'm trying to break. I tried to break it back in 2007, 2008, when I ran for this office. As you will recall, the slogan was not "yes, I can," it was "yes, we can." [*Laughter*] And we could sit here and you could list out an array of problems, inequities that have to be addressed. What I'm saying is, number one, government actually works better in so many areas than we give it credit for because we tend to focus on those areas where it's not working as well.

Number two, part of the reason that government doesn't always appear to provide a satisfactory solution is because government has to take on the hardest problems. All right? The private sector doesn't have to figure out how to educate the poorest kids. The private sector doesn't have to figure out how to protect us from a terrorist cell. That, so—if you have aging, sick veterans, the private sector may not serve them as well, or to figure out how do we get homeless off the streets.

So the toughest problems are government problems. And finding solutions to those things can take time. And so you're never going to get a hundred-percent satisfaction that—the way you might get that perfect cup of coffee, the perfect latte, or the perfect—the lowest price on your ticket to Cancun—[*laughter*]—because these are harder problems.

But the third point that I'm trying to make here is that if we can reconceive of our government so that the interactions and the interplay between private sector, nonprofits, and government are opened up, and we use technology, data, social media in order to join forces around problems, then there's no problem that

we face in this country that is not soluble. And the key is to have incredible talent, as is gathered here, to focus on it.

It's not enough just to focus on what's the cool next thing. Part of what we have to do is to figure out how do we use and harness the cool next thing to make sure that everybody in this country has opportunity.

Mr. Smith. Well, I want to use——

The President. And make sure that we're dealing with our environment in an effective way.

Mr. Smith. I want to use and harness the time we have. We've got 10 minutes left. We started a little late.

The President. Nice segue. That was good.

Mr. Smith. Thank you, I tried. I appreciate it. Took the baton here, Mr. President. [Laughter] I took the baton.

The President. It was good.

Mr. Smith. I've done this before.

The President. It was good. [Laughter]

Privacy of Digital Information/Former National Security Agency Contractor Edward J. Snowden/National Security Agency's Electronic Surveillance Program/Digital Encryption

Mr. Smith. There are—we asked for questions from regular folks through the Texas Tribune website. We've got a few of those. And I want to ask you about a couple of those. Some are related to the topics we've been talking about, and some are not. I'm going to go quickly so that we use the time we have.

A bunch of people wanted me to ask you about Apple and the situation with Apple and the FBI. You're trying to persuade the tech community that they should work with Government. But it looks to the tech community—at least some in the tech community—that Government is the enemy of the tech community in the way that it's dealing with Apple. Some in the tech community.

The question I want to ask you is, putting aside the specifics of this specific case, the legal fight between the company and the FBI, there are big questions around the idea of how you balance the need for law enforcement to conduct investigations and the needs of citi-

zens to protect their privacy. This is the old privacy-versus-security debate. Mr. President, where do you come down on the privacy-versus-security debate?

The President. Well, first of all, I can't comment on the specific case.

Mr. Smith. Right.

The President. So let's set that aside.

All of us value our privacy, and this is a society that is built on a Constitution and a Bill of Rights and a healthy skepticism about overreaching Government power. Before smartphones were invented, and to this day, if there is probable cause to think that you have abducted a child or that you are engaging in a terrorist plot or you are guilty of some serious crime, law enforcement can appear before you—at your doorstep and say, I have—we have a warrant to search your home, and they can go into your bedroom and into your bedroom drawers and rifle through your underwear—[laughter]—to see if there's any evidence of wrongdoing.

And we agree on that, because we recognize that just like all of our other rights—freedom of speech, freedom of religion, et cetera—that there are going to be some constraints that we impose in order to make sure that we are safe, secure, and living in a civilized society.

Now, technology is evolving so rapidly that new questions are being asked. And I am of the view that there are very real reasons why we want to make sure that Government cannot just, willy-nilly, get into everybody's iPhones that is full of—or smartphones that are full of very personal information and very personal data. And let's face it, the whole Snowden disclosure episode elevated people's suspicions of this. So does popular culture, by the way, which makes it appear as if I'm in the Sit Room and I'm moving things—[laughter]—and I'm——

Mr. Smith. You've been watching Homeland or something, yes.

The President. There's, like, half a fingerprint and half an hour later, I'm tracking the guy in the streets of Istanbul. [Laughter]

Mr. Smith. It's not nearly that cool?

The President. It turns out, it doesn't work that way.

Mr. Smith. Doesn't work that way.

The President. Sometimes, I'm just trying to get a connection. [Laughter]

Mr. Smith. Yes. [Laughter] Good.

The President. But look, we—that was a real issue. I will say, by the way, that—and I don't want to go too far afield—but the Snowden issue vastly overstated the dangers to U.S. citizens in terms of spying, because the fact of the matter is, is that actually our intelligence agencies are pretty scrupulous about U.S. persons, people on U.S. soil. What those disclosures did identify were excesses overseas with respect to people who are not in this country.

A lot of those have been fixed. Don't take my word for it. There was a panel that was constituted, an independent panel that just graded all the reforms that we set up to avoid those charges.

But the—I understand that that raised suspicions. All right, so we're concerned about privacy. We don't want Government to be looking through everybody's phones, willy-nilly, without any kind of oversight or probable cause or a clear sense that it's targeted at somebody who might be a wrong doer.

What makes it even more complicated is the fact we also want really strong encryption, because part of us preventing terrorism or preventing people from disrupting the financial system or our air traffic control system or a whole other set of systems that are increasingly digitalized is, is that hackers, state or nonstate, can just get in there and mess them up.

So we've got two values, both of which are important. Right?

Mr. Smith. Right.

The President. And the question we now have to ask is, if technologically, it is possible to make an impenetrable device or system where the encryption is so strong that there's no key, there's no door at all, then how do we apprehend the child pornographer? How do we solve a—or disrupt a terrorist plot? What mechanisms do we have available to even do simple things like tax enforcement? Because if in fact you can't crack that at all, Government can't get in, then everybody is walking around with a Swiss bank account in their pocket,

right? So there has to be some concession to the need to be able to get into that information somehow.

Now, what folks who are on the encryption side will argue is any key whatsoever, even if it starts off as just being directed at one device could end up being used on every device. That's just the nature of these systems. That is a technical question. I am not a software engineer. It is, I think, technically true, but I think it can be overstated.

And so the question now becomes, we as a society—setting aside the specific case of—between the FBI and Apple, setting aside the commercial interests, the concerns about what could the Chinese Government do with this if—even if we trust the U.S. Government—setting aside all those questions, we're going to have to make some decisions about how do we balance these respective risks.

And I've got a bunch of smart people sitting there, talking about it, thinking about it. We have engaged the tech community aggressively to help solve this problem. What I—my conclusion so far is, is that you cannot take an absolutist view on this. So if your argument is strong encryption, no matter what, and we can and should, in fact, create black boxes, then I—that, I think, does not strike the kind of balance that we have lived with for 200, 300 years. And it's fetishizing our phones above every other value. And that can't be the right answer.

I suspect that the answer is going to come down to how do we create a system where the encryption is as strong as possible, the key is as secure as possible, it is accessible by the smallest number of people possible for a subset of issues that we agree are important. How we design that is not something that I have the expertise to do.

But I caution—I am way on the civil liberties side of this thing, all right? Bill McRaven will tell you that I anguish a lot over the decisions we make in terms of how to keep this country safe, and I am not interested in over-throwing the values that have made us an exceptional and great nation simply for expediency. But the dangers are real. Maintaining law and order and a civilized society is important.

Protecting our kids is important. And so I would just caution against taking an absolutist perspective on this.

Because we make compromises all the time. We—I haven't flown commercial in a while—[laughter]—but my understanding is, it's not great fun—

Mr. Smith. It's not great. It's not great.

The President. —going through security.

Mr. Smith. No, not great.

The President. But we make the concession because—it's very intrusive—it's a big intrusion on our privacy, but we recognize it as important. We have stops for drunk drivers. It's a—it's an intrusion, but we think it's the right thing to do. And this notion that somehow our data is different and can be walled off from those other tradeoffs we make, I believe, is incorrect.

We do have to make sure, given the power of the Internet and how much our lives are digitalized, that it is narrow and it is constrained and that there's oversight. And I'm confident this is something that we can solve. But we're going to need the tech community—software designers, people who care deeply about this stuff—to help us solve it.

Because what will happen is if everybody goes to their respective corners and the tech community says, you know what, we—either we have strong, perfect encryption, or else it's Big Brother and an Orwellian world, what you'll find is that after something really bad happens, the politics of this will swing and it will become sloppy and rushed, and it will go through Congress in ways that have not been thought through. And then, you really will have a danger to our civil liberties because we will have not done—the people who understand this best and who care most about privacy and civil liberties have sort of disengaged or have taken a position that is not sustainable for the general public as a whole over time.

Mr. Smith. Sadly, Mr. President, the clock is telling me that we're out of time. A lot of things I wanted to ask you. You gave a great answer on that question, and I'm happy to have that be the last bit that we did together. Thank you so much for being here.

The President. I'm the President, so I'm going to take one more minute.

Mr. Smith. You will? Good. Okay.

The President. The—and I just want to say, at—

Mr. Smith. We'll take it.

The President. There are a number of different ways in which all of you can plug into what I've been talking about here today. So if you are interested in figuring out ways to make Government services work better, you can go to whitehouse.gov and—or U.S. Digital Services and find out what they're doing. If you are interested in how we can make sure that classrooms are properly connected, you can plug into what we're doing with ConnectED.

One of my favorite projects that's just gotten started over the last several months is—diapers are really expensive, and we've actually set up a system whereby through social media and the Internet, non-for-profits are able to make bulk purchases of diapers, save 25 percent on those, so that they can distribute them to low-income moms and families. And you've—it's a convergence of diaper makers and logistics companies and Internet companies. And we sort of convened the thing, but it's not running through a Government program.

So whatever your interests are, whatever your passions are, whatever your concerns are, we need you. And I want to underscore the fact that in 10 months I will not have this office. It has been the great privilege of my life, but it's not like I stop caring about the things that I care about right now. And it's not like I'm going to stop being involved in promoting the best, most prosperous, most peaceful, most tolerant, most ecologically responsible America that I can.

I'll be sitting in an audience with you, and I expect you to step up and get involved, because the country needs you. And if the brainpower and talent that's on display here today and throughout this conference takes up that baton, then I'm going to be really confident about the future of this country.

All right.

Mr. Smith. Thank you Mr. President.

The President. Thank you, guys.

NOTE: The President spoke at 3:03 p.m. in the Joe R. and Teresa Lozano Long Center for the Performing Arts. In his remarks, he referred to William H. McRaven, chancellor, University of Texas System, in his former capacity as commander of the U.S. Special Operations Com-

mand. He also referred to the Islamic State of Iraq and the Levant (ISIL) terrorist organization. Mr. Smith referred to McAllen, TX, residents Tony and Isabella Ruiz, who were featured in New York Times reporting on Internet access in the U.S.

Remarks at a Democratic National Committee Reception in Austin, Texas March 11, 2016

The President. Hello, Texas! Hello, Austin! Oh, it's good to be back in the great State of Texas. I love me some Austin, Texas, especially. Love Austin.

Audience members. We love you!

The President. I know, it's just like a thing, me and Austin, Texas. We've just got that kind of psychic connection. I love Austin, Texas.

Audience member. We love you!

The President. I really do.

So I went to South by Southwest for the first time today. My first—what do they call it?—“Geek Spring Break.” [Laughter] I was slotted among panels like “Trust Me, I’m an Algorithm.” [Laughter] There was another one, I think, called “Dude, Where’s My Par? Making Virtual Reality Golf.” [Laughter] True. So I can confirm that you have kept Austin weird. [Laughter] You have kept Austin weird.

I want to thank Henry Muñoz, who’s been an outstanding DNC chair, one of your own. I want to thank J. Cole for performing. Love J. Cole. No, I do. This is the benefit of having teenage daughters, is, I actually keep up. [Laughter] And I got a chance to see J. Cole’s mom and grandma. It was so sweet. I told them, on some of the lyrics, you’ve got to—they’ve got to hold their ears. [Laughter] They were adorable. And his beautiful wife is here.

And will.i.am—I love will.i.am. Will has supported us on so many initiatives across the board, and we’re really grateful for him. I want to thank Whurley—cohost—for all the great work he did to make this happen. And I want to thank your own Congressman, Lloyd Doggett. He’s doing a great job on your behalf in Congress. We’re proud of him.

Audience member. Four more years!

The President. No, I can’t do that. [Laughter] But I’ll talk to you about what we can do.

So, at South by Southwest, I had a serious message. One of our greatest strengths as a country is our tech sector. One of—maybe our greatest strength as a country is that we’re big and young and optimistic. We’ve got this incredibly digitally fluent young generation. And this generation is changing the way we do everything. So I went to “South-by” to ask more of them to serve their country; to put their skills to work helping folks; to help modernize our democracy; to make our Government as smart and innovative and inclusive and dynamic as it can be.

Engaging people in a cause is really what our democracy is all about. And whether it’s over questions of war and peace or opportunity and inequality or equal rights and equal justice, we’re at our best when citizens are participating.

And that’s why you’re all here. That’s what we did in 2008. Some of you were there for that ride. As we were driving in—part of the reason I love Austin is, this is where I had probably my first really big rally. It was only a couple months after I announced, and we had kind of a small venue, and then, there was a larger venue, and then, it got a little larger, and next thing you knew, we were out in a field with 23,000 people.

And it was kind of drizzling, but everybody was so enthusiastic. And I saw a guy as I was walking up to the podium who had this cool black cowboy hat. I said, nice hat! [Laughter] And he said, here. [Laughter] And he gave me his hat. And it fit me perfectly, and I looked really cool in this hat. [Laughter] And I’m trying to find this hat; I don’t know where it is.