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1                   PRESENTATION OF ATTORNEY GENERAL RENO  
2                   BEFORE THE UNIVERSITY OF CHICAGO LAW SCHOOL

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                                  Thursday, May 1, 1997  
University of Chicago Law School Auditorium  
Chicago, Illinois

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1                   MR. BAIRD: In 1789 the first Congress  
2                   mandated that there be appointed, quote, a meet  
3                   person learned in the law to act as an attorney  
4                   general for the United States.

5                   Since that time, the holders of this  
6                   office have preserved the rule of law and  
7                   established a long and worthy tradition of  
8                   integrity and independence in the Department of  
9                   Justice.

10                   At the University of Chicago, we can

11 take special pride in the role that our graduates  
12 have played, especially Edward Levy and his  
13 solicitor general, Robert Bork.

14 Janet Reno continues this tradition.  
15 It is therefore a special honor to have her with  
16 us on Law Day. It is my great privilege to  
17 introduce her to you, a meet person learned in  
18 law and our Attorney General.

19 MS. RENO: Thank you, Dean, very much,  
20 and good afternoon to you all.

21 I am very, very honored to be here at  
22 one of the great law schools of the country. I  
23 have had the opportunity to sit across the room  
24 in my conference room, and once his conference  
25 room, with Edward Levy who represents to me what

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1 an attorney general should indeed be all about.  
2 And it is a real wonderful opportunity for me to  
3 be here today with you.

4 I love the law and I love lawyers. But  
5 I don't like greedy, indifferent lawyers who are  
6 selfish and don't care about others. This law  
7 school has produced so many wonderful people who  
8 have made such giving contributions to the  
9 profession, to the nation, to their community,  
10 and to society generally; and I know that you  
11 will carry on.

12 Do not become known for the dollars you  
13 make or the house you live in or for the name of  
14 the law firm that you join, but become known for  
15 how you use the law; how you use the law to help  
16 others; how you use the law to solve your  
17 clients' problems rather than making them; how  
18 you use the law to achieve equal justice for all;  
19 and how you use the law to contribute to your  
20 community and to your nation. You are the  
21 lawyers that will shape the next century of one  
22 of the most complex, challenging, and clearly  
23 most successful legal systems in human history.

24 I would like to discuss with you today  
25 two challenges that we face and that you will

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1 face as you shape the 21st century; challenges  
2 that will test our nation, our economy, our civil  
3 life, and particularly our legal system.

4 The first challenge I would like to  
5 discuss with you is the challenge of the  
6 information age; how we use technology to open  
7 new worlds of learning, of commerce, of  
8 communication; new opportunities that stagger the  
9 imagination and convert vanity to prayer; how we  
10 control that technology and ensure that it does  
11 not control us or threaten us; how we reach  
12 across borders and around the world to know  
13 people we have never known before without  
14 sacrificing our right -- our precious right to  
15 privacy and to be left alone.

16 Let me begin with a description of the  
17 challenge. Let's look a few years into the  
18 future, for as we speak, science fiction is fast  
19 becoming science fact.

20 Not too many years from now an attorney  
21 will wake up one morning in Chicago. Let's call  
22 her Janet. She won't go to her door to pick up  
23 the newspaper. She'll sit down at her computer,  
24 and she will be able to flip through the Chicago  
25 papers as well as newspapers and outlets from

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1 London and Tokyo and beyond.

2 If she drives to work through a  
3 toll booth, she won't have to stop because her car  
4 will send an electronic signal that will  
5 automatically deduct the toll from her bank  
6 account. From her car she might be able to  
7 listen to an Australian radio program beamed to  
8 her by satellite and call the station back to try  
9 to become the ninth caller and win the prize.

10 At work, assuming she still has to go  
11 to the office, Janet could log on to the computer  
12 and do some research. She could type her brief  
13 by dictating into a microphone. Then she could  
14 encode the document and send it to New York.

15 At lunch she could log on to the  
16 Internet, check her finances, and sell a few  
17 shares of stock or transfer some funds from her  
18 bank account to pay her electric bill. Then

19 Janet could fill her doctor's prescription by  
20 calling in to the pharmacy's computer and  
21 ordering a month's dosage of medicine.

22 At home she might surf the Internet  
23 later to buy an anniversary gift with electronic  
24 cash. Then from her living room she and her  
25 husband could choose from a list of over 10,000

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1 movies by pressing a few more buttons, and maybe  
2 their children would be playing games on the  
3 Internet.

4 Much of that future is already here.  
5 The rest of it is not far behind. In fact, it  
6 all sounds a little ordinary. But this  
7 technology that she has used in this little slice  
8 of life poses a number of novel legal issues that  
9 lawyers are already grappling with and that you  
10 will be called upon to help resolve.

11 The fact is, anything that presents new  
12 opportunities for Americans also presents  
13 opportunities for the criminals and challenges to  
14 the lawyers who must join with others to help to  
15 stop them.

16 Just as money can be used to tithe or  
17 to bribe, just as cars can deliver bread or  
18 bombs, so too can computers be used to make our  
19 lives better or to threaten our basic security,  
20 our privacy, and leave law enforcement a step  
21 behind.

22 The fact is, criminals are also  
23 preparing for the 21st century, and the  
24 computerization of America has become a  
25 double-edged sword. Computer crime cost our

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1 society an estimated \$10 million a year. A  
2 recent survey showed that 42 percent of security  
3 specialists in Fortune 500 companies reported  
4 unauthorized use of their computer systems just  
5 last year.

6 Let's return to Janet in the 21st  
7 century. She started her day with those on-line  
8 newspapers. What if, unknown to her and every

9 other reader, somebody had hacked into the  
10 newspapers' web site and changed some of the  
11 stories so that now John Jones was arrested for  
12 rape, not John Smith? Maybe they even inserted a  
13 photo of Jones instead. Can Jones sue? Who  
14 would he sue? And will the police or the FBI  
15 ever be able to track down the hacker.

16 On her way to work, Janet tried calling  
17 that radio station to win a prize, but unknown to  
18 her, someone rigged the computerized phone system  
19 so that they could be the ninth caller. Sound  
20 farfetched? That's exactly what happened a few  
21 years ago in Los Angeles when a couple of hackers  
22 won two Porsches and \$30,000 in cash before they  
23 were caught. They went to jail. Don't try this  
24 at home.

25 Remember that brief Janet sent to her

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1 partners in New York? Turns out an unscrupulous  
2 competitor intercepted it to get a leg up in  
3 court. But there is good news in this case. The  
4 message was encrypted, and the hacker couldn't  
5 break the code.

6 At lunch, when Janet seeks to transfer  
7 funds from her bank account, she realizes her  
8 account is empty. Someone has robbed her bank  
9 account with a modem instead of a ransom note and  
10 a sack.

11 Just last year a gang of computer  
12 hackers sat in a kitchen in Russia and broke into  
13 Citibank's financial system. They tried to steal  
14 more than \$10 million by transferring the funds  
15 to accounts in at least seven different  
16 countries. Working together with law enforcement  
17 around the globe, we arrested the gang of  
18 hackers. Unfortunately, to this day, \$400,000  
19 remains unrecovered; stolen from a Russian  
20 kitchen table.

21 But Janet's day is not over. When she  
22 goes to fill her prescription, she finds out that  
23 someone has broken into the pharmacy's computer  
24 and stolen its files. They are threatening to  
25 make the files public, damage the reputation of

1 the customers, and bankrupt the pharmacy if it  
2 does not pay ransom. Once again, science fiction  
3 is already science fact.

4 Hackers from Germany recently captured  
5 the credit card files a Miami company kept on its  
6 customers. The hackers then threatened to  
7 distribute all the credit card numbers unless  
8 they were paid ransom. When one of the hackers  
9 tried to pick up the money, German authorities  
10 arrested him. If the hackers had chosen to use  
11 the numbers instead of trying extortion, law  
12 enforcement may not have been able to stop them.

13 Now 21st-century Janet is driving home  
14 from work. She's tired, and there's more bad  
15 news on the radio. It seems that a group of  
16 cyber terrorists have hacked into the air traffic  
17 controller system and disrupted the entire  
18 system, and flights are delayed around the  
19 world. Law enforcement knew that they were up to  
20 something because they had been sending frequent  
21 messages to their headquarters overseas. The  
22 police had even obtained a court order to access  
23 the E-mails. But because the conversations were  
24 all coded with encryption products that did not  
25 allow for data recovery and the police could not

1 break the code, all they saw was a garbled  
2 message. So they could not stop the crime in  
3 advance.

4 Janet gets home and finds the perfect  
5 anniversary gift for sale on the Internet. She  
6 buys it, but it never arrives and her money is  
7 gone. Telemarketing fraud used to be labor  
8 intensive requiring thousands of calls to people  
9 over several weeks. Now scam artists can reach  
10 millions on the Internet in seconds. Can law  
11 enforcement, using wire fraud laws, keep up?

12 At that point Janet's 10-year-old tells  
13 her about something he saw on the Internet that  
14 afternoon. Looks like a pedophile at work, a  
15 nice stranger inviting her son to meet him in the

16 park.

17 These are not just the problems of  
18 tomorrow; many of them are the problems of  
19 today. They sound daunting, even frightening.  
20 Can the law keep up?

21 In many cases we are already at work.  
22 For example, President Clinton established a  
23 commission to determine how best to protect the  
24 nation's critical infrastructure from computer  
25 assault so that attacks on systems like our air

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1 traffic control network will remain science  
2 fiction. But this presents extraordinary  
3 challenges to lawyers.

4 Lawyers have to understand the  
5 technology. But more importantly, lawyers have  
6 to remember everything they've learned about the  
7 Constitution; and we have got to make sure that  
8 as we attempt to control the technology, we  
9 control it according to the traditions of our  
10 Constitution, and that we make sure that that  
11 document, which has been such a living document,  
12 continues to live without abatement and that  
13 lawyers are capable of dealing with the  
14 technology.

15 The Justice Department has set up a  
16 special section that deals with computer crimes,  
17 and every U.S. Attorney's office has designated  
18 lawyers to deal with high tech crime and provided  
19 them with special training. The FBI has  
20 established three high tech squads. But this is  
21 not a problem for law enforcement alone. These  
22 are challenges for every attorney and for every  
23 American.

24 The first challenge is to educate  
25 Americans. For example, now that crimes can be

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1 committed by bright children from a computer in  
2 their bedroom, it is more important than ever to  
3 reach out to them and teach them what is right  
4 and wrong. Children walking down the street past  
5 a candy store that is closed know that it is not

6 right to find ways to break inside. That same  
7 thinking should apply when they are on the  
8 computer as well.

9 But how do we do that? It's mostly  
10 your age that are computer literate, not my age.  
11 The teachers who are teaching our children today  
12 are not literate on the computer.

13 I was in Birmingham recently, and I  
14 asked some young people in a weed-and-seed  
15 neighborhood, If you were the Attorney General,  
16 what would you do to deal with the problem of  
17 youth violence? And they looked at me and they  
18 said, We've got the violence under control here.  
19 Let me just talk to you about -- we need  
20 computers, and then we need somebody to come down  
21 to teach our teachers how to teach us how to use  
22 the computers.

23 We have got to focus on how we teach  
24 the values that we have held dear in all this  
25 nation's history to our children in the context

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1 of technology, but we must also educate adults in  
2 other ways; for example, like every crime,  
3 Internet fraud can be reduced by educating  
4 consumers. Those who shop over the computer must  
5 use the same common sense in the cyber market  
6 that they do in the supermarket. If they  
7 understand that a web site can be created at  
8 relatively little cost, then they'll realize it  
9 could look completely reputable even if it's  
10 not. That is why everyone must invest the time  
11 to investigate the people with whom they  
12 interact. Caveat emptor means as much in the  
13 computer age as it did in ancient Rome.

14 Our second challenge is to get  
15 businesses to understand that their effort to  
16 stop computer crime can only be as successful as  
17 their partnership with law enforcement. Too  
18 often businesses simply don't tell law  
19 enforcement because -- that they've been  
20 victimized by hackers fearing that their  
21 customers will lose confidence if they admit that  
22 their systems are vulnerable. But if your  
23 neighbors don't tell the police that their houses



24 have been broken into recently, you're never  
25 going to know to install that extra lock to

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1 protect your house.

2 Our third challenge is to enact  
3 21st-century laws to keep up with 21st-century  
4 crime. In many cases we can use traditional  
5 tools to prosecute fraud or harassment over the  
6 Internet. And we worked with Congress last year  
7 to strengthen computer crime laws, but the  
8 Internet poses novel change to the law every  
9 day.

10 If the electronic transaction gone bad  
11 involved an overseas vendor, there's suddenly an  
12 international law enforcement problem. Will that  
13 country's laws protect Janet here in the United  
14 States? The world is becoming a world without  
15 boundaries when we deal with cyber crime.

16 In the next few weeks, the Supreme  
17 Court will pass judgment on laws designed to keep  
18 indecent materials away from children on  
19 computers. Regardless of the decision, there is hard  
20 work ahead to protect our children from the  
21 equivalent of a wide open door into an on-line  
22 adult bookstore.

23 Our fourth challenge is to encourage  
24 cooperation between local, state, federal, and  
25 even international law enforcement; how will we

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1 make sure that local law enforcement keeps up.

2 The other day I saw a picture in the  
3 "Washington Post" of a vacant lot littered with  
4 busted parking meters. As somebody pointed out,  
5 in five years you'll probably never see that, or  
6 ten years, because you'll have a card by which  
7 you pay your parking meter, and it will all be  
8 done on computer. And police will be having to  
9 investigate and understand a computer theft from  
10 the parking meter authority rather than trying to  
11 figure out who it was that busted the parking  
12 meter and threw it into the vacant lot. Police  
13 do not have that ability and that expertise, nor

14 do they have the equipment at this time.

15 We face a challenge in making sure that  
16 they not only have the guns and the fingerprint  
17 technology and the DNA technology, but that they  
18 have the computer forensic capability of  
19 investigating cyber crime in the future.

20 At the international level we are  
21 working with our foreign counterparts to  
22 harmonize computer crime laws and eliminate the  
23 procedural obstacles which prevent police  
24 officers from rapidly seizing evidence located in  
25 cyberspace.

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1 Several separate efforts are under way  
2 to tackle these difficult issues, including  
3 multilateral efforts with the Organization for  
4 Economic Cooperation & Development, the P8 and  
5 the Council of Europe.

6 Our fifth challenge is to find a way  
7 for law enforcement to keep pace with changing  
8 technology such as encryption.

9 Everyone should recognize that if  
10 global information infrastructure is to fulfill  
11 its promise, it is so critical for people to have  
12 access to strong encryption. Our support for  
13 robust encryption stems from our commitment to  
14 protecting privacy and commerce. But at the same  
15 time, citizens rely on government to protect the  
16 public safety and national security against the  
17 threats posed by terrorists and organized crime.  
18 That is why we are gravely concerned with the  
19 proliferation of unbreakable encryption which  
20 would seriously undermine our ability to perform  
21 this critical mission. For if unbreakable encryption  
22 proliferates, we could be faced with an  
23 electronic superhighway marred by bands of  
24 terrorists and other criminals. Traditional  
25 tools like court-ordered wiretaps and searches of

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1 computer files will be rendered useless.

2 Now, some people say you're just trying  
3 to expand your authority. Right now, law

4 enforcement, if it wants to get a court-ordered  
5 wiretap, develops probable cause to believe that  
6 a crime is being committed using wires, and the  
7 information can be obtained if an intercept is  
8 effected. A court order is obtained, and the  
9 telephone company puts a tap on the wire.

10 If we put the tap on the wire and it's  
11 encrypted and we can't break that encryption, we  
12 are going to be much further behind, whether it  
13 be in drug trafficking, in the theft of  
14 intellectual property, in so many other areas.  
15 But right now, if I get a search warrant for a  
16 drug dealer's home, I oftentimes bring out  
17 records; a search warrant done pursuant to clear  
18 constitutional standards. I bring out the  
19 records; the DEA analyst pores through the  
20 records, determines evidence that will result in  
21 a significant prosecution.

22 If instead of being on paper those  
23 records are on computer disk and those computer  
24 disks are encrypted and we can't break the  
25 encryption, the search warrants obtained by law

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1 enforcement will mean very little. And to the  
2 company that thinks, Well, it's not the drug  
3 dealer that I'm worried about, it's others; if a  
4 competitor or a former employee steals the  
5 information from the company and encrypts it on  
6 their own disk and we can't break that  
7 encryption, the person that resisted our efforts  
8 to develop key escrow will be up a creek without  
9 a paddle. None of this will matter if the  
10 intercepted communications are just  
11 unintelligible jumbles of noises or symbols.

12 Finally, we need the best and the  
13 brightest lawyers in the fight against high tech  
14 crime. Maybe some of you will consider this  
15 challenge.

16 One of the more extraordinary  
17 opportunities I've had is to sit over a brown bag  
18 lunch with the lawyers in our computer section to  
19 hear the debate, to listen to the search and  
20 seizure questions. It is one of the most  
21 fascinating areas of the law around now. And

22 what you might say is, Why should I get into  
23 public service? I saw you yesterday sitting for  
24 six hours before a Senate committee.  
25 And I will tell you that after some 34

19

1 years, most of it in public service, yes, you do  
2 get cussed at, fussed at, and figuratively beat  
3 around the head. But I have found no work in the  
4 private sector as rewarding as trying to make the  
5 law work for people, trying to enforce the law  
6 the right way according to principles of due  
7 process and fair play. It doesn't mean you  
8 should stay in public service all your life.  
9 It's really good to have a variety and to  
10 understand the law from different perspectives.  
11 But if any of you are technologically literate  
12 and sophisticated and interested in this area of  
13 the law, the computer section of the Department  
14 of Justice is a fascinating place to be right  
15 now.

16 The second challenge that I would like  
17 to talk to you about seems somewhat distant, but  
18 they are interrelated and both are absolutely  
19 critical to this nation's future. What can we do  
20 now, and as you assume the leadership of the bar  
21 in the next century, to make sure that our legal  
22 system, our government structures, and our  
23 community processes are created, developed, and  
24 maintained in such a way that give to every child  
25 in America the opportunity to grow in a strong

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1 and positive way, an opportunity to be educated  
2 so that they develop the skills that will make  
3 them a player in this next century of cyber  
4 challenge. How do we create communities that are  
5 safe for our young people in the light of rising  
6 youth violence; how do we keep our children from  
7 dropping out of school; how do we give them the  
8 healthcare that will enable them to grow in a  
9 strong and positive way.

10 You might say what is the Attorney  
11 General of the United States talking about

12 children for. Because as a prosecutor for 15  
13 years, I picked up presentence investigations and  
14 looked at youngsters that we had prosecuted and  
15 convicted for an armed robbery at 17 and seen  
16 three or four points along the way where we could  
17 have intervened in that child's life.

18 As an Attorney General worried about  
19 our ability to compete in the next century in  
20 terms of technology, I want all our workforce to  
21 have the opportunity to have the skills that will  
22 make them competitive.

23 Unless we make an investment in  
24 children, we are going to bring our healthcare  
25 institutions to their knees because of failure to

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1 provide for preventive medical care. We will  
2 never be able to build enough prisons 18 years  
3 from now unless we make an investment in our  
4 children now.

5 How do we design a legal system that  
6 makes sure that our children have appropriate  
7 medical care? That's yours and my challenge. It  
8 can be done. What, 30 years ago, the senior  
9 citizens of this country said, We're going to  
10 have proper medical care. Let us make sure we do  
11 the same for our children. Let us make sure that  
12 our children have the education needed to do the  
13 job.

14 As I figured what to do about the 17-  
15 year-old charged with armed robbery, I went back  
16 and developed dropout prevention programs with  
17 the schools, but soon learned that that was too  
18 late; the child had already fallen grade levels  
19 behind, and it was time to look earlier in the  
20 child's life for focus. And at that point the  
21 crack epidemic hit Miami in 1985, and the doctors  
22 took me to our public hospital to try to figure  
23 out what to do about crack-involved infants and  
24 their mothers. And they taught me that the first  
25 three years of life were the most formative in

22

1 any human being's life, the time the child learns

2 the concept of reward and punishment and develops  
3 a conscious.

4 What good are all the prisons going to  
5 be 18 years from now if the child does not have a  
6 conscious and does not appreciate punishment?  
7 And I became convinced that whether you be a  
8 prosecutor, an attorney general, a corporate  
9 president, a school teacher, a doctor serving  
10 middle-class patients and having no concern about  
11 children at risk, all of us are in this together;  
12 and together we have to design a system that will  
13 make sure that our children have proper  
14 health care, that our children have proper  
15 supervision as parents  
16 work, that our children are properly educated,  
17 that they have the opportunity to learn work  
18 skills, and that they have the opportunity to be  
19 safe.

20 We as lawyers have a challenge of how  
21 we build the structures of government, how we  
22 come together to design a legal system that can  
23 provide protection for our children in the  
24 juvenile courts as they are abused or neglected  
25 or as they are delinquent. We have not met that

23

1 challenge in the legal profession yet. We have  
2 much to do, and it is a challenge that I think  
3 all of us must undertake no matter what  
4 profession we pursue. This has been an  
5 extraordinary four years and a splendid  
6 opportunity to use the law to try to serve the  
7 American people.

8 This past Monday I was in Philadelphia  
9 for the conference on volunteerism. I wandered  
10 through the various meetings. I have never seen  
11 such energy, such commitment, such hope, such  
12 optimism. The whole atmosphere was electric, of  
13 people doing things in their communities as  
14 volunteers. Whether we be lawyers or just people  
15 providing community service, every one of us can  
16 make a difference to this nation. But as we do  
17 it, as we reach out to others, let us never  
18 forget those that are closest to us.

19 I think raising children is the hardest

20 thing I know to do. About 12 years ago a friend  
21 died, leaving me as the legal guardian of her  
22 15-year-old twins, a boy and a girl; and the  
23 girl was in love. I've learned an awful lot  
24 about raising -- I've learned an awful lot about  
25 raising children in the last 12 years, and I've

24

1 learned it takes love, hard work, intelligence,  
2 and an awful lot of luck; but that it is the most  
3 rewarding experience that you can have. When I  
4 put that 15-year-old, then 17, on the plane to  
5 send her off to college, and when I went to see  
6 her graduate cum laude in three years, and on  
7 both occasions she threw her arms around my neck  
8 and said, "Thank you. I couldn't have done it  
9 without you."

10 As you pursue your legal career,  
11 remember there is nothing as rewarding as making  
12 sure that you do right by the people you love.  
13 And so as you strike out from here either this  
14 June or in the years to come, go to that law  
15 firm, go to that government agency and say, What  
16 do you do about family leave? What do you do  
17 about child care opportunities? What do you do  
18 about flextime? What do you do about  
19 telecommuting? How much are you putting children  
20 and families first in this law firm or in this  
21 government agency? And if you start coming out  
22 of law school asking those questions, you're  
23 going to help change the culture of America so  
24 that we put children first and so that we develop  
25 a generation 20 years from now that can cope with

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1 any competitor in the world in terms of computers  
2 and address these critical issues that we have  
3 discussed today and others that we don't even  
4 begin to dream of.

5 There is a strength in this nation. I  
6 have seen it in communities; I have seen it among  
7 the young people. I believe -- never before have  
8 I believed so strongly in this nation's future,  
9 in this nation's ability to cope with its

10 problems. I believe that working together  
11 addressing issues with hope, with vision, with  
12 common sense, and without a lot of  
13 partisan rhetoric, we can make a  
14 difference.

15 Thank you.

16 (Proceedings were had  
17 which were not  
18 stenographically recorded.)  
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1 STATE OF ILLINOIS )  
2 ) SS:  
3 COUNTY OF K A N E )

4 KIMBERLY WINKLER CHRISTOPHER, being  
5 first duly sworn on oath, says that she is a  
6 Certified Shorthand Reporter; that she reported  
7 in shorthand the proceedings given at the taking  
8 of said presentation; and that the foregoing is a  
9 true and correct transcript of her shorthand  
10 notes so taken as aforesaid and contains all the  
11 proceedings given at said presentation.  
12  
13  
14  
15

\_\_\_\_\_  
16 Certified Shorthand Reporter  
17 License No. 084-002752  
18

19 Subscribed and sworn to  
20 before me this \_\_\_\_ day  
21 of \_\_\_\_\_ 1997.  
22

\_\_\_\_\_  
23 Notary Public  
24  
25