

**Opening Statement
Senator Robert C. Byrd**

**“An Inside View of the ‘Second Insurgency’:
How Corruption and Waste Are Undermining the
U.S. Mission in Iraq”**

**Monday, September 22, 2008
628 Dirksen Senate Office Building**

Thank you, Mr. Chairman, for conducting this hearing and for your many previous hearings on this topic. It is a matter of grave concern for those of us who are responsible for ensuring that American tax dollars are well spent, and not needlessly wasted on overpriced contracts, corrupt practices, poorly made products, or worse, passed along in the form of dollars or weapons directly into the hands of our enemies.

I take my responsibility in this matter very seriously, and I am heartened to see that you and the other members here today do also. The ugly truth is that fraud, waste, and corruption are aiding and abetting our enemies in Iraq and contributing to terrorism elsewhere. The witnesses today will add eyewitness veracity and shocking detail to this sorry tale.

I sent two members of my staff to Baghdad last month to review U.S. and Iraqi efforts to counter fraud and corruption there. They met with U.S. civilian and military investigators, inspectors and auditors as well as with representatives from the Iraqi government. It became very apparent that despite the billions that the Congress has put into the Iraq mission, not enough effort or manpower is being put behind ensuring that those billions are spent only on their intended purposes. Amazingly, the Department of State Inspector General still has no full time investigators or auditors in Iraq. Other offices urged that their manpower and resources be expanded to match the magnitude of their workload.

Nor has enough been done to ensure that U.S. and Iraqi oversight, audit, and investigative assets can work effectively together. My staff learned that in one instance, U.S. weapons that were provided directly to Baghdad police forces turned up for sale in public markets before the Iraqi central government even knew they had been distributed. Worse, hundreds of U.S.-provided weapons have been seized from criminal and terrorist elements operating beyond Iraq's borders.

The U.S. judicial system is also not doing its part to deter corruption and fraud by aggressively prosecuting the perpetrators of these crimes. Many cases that are painstakingly built in Iraq by investigators are, my staff was told, turned over to the Department of Justice or U.S. attorney offices for prosecution only to fall into a black hole, an abyss of cynical indifference to punishing criminals and recovering billions in lost funds. We are not deterring fraud and corruption, and we are not demonstrating the benefits of a just “Rule of Law.” How can we ask Iraqi investigators and judges to arrest and prosecute their citizens for these crimes, often at great risk to their personal safety, when the Americans there doing the same thing go unpunished?

Senator Dorgan, as you know, I invited Secretary of State Condoleezza Rice and Attorney General Michael Mukasey to an Appropriations Committee hearing on September 17 to address the problems my staff uncovered. Overcoming these barriers is

neither insurmountable nor expensive, but it does require attention and sincere commitment from these Cabinet officers.

However, neither Secretary Rice nor Attorney General Mukasey could find the time to address these serious problems for which they have responsibility, problems that have squandered our resources, and problems that are arming our enemies. Our witnesses today will bring more attention to the scope and consequences of these problems, and I look forward to hearing their testimony.