

HOUSE COMMITTEE ON OVERSIGHT & GOVERNMENT REFORM

OPENING STATEMENT OF
CHAIRMAN EDOLPHUS TOWNS

**“TRANSITION IN IRAQ:
IS THE STATE DEPARTMENT PREPARED TO TAKE THE LEAD?”**

September 23, 2010

Good morning and thank you for being here today.

For the past 7 years, the U.S. military has led the charge in Iraq. In addition to providing security, the military has trained and equipped Iraq’s security forces and has overseen billions of dollars of reconstruction projects. The military has also provided vital support to other U.S. agencies operating in Iraq—food, housing, transportation, and medical evacuation services have all been managed or carried out by the Defense Department.

All that is about to change. Under President Bush's agreement with the Government of Iraq, U.S. military forces are to complete their exit from Iraq by December 31, 2011.

As a result, we have reached a new phase in Iraq—a phase that places less reliance on our troops and more on our civilian agencies.

This new phase has been called “Operation New Dawn.” But from where I am sitting, it should have been called “Operation New Challenges.”

As we reduce the number of troops in Iraq, many duties now performed by the military will be transferred to the State Department. The size and complexity of State’s new role in Iraq is unprecedented.

Numerous important issues appear to be unresolved.

The State Department will take over many functions that are inherently military and for which State has little or no expertise. This raises important, practical questions.

Who will provide security for State Department employees? Who will recover personnel who are wounded or killed? Who will provide convoy security? Who will provide counter-fire in rocket, artillery, and mortar attacks? Who will recover damaged vehicles and downed aircraft? Who will provide explosives disposal?

Even basic questions of what military equipment will be transferred to the State Department and who will apply rules for the use-of-force have still not been settled.

Without the State Department having the expertise or the staff to carry out these functions, State will be forced to turn to contractors to fill this gap. For example, the Wartime Contracting Commission estimates that State will need more than double the number of security contractors it currently has in Iraq, to as many as 7,000.

The State Department must also grapple with how it intends to provide basic life-support services. Despite poor past performance by KBR, the Army recently made the highly controversial decision to extend KBR's sole-source contract under LOGCAP 3 instead of competing it under LOGCAP 4. The implications of this Army decision are unclear.

With the huge increase in the number of contractors and contracting costs, the State Department will need to closely monitor these contracts. Unfortunately, providing effective contract oversight has not been the State Department's strong suit.

The State Department Inspector General, the Special Inspector General for Iraq Reconstruction, and GAO have all found significant weaknesses in the State Department's contract management in Iraq. Even the State Department's Assistant Secretary for Management has acknowledged a lack of contract experience and expertise within the agency.

Six months ago, Ambassador Patrick Kennedy wrote to the Defense Department outlining these issues and requesting help. Defense has still not fully responded. This apparent lack of cooperation is unacceptable.

These issues cannot be ignored. We cannot sit on the sidelines and hope these problems take care of themselves. The risks are too high to botch the transition and we cannot turn a blind eye to reckless contractors. We can't afford to lose the gains our servicemen and women have fought so hard for.

I look forward to hearing testimony from the Commission on Wartime Contracting as well as the Special Inspector General for Iraq Reconstruction. Both the Commission and the IG have completed important work in these areas and continue to be an important asset to the Congress.

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