

## June 14, 2006 - Republican Leadership Undermines Accountability in Iraq

FOR IMMEDIATE RELEASE

Wednesday, June 14, 2006

Republican Leadership Undermines Accountability in Iraq  
Slaughter Renews Calls for Truman Commission

Washington, DC - Rep. Louise M. Slaughter (D-NY-28), Ranking Member of the House Rules Committee, today joined fellow Democrats in criticizing the White House and the Republican Leadership for deliberately undermining efforts to fight corruption, fraud, and waste in the Iraq reconstruction effort.

"For years, this Republican leadership has abdicated its constitutionally mandated responsibility to provide accountability and oversight in our government," Rep. Slaughter said. "Sadly, top Republicans have also worked to actively sabotage accountability, transparency, and honesty in government, both at home and abroad."

"This Republican leadership is now undermining the only existing source of accountability for the Iraq reconstruction program: the Special Inspector General for Iraq Reconstruction, Stuart Bowen," she added. "This deliberate Republican effort to eliminate accountability in Iraq would be tantamount to malpractice in any other profession."

"Minimal oversight and the mismanagement of funds have resulted in more than 75 percent of oil and gas and 50 percent of electricity projects remaining unfinished in Iraq," Rep. Slaughter said. "If this Congress had created a Truman

Commission to oversee the war effort, as Democrats such as my friend John Tierney have been calling for, we could have avoided this situation."

The complete text of Rep. Slaughter's remarks can be found below the BACKGROUND.

## BACKGROUND

In one of 2004's Iraq supplemental appropriations bills, Congress established a Special Inspector General for Iraq (SIGIR) and gave this person the authority to audit and over see "Iraq Relief and Reconstruction Funds"("IRRF").

The Inspector General is Stuart Bowen, who previously served as the IG for the Coalition Provisional Authority. Bowen and the SIGIR staff (there are 100 of them in Iraq) currently have authority over the approximately \$30 billion that the United States has sent to Iraq for reconstruction. Reviews of Bowen and his staff have been generally good. They've set up a system to monitor all Iraqi contracts and have aggressively investigated waste and fraud in Iraq contracts.

But the Bush Administration and the Republican Congress now apparently believe that the SIGIR office has now been doing too good of a job. The just-passed Iraq supplemental bill (H.R. 4939) appropriates \$1.7 billion for Iraq reconstruction, but designates it as "Economic Support Funds" administered by the Department of State (through US AID), not as IRRF funds. This re-designation blocks SIGIR from overseeing the money because it only has statutory authority over IRRF funds. Here's how the Wall Street Journal recently reported it:

By law, Mr. Bowen can oversee only relief and reconstruction funds. Because the new money technically comes from a different source, Mr. Bowen, who has 55 auditors on the ground in Iraq, will be barred from overseeing how the new money is spent. Instead, the funds will be overseen by the State Department's inspector general office, which has a much smaller staff in Iraq and warned in testimony to Congress in the fall that it lacked the resources to continue oversight activities in Iraq.

During the markup of the supplemental, Appropriations Committee Democrats tried to re-designate the money so the SIGIR would continue to have oversight on these Iraq funds but Republican rejected their vote.

#### REMARKS FROM REP. SLAUGHTER, AS PREPARED:

For years, this Republican leadership has abdicated its constitutionally mandated responsibility to provide accountability and oversight in our government. The collapse of FEMA during Hurricane Katrina showed us the results.

Sadly, top Republicans have also worked to actively sabotage accountability, transparency, and honesty in government, both at home and abroad. Last year, Republicans intentionally incapacitated the Ethics Committee.

And today, they are sabotaging accountability in Iraq. Rampant corruption and incompetence in Iraq contracting have prolonged our mission there and cost lives. In fact, minimal oversight and the mismanagement of funds have resulted in more than 75 percent of oil and gas and 50 percent of electricity projects remaining unfinished in Iraq.

But despite that - or perhaps because of it - this Republican leadership is now undermining the only existing source of accountability for the Iraq reconstruction program: the Special Inspector General for Iraq Reconstruction, Stuart Bowen.

Recently, Mr. Bowen, a former Bush lawyer, released a report documenting 7 billion dollars in missing reconstruction funds and 72 ongoing investigations into cases of fraud, waste, and abuse. And as a result of his diligence, House Republicans have placed the Inspector General and his staff in the dog house, rewarding Mr. Bowen for his hard work by stripping him of his oversight authority on new reconstruction funds, and effectively taking him off the job.

When authoring the Iraq supplemental spending bill passed by Congress on Monday, Republicans quietly reclassified 1.9 billion dollars in new reconstruction funds - all so that the Inspector General no longer has the jurisdiction to do his job.

Instead, they have placed a group of State Department officials in charge, officials who have already testified before Congress that they do not have the resources to conduct proper oversight of reconstruction activities in Iraq.

This isn't just the ordinary negligence to which Americans have become accustomed under this Republican Leadership. This is a clear attempt by the White House and the Republican Congressional Leadership to deliberately undermine accountability in Iraq - even though the lives of American troops and Iraqi civilians hang in the balance.

If this Congress had created a Truman Commission to oversee the war effort, as Democrats such as my friend John Tierney have been calling for, we could have avoided this situation.

This deliberate Republican effort to eliminate accountability in Iraq would be tantamount to malpractice in any other profession. Yet, Republicans want taxpayers to continue spending millions of dollars each day in Iraq - without any idea of where it is going or if it is being used effectively.

That is simply not acceptable. America needs new leadership in the United States Congress.

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