



Commission on Wartime Contracting
In Iraq and Afghanistan

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Wartime Contracting commissioner testifies on concerns about State Dept. future in Iraq

ARLINGTON, VA, Sept. 23, 2010 – The co-chairman of the federal Commission on Wartime Contracting warned members of a key House committee today that the State Department’s future in Iraq faces risks of “organizational confusion, poor planning, the potential for contract overruns and waste, and an entirely new role for contractors on the battlefield.”

Commission Co-Chairman Michael Thibault testified at a Capitol Hill hearing of the U.S. House of Representatives’ Committee on Government Oversight and Reform (HOCR) chaired by Rep. Edolphus Towns (D-NY). He was accompanied by Commissioner Grant Green, a former U.S. under secretary of state for management. He presented a joint statement on behalf of himself, fellow Co-Chair Christopher Shays, and the other six members of the Congressionally chartered Commission.

The HOCR hearing, “Transition in Iraq: Is the State Department Prepared to Take the Lead?,” focused on issues raised in the Commission on Wartime Contracting’s July 12, 2010, special report to Congress. That report raised concerns about the pace, effectiveness, and implications of the transition of many functions performed by the U.S. military in Iraq to the Department of State as the U.S. military drawdown proceeds. U.S. troop strength in Iraq fell below 50,000 at the end of August, and is slated to fall to zero by the end of 2011.

That withdrawal is just 15 months away, Thibault noted, but “Iraq remains a dangerous place under constant threat of insurgent terror attacks,” while the Iraqi government is still unable to provide the normal array of host-country security and services for foreign missions like the State Department’s Baghdad embassy and planned regional posts.

The State Department relies on the U.S. military for logistical support, food and fuel, 14 critical security-related functions including explosives clearance and armed-response teams, and about a thousand other tasks ranging from health care to information technology. The State Department formally requested in April 2010 that Defense continue to provide logistical support, food services, and fuel, and that it transfer military equipment including helicopters and armored transport to State. That request has yet to be decided, Thibault said.

“These circumstances,” Thibault testified, “combine to create what may be a unique situation in American history: a diplomatic presence reestablished and expanding in a country that appears unable to provide normal host-country security and services, while the U.S. military withdraws. The scheduled withdrawal of U.S. military forces leaves State very little time—even if it had the financial and management resources—to arrange for the alternative provision of functions.”

Thibault noted that a State Department witness at the Commission’s June 21 hearing on the Iraq transition estimated that, without U.S. military support, State would need to raise its private-security contractor force in Iraq from 2,700 to between 6,000 and 7,000 people. “Even if State could obtain the funds for more than doubling its private-security force,” he said, “it is not clear that it has the trained personnel to manage and oversee contract performance of a kind that has already shown the potential for creating tragic incidents and frayed relations with host countries.” Meanwhile, concerns would remain that armed private contractors could be performing functions that prudence and policy would reserve to government personnel.

“Unfortunately,” Thibault said, “the advent of autumn has not eased the concerns we reported in the

summer.” He said there is “serious risk that State will be required to undertake a very large, hurried, expensive, and unprecedented exercise in contracting unless some change is negotiated in the Security Agreement or unless the Government of Iraq demonstrates serious capability and intent to provide the normal array of host-nation security and commercial services.” The outlook for State’s successful transition to a lead U.S. role in Iraq is further weakened by the department’s funding limitations, which have forced 50 percent cuts in planned staffing for consulates, embassy branch offices, and programs such as promoting the safe return and resettlement of displaced persons and providing limited services to American citizens in Iraq.

Thibault closed by emphasizing that the Commission’s observations “in no way detract from the tremendous efforts that the men and women of America’s military have made in Iraq, including the protection and support they have extended to other federal departments. But the lingering concerns raised by the Defense-to-State transition in Iraq should serve as a clear call to improve coordination arrangements in the event that we are ever again called upon to fight insurgents, conduct diplomacy, and rebuild a country all in the same place, at the same time.”

The Commission July 12 special report to Congress, ““Better planning for Defense-to-State transition in Iraq needed to avoid mistakes and waste,” is posted on its website at this address:
www.wartimecontracting.gov/docs/CWC_SR2010-07-12.pdf

Congress created the Commission in 2008 (Public Law 110-181) to examine contingency contracting for reconstruction, logistics, and security functions, and to recommend improvements. Its final report to Congress is due in July 2011. Co-chairs are Michael Thibault and Christopher Shays; other members are Clark Kent Ervin, Grant Green, Robert Henke, Katherine Schinasi, Charles Tiefer, and Dov Zakheim. The Commission’s executive director is Robert Dickson; its website is www.wartimecontracting.gov.

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