



**Commission on Wartime Contracting
In Iraq and Afghanistan**

Statement of Commissioner Hon. Dov S. Zakheim

**“Lessons from the Inspectors General:
Improving Wartime Contracting”**

**The Commission on Wartime Contracting in Iraq and Afghanistan
The Caucus Room, 325 Russell Senate Office Building
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Thank you, Mr. Chairman.

This Commission has a very important mandate. Our job is not less than to build upon the excellent work that has already been undertaken to address the shortcomings of our contracting system writ large, and to apply the lessons we have learned to future American contingencies that most certainly will involve a major reliance upon private contractors for a host of military support operations and activities.

In addition, this Commission faces the urgent task of providing guidelines for our efforts in Afghanistan. As our military presence in that country ramps up, so will the presence of our contractors. It is imperative that we do not repeat the mistakes of the past, and particularly those that we made in Iraq, as we ramp up our efforts in Afghanistan.

I served in the Department of Defense at the outset of both major conflicts in which we remain engaged. As Under Secretary of Defense (Comptroller) I dispatched a team of auditors from the Defense Contract Audit Agency (DCAA - a part of my organization), to Iraq during the early weeks of Operation Iraqi Freedom. Moreover, I also served as the Department of Defense civilian coordinator for Afghanistan from 2002 until my departure in 2004. So I am intimately familiar with many aspects of the issues that Inspector General Stuart Bowen and his colleagues from other agencies, for whom I have tremendous respect, will address today.

As the path-breaking and detailed report that the Special inspector General for Iraq Reconstruction (SIGIR) makes clear, the United States Government was simply unprepared for the massive challenge that the reconstruction of Iraq entailed. In my view, this was the case in no small part because the United States has never had, and is unlikely ever to have, the equivalent of the British colonial office. That institution was organized around the need to provide governance in its widest sense to the far flung possessions that constituted the British Empire. The Colonial

Office developed its own unique bureaucracy, geared to acclimatizing British civil servants to the countries to which they were seconded.

The United States, with its anti-colonial origins, heritage and outlook, could never countenance the creation of such an office. Indeed, even as it managed for a time a colonial empire of its own, including the Philippines, Haiti, and other territories, it never established a unique office, other than the Canal Zone Authority and, that, unlike the Colonial Office, was never a Cabinet-level agency. Needless to say, its management of post-war Germany and Japan were temporary affairs, which certainly did not result in any enduring government structures for managing the fortunes of nations halfway around the globe.

The United States had not managed the Canal Zone for over a generation, and had returned Germany and Japan to the control of their own people decades earlier, when it chose to invade Iraq. It thus had no real institutional memory of what was required to manage an occupied nation. And the absence of that memory severely undermined its initial post-war hopes and objectives. Thus, while the State Department may well have prepared a massive "how to" program for governing Iraq, it perhaps should have come as no surprise that pre-war planning was sporadic and too frequently ignored.

It is arguably for similar reasons that the Pentagon underestimated the troops it needed to conduct post-war operations in Iraq. The higher troop estimates were not meant to account for many tasks, such as logistics support, that contractors subsequently undertook. Rather, they were intended, like the later and successful "surge," to provide for additional security in an unstable environment. Again, the lessons of the past, stretching as far back as the Philippine Insurrection of the early twentieth century, were simply forgotten, or never really understood.

We have learned many bitter lessons from the Iraq experience, however, and it is the purpose of this Commission to explore those lessons, uncover others, and apply them not only to our current efforts in Afghanistan but also to future undertakings whenever and wherever they might arise.

In this context it is crucial that we explore in depth all aspects of the contracting system. This includes how the Department of Defense in general and the military in particular is organized, trained and equipped to manage contractors and the contracts that govern their activities. It also involves the supervision of contractors, including foreign contractors, an issue that has perhaps become even more acute in Afghanistan than it has been in Iraq.

In closing I wish to thank the witnesses for their cooperation and for the briefings which their agencies have provided to the Commissioners and the Commission staff. I look forward to their testimony today.

And I would reiterate that, at least to my mind, our mission is not to cover ground that already has been gone over by others many times before, but rather to distill the most important lessons learned about wartime contracting, so that we can most efficiently, and cost/effectively benefit from the contracting support that we will certainly require not only in Afghanistan, but in future operations for many years to come.

Thank you.