

**Opening Statement of Chairman John F. Tierney  
National Security and Foreign Affairs Subcommittee  
House Oversight and Government Reform Committee**

**Joint Hearing on “Allegations of Waste, Fraud, and Abuse at the New U.S. Embassy  
in Iraq”**

**As Prepared for Delivery**

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Good morning, and thank you Chairman Waxman and Ranking Member Davis for allowing the National Security and Foreign Affairs Subcommittee to jointly hold this hearing.

There are many questions raised by the construction of this enormous, 104 acre, walled fortress of an embassy in Iraq. What will it mean to Iraqis? Will most Iraqis react like one quoted recently in a *Los Angeles Times* article, and I quote, “They’re not leaving Iraq for a long time”? What purpose does an embassy serve if the nearly 1,000 U.S. State Department officials live, eat, and socialize entirely within the bounds of its thick walls and rarely are able to venture out and meet and interact with Iraqis? What does it mean that our military is planning on co-locating at the embassy site and how will this be interpreted?

But the purpose of our hearing today, however, is to look at the construction of the embassy itself. Our new Iraq Embassy is not only our most expensive embassy to date, it is also supposed to become a beacon of freedom and democracy in Iraq and throughout the Middle East. But, as Chairman Waxman has noted, very troubling allegations have come to the Subcommittee’s attention that this proposed beacon of freedom was built, quite literally, on the backs of workers from Nepal, the Philippines, Pakistan, India, and Ghana, just to name a few.

- We have heard allegations of some third country nationals working for the prime contractor, First Kuwaiti, had to pay recruitment fees amounting to more than a full year’s salary. Fees as high as \$3,000 with salaries as low as \$7 per day.
- We have heard of workers essentially trafficked to Iraq; being told they were going to work in Dubai and given boarding passes to Dubai, but being transported instead to Iraq.
- We have heard of verbal abuse, physical assaults and intimidation, and First Kuwaiti managers brandishing weapons.
- We have heard of workers living a dozen or two dozen in a single trailer measuring 40 feet by 10 feet.

- We have heard of inadequate medical care; of a lack of safety training and equipment; and about deaths not adequately explained.
- And we have heard of workers unable to return home, whether because their passports were withheld or because of threats or because they faced a year's salary penalty if they resigned.

Our first panel today consists of former workers from the embassy site who will tell us what they themselves saw and heard.

We take these allegations very seriously. Unfortunately, however, it appears that not everyone has done so. We have learned during the course of our investigation that a number of officials in our own State Department may have looked the other way when confronted with these disturbing and "inconvenient" allegations.

Our State Department is supposed to be the face of U.S. diplomacy to the world. Unfortunately, it appears that when it came to the workers used to construct our flagship embassy in Iraq, some State Department officials may have turned a blind eye.

- For example, it is becoming clearer and clearer that little to no forethought on labor issues had been done during the contract award, and in the vetting of First Kuwaiti.
- It appears the State Department officials have largely taken a hands-off approach with respect to First Kuwaiti's relations with its third country national workers.
- We have heard about the State Department's own Office to Combat Human Trafficking pressing for action from General Williams, from other top officials in the Bureau of Overseas Building Operations, and from the State Department Inspector General, and receiving what can only be described as the cold shoulder.
- And, we have a State Department IG who reportedly allowed First Kuwaiti itself to select the workers he interviewed; an IG who apparently didn't even bother to interview those alleging abuses; and an IG who didn't bother with interpreters despite the fact that only 10 percent of the worker population spoke English.

I sincerely hope that what we hear today from our State Department witnesses dispels and explains these troubling stories our investigation has uncovered. I hope we hear that a strict adherence to "on time and on budget" does not mean the trampling of a worker's rights and dignity.

It is important that all of us in the U.S. government recognize that our words and our actions matter; our words and actions matter both because others in the world are

watching us and listening to us but even more importantly because they reflect on who we are and who we should constantly be striving to become.

Thank you again, Mr. Chairman.