

**OPENING STATEMENT OF REP. SUE KELLY
CHAIRWOMAN
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
“The Hunt for Saddam’s Money: U.S. and Foreign Efforts to Recover Iraq’s Stolen
Money”**

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This morning, the Subcommittee continues its examination of the efforts by our nation and others to suppress the flow of illicit money used to finance terrorist networks and, specifically, to track down the money Saddam Hussein stole from the Iraqi people.

Terrorists have no boundaries, nor do they exhibit any regard for peace, liberty, or human life. Terrorists will never stop trying to find ways to secure the resources needed to carry out their extremist agendas. An unwavering commitment to shattering the underground financing networks upon which they rely is a critical part of our effort to prevent future acts of terrorism here and abroad. The Subcommittee will continue to examine efforts to pursue illicit money and help eradicate the threat of international terrorism.

The capture of Saddam Hussein was great day for the Iraqi people and for freedom and democracy throughout the world. The Iraqi people are now free from his reign of terror, and it’s appropriate that the pilfered fortune once used to oppress them now be directed towards initiatives that will help build a country and government of their choosing. There still remains difficult work ahead, and it is imperative that we work with our foreign counterparts and the Iraqi people to rebuild the country’s infrastructure, financial systems and overall economy.

Last week, the Iraqi Governing Council completed the Transitional Administrative Law for Iraq. The new law is an important step toward a free Iraq with democratic elections and a new constitution created by and for the Iraqi people. As the law was approved, we are reminded of the steadfast leadership that our President and this Administration, as well as our brave soldiers, sailors and coalition troops, have provided throughout the liberation of an oppressed nation. Along this difficult journey, our armed services have continued to earn the admiration and respect of the American people and many others throughout the world. Our thoughts and prayers are with the men and women serving our country, and we will continue to give them the support and resources they need to complete this important mission.

As we continue to work with our allies and the Iraqi people to rebuild their country, it will take a great number of resources. We must do everything possible to retrieve the money Saddam Hussein stole from the Iraqi people to assist in these reconstruction efforts. This money belongs to them. These assets must be found and returned to the people of Iraq to build schools, reopen businesses and hospitals, and repair the country's infrastructure – all destroyed by the malicious tyranny of Saddam Hussein and his inner circle.

Since the start of our military intervention in Iraq one year ago, the United States has led a worldwide hunt for the money Saddam Hussein systematically looted from the Iraqi people over the last few decades. The focus of these efforts has been to retrieve and return Saddam's money that already has been located and frozen. Simultaneously, we are searching to uncover new money, accounts and front companies of the former dictator and his associates.

Last May, this Subcommittee held the first Congressional hearing on efforts to freeze, seize and repatriate assets of the corrupt Saddam Hussein regime. Witnesses from the Treasury, State, and Defense Departments who are leading the search for Saddam's assets inside Iraq and around the world testified before the Subcommittee.

In that hearing, the Subcommittee learned of the complex schemes used by Saddam Hussein's regime to steal from the Iraqi people, including kickbacks, phony front companies, hidden trusts, and other accounts in financial institutions throughout the world. We also examined how our government works with other relevant international agencies, counterparts in foreign governments, and the financial services industry to identify, seize, and repatriate the worldwide financial assets of dictators. Given the significance of these issues, the Committee requested that the General Accounting Office (GAO) assist Congress in this important investigation.

This Subcommittee will receive an update on these efforts today, including how much money has been found and transferred to the Development Fund for Iraq (DFI) by the U.S. and other foreign countries. We also are very interested in U.S. efforts to locate new accounts and to convince foreign countries to freeze and transfer money.

Our government has given the U.N. Sanctions Committee the names of numerous entities and dozens of individuals with ties to Saddam Hussein and the corrupt dictator's regime. As we continue to provide evidence to the United Nations, there have been questions about the ability and willingness of countries to use and share intelligence information. Foreign entities must proactively contribute to these efforts, and we need to know what can be done to encourage their participation.

We expect nothing less than the highest level of cooperation from foreign governments and financial institutions. Congress was very clear and unwavering in the PATRIOT Act: the willingness to share cross-border information is a license required to do business in America. Now, Congress and the American people need to know who is cooperating and whether any action may be necessary by our government or the United Nations. We know the money is out there, and we plan to find and return it. We expect foreign entities to do the same.

The Subcommittee thanks the witnesses for being here with us today. We have key witnesses from the Treasury and State Departments, in addition to representatives from the General Accounting Office (GAO) to discuss the preliminary findings of their investigation.

Congress has an important role to play in making clear to countries across the world that the United States will be unrelenting in our pursuit of those who finance terror, and this subcommittee will continue to place a sharp focus on fulfilling this important obligation.