Mr. Speaker, if the gentleman would yield, not even for

the American taxpayers that are putting out some $167 billion to date.

That is absolutely outrageous.

What I learned this evening, and I find it particularly disturbing,

is that Mr. Chalabi was present in this chamber during the State of the

Union that was delivered by President Bush back in January and sat with

other members of the Iraqi Governing Council in the box where the First

Lady was sitting. This is absolutely unacceptable.

I would just like to, if I may, pick up on that point

with Mr. Chalabi.

The gentleman from Pennsylvania (Mr. Hoeffel) described Mr. Chalabi

in very unflattering terms, but I think a more apt description of Mr.

Chalabi is that he is a convicted felon. When he fled Iraq he ended up

in London for a period of time and then went ahead and conducted

business, banking business, financial services, in the kingdom of

Jordan. There he was charged with embezzlement and a series of other

crimes that would constitute in our jurisprudence a felony. He was

tried and convicted and was sentenced to 22 years by a Jordanian court.

I am sure he would contest that. I am sure that he would proclaim his

innocence, but that is a fact, a reality. That is not just simply an

unflattering description of an individual.

When the king of Jordan came and visited with Members of the House

Committee on International Relations, and I forget if the gentleman

from Pennsylvania (Mr. Hoeffel) was there, but I posed to the king, who

has been an erstwhile ally of the United States and his father before

him in the region for decades and has cooperated with the United States

in terms of the war against terrorism, I asked the king if he had been

consulted by the United States Government because I was aware that Mr.

Chalabi had been convicted of a serious crime, an embezzlement of some

hundreds of millions of dollars. He said, with certain equanimity, No,

I was not.

I did not pursue it because I did not want to cause the king any

embarrassment, but it was clear to me and others at that meeting that

he clearly was displeased, and to think that we turned our back on an

ally, who according to newspaper reports, and the truth always outs,

was encouraging defectors to provide intelligence that he should have

known was false, was false.

If I can pursue for just one more moment, this is dated February 19

and is

from the Daily Telegraph in London, a British newspaper obviously. U.S.

officials said last week that one of the most celebrated pieces of

false intelligence, the claim that Saddam Hussein had a mobile

biological weapons laboratory, had come from a major in the Iraqi

intelligence service, made available by the INC.

Those watching us tonight should understand that the INC is an

anachronism for the Iraqi National Congress which is the creation of

Ahmed Chalabi.

U.S. officials at first found the information credible, and the

defector even passed a lie detector test, but in later interviews it

became apparent he was stretching the truth and had been coached by the

INC.

This is a report from a respected British newspaper that segues

exactly the reporting that was done in the Washington Post. This is

outrageous and to think that this gentleman was in this institution

while sitting in the First Lady's box during the State of the Union,

meanwhile we had voted, and many in this chamber on both sides of the

aisle had voted a difficult vote, cast an extremely hard vote in terms

of war and peace based upon false intelligence? Then we are carrying

the burden, not just of the war but of the reconstruction.

We are the only Nation, that I am aware of, that when we appropriated

the moneys for Iraq did not insist that it be paid back at any point in

time. All of the other donors insisted on some sort of a loan

arrangement and we did not, and if we really want to pour salt on the

wound, this is from the Houston Chronicle, and it is dated February 21.

The headline is the United States still paying the source of the

tainted intelligence. That is a Knight Ridder outlet. Indulge me for a

moment while I read this to my colleagues.

``The Department of Defense is continuing to pay millions of dollars

for information from the former Iraqi opposition group that produced

some of the exaggerated and fabricated intelligence President Bush used

to argue his case for war.''

We are paying now. Today.

``The Pentagon has set aside between $3 million and $4 million this

year for the information collection program of the Iraqi National

Congress led by Ahmed Chalabi, said two senior U.S. officials and a

U.S. defense official. They spoke on condition of anonymity because

intelligence programs are classified.''

Mr. Speaker, I know the gentleman has heard the term

before, but when we speak of a blind man in a room with deaf mutes,

this is an apt description of absolutely what has occurred in this

particular case involving this particular individual by the name of

Chalabi, Ahmed Chalabi, a convicted felon.

But let me give another possible motive. And again, this is simply a

news story that I am reading to my colleagues and to those that are

watching here this evening, because I think it is very important that

the American people start to understand the dimensions and the

magnitude of what occurred here and the absolute need for a thorough

transparent presentation of all the facts over an extended period of

time to the American people.

This is not about politics. No, it is not. This is about the national

security of the United States and how we are viewed by the rest of the

world. Our credibility is at risk here. If we perceive another

situation that is fraught with peril for our people, and we present

intelligence to the rest of the world, who is going to believe us?

Let me suggest another motive. This is from Newsday, a New York

paper, and it is dated February 15. ``U.S. authorities in Iraq have

awarded more than $400 million in contracts to a start-up company that

has extensive family and, according to court documents, business ties

with Ahmed Chalabi, the Pentagon favorite on the Iraqi Governing

Council. The chief architect of the umbrella organization of the

resistance, the Iraqi National Congress, Chalabi is viewed by many

Iraqis as the hand-picked choice to rule Iraq.''

What a disaster that would be. And while we know there are very

sensitive negotiations and discussions going on currently between

elements in Iraq and between the United Nations, clearly Secretary

General Kofi Annan has sent a special representative. He is in the

process of reviewing it to make recommendations as to how power is

transitioned to the Iraqi people. Yet here we are discussing on the

floor of the House tonight the potential of having this particular

individual as the hand-picked representative of American interests

assuming a role in a future Iraqi Government that clearly, clearly most

in the region, my earlier reference to my conversation with King

Hussein from Jordan, will find particularly offensive. Clearly there is

no support from the Iraqi people.

Of course there are people in the administration.

Let me read from the original story that I discussed;

we are still paying for the tainted intelligence. The American

taxpayers are going to foot the bill for Ahmed Chalabi to come to the

United States and sit in the First Lady's box. Let me read this: ``The

decision not to shut off funding for the information-gathering effort

could become another liability for Bush as the Presidential campaign

heats up, and suggests that some within the administration are intent

on securing a key role for Chalabi in Iraq's political future.''

Chalabi, who built close ties to officials in Vice President Cheney's

office, and among top Pentagon officials, is on the Iraqi Governing

Council, a body of 25 Iraqis installed by the United States, to help

administer the country following the ouster of Saddam Hussein in April.

So here we are. We received false information, as the gentleman

indicated in response to the gentleman from Pennsylvania (Mr. Hoeffel)

yielding. He said the Americans are in Baghdad, we got what we want,

and he is continuing to get paid. And according to reports from British

newspapers, business associates of his just secured more than $400

million of American taxpayer resources for contracts awarded by the

CPA, by Paul Bremer.

To influence Members of Congress and influence the

administration.

The convicted felon.

We would hope that that would be the Iraqi people,

because if we preach democracy, hopefully we will abide by the decision

that the Iraqi people in an election reach on their own. That is a

message that I think, and I think we speak for many Members on both

sides of the aisle here, that yes, the absolute sine qua non, the

essential ingredient to a democracy is to give voice to all of the

people, not some selected individuals hand-picked by Dick Cheney, by

the CIA, or by anybody else to run the country for the Iraqis, because

if that happens, the American taxpayer is going to end up with a much

larger bill than we have already assumed.

If the gentleman will yield, I think I can answer his

question at least in part here. As the gentleman from Pennsylvania just

indicated, there are rival camps now that presumably the American

taxpayer is supporting in their lobbying efforts in terms of securing

more resources and more tax dollars from Congress and the

administration. But it would appear that Mr. Chalabi has an advantage.

According to the Roll Call edition of today, it reports that unlike the

Iraqi newcomers to Washington, Chalabi has worked for years in

Washington cultivating friendships with key players like Cheney, like

Vice President Dick Cheney, Paul Wolfowitz and Richard Perle, all

gentlemen that we have heard from during the course of the debate that

many in the majority party have described as so-called

neoconservatives.

The Roll Call article goes on to indicate that since 1986, Shea &

Gardner has represented Chalabi and his Iraqi National Congress in

Washington for $10,000 a month. So Mr. Chalabi certainly was an

individual of some affluence. Clearly that was the impression that the

Jordanians had when they convicted him of embezzling some 300 million

American dollars from a significant financial institution in Jordan.

But that was $10,000 a month. For your edification, for those of the

viewing audience, they should be aware that one of the partners at Shea

& Gardner is James Woolsey, the former CIA Director who has been an

outspoken advocate for military intervention in Iraq.

By Chalabi himself.

I would hope, and yet it would appear to be a remote

possibility, given all that we know, that Mr. Woolsey was unaware of

the representation possibly by another partner.

I share your disappointment. I really do. I find it so

incredulous that I will presume that there is some responsible answer

why that disclosure was never made.

Maybe this is a question of inaccurate reporting, but this is what

appeared today in the Roll Call magazine that is distributed throughout

the Capitol building.

Let me read it again, and let me go on because there is

more information.

Again, I am reading for the gentleman's benefit and for

those who are viewing our conversation here this evening: ``Since 1986

Shea & Gardner has represented Chalabi and his Iraqi National Congress

in Washington for about $10,000 a month. One of the partners at Shea &

Gardner is James Woolsey, the former CIA director.

``Chalabi also gets help from Francis Brooke, a political consultant,

and Riva Levinson, the Washington firm founded by Charles Black, a

long-time ally of President Bush.

``These contacts have paid off: at this year's State of the Union

address, Chalabi sat in the VIP box with the first lady, Laura Bush.

Chalabi was also one of the few Iraqis permitted to meet face to face

with Saddam Hussein in his cell in the hours after his capture in late

December.

``Chalabi has long been considered the favorite of the Defense

Department officials to lead Iraq's new government.''

Mr. Speaker, is the gentleman suggesting that there is

no exit strategy?

Mr. Speaker, I thank the gentleman for yielding. I

think what he is saying is what we need is something that does not

exist here in Washington at this moment in our history. And that is

openness and transparency and accountability, and it is not happening.

To think that, and I do not know whether it was the gentleman from

Pennsylvania (Mr. Hoeffel) or the gentleman from Hawaii (Mr.

Abercrombie) that mentioned it, they continued to benefit and with an

attitude that arrogance is not a suitable adjective. It is far beyond

arrogance. And it is time to lay everything out on the table or the

American people will lose confidence, not only in the President but in

the Congress.