

COMMITTEE ON ENERGY AND COMMERCE

HOUSE PERMANENT SELECT
COMMITTEE ON INTELLIGENCE

CHIEF DEPUTY WHIP

Rep. Jan Schakowsky

Statement made on the House Floor

November 30, 2011

Congress of the United States
House of Representatives
Washington, DC 20515-1309

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While many hours have been spent by this body debating the wars in Iraq and Afghanistan, far too little has been devoted to the United States' growing dependence on private military contractors -- the weapon-carrying, for-profit security companies -- mercenaries -- who have become integral, and counterproductive, actors in our war efforts.

I believe that increased reliance on hired guns to provide security in conflict zones undermines our policy objectives, and I am not alone. In 2007, then Defense Secretary Robert Gates stated that the mission of many security contractors was "at cross purposes to our larger mission in Iraq."

We should be concerned. Private contractors don't wear the badge of the United States. They answer to a corporation, not a uniformed commander. Our government doesn't even know how many contract personnel we've hired. Because legal jurisdiction remains murky, we may lack the ability to prosecute contractors for alleged violations committed overseas.

We need to end our reliance on security contractors in conflict zones. Since 2007, I've introduced the Stop Outsourcing Security Act to phase out the use of for-profit contractors for "mission critical" tasks -- including security, intelligence, and interrogation -- in conflict areas. The SOS Act builds on bills I've introduced since 2001, including the Andean Region Contractor Accountability Act to prohibit military contracting in Colombia and neighboring nations.

While the problem applies to other private contractors, there is one company that has become synonymous with misconduct: Blackwater.

Operating under a culture of recklessness created by its founder -- Erik Prince -- Blackwater employees have been implicated in a wide range of alleged misconduct since 2004, from shooting and killing civilians to gun-running.

Five former Blackwater executives, including its former president Gary Jackson, were indicted in 2010 for weapons charges. The company agreed to a \$42 million administrative settlement with the State Department for 288 alleged violations of the Arms Export Control Act and International Traffic in Arms Regulations. At least seven civil suits, for alleged abuses by Blackwater personnel in Iraq, have been settled. And legal action is still pending against four Blackwater guards accused of massacring 17 civilians in Baghdad's Nisour Square in 2007. Further, the Iraqi government -- our ally -- has repeatedly asked that Blackwater be ousted, leading the U.S. State Department to refuse to renew the company's contract in 2009.

In short, Blackwater, now renamed Xe, has been a center of controversy for years – in Congressional committees, the press, and among members of the military. Yet the company has received over \$1.25 billion in taxpayer dollars. Recently, Mr. Prince has launched a video game, called Blackwater, glorifying the discredited company he started.

And now, Mr. Prince has adopted yet another heavy-handed tactic -- attempted intimidation of a member of Congress. Last month, a letter from his attorney was hand-delivered to my congressional office. I am entering that letter in the Congressional Record. It accuses me of defamatory statements, characterizes my efforts to urge investigations into Mr. Prince as a violation of Congressional power, and describes possible legal action if I persist.

I come to the floor today because I believe it is my responsibility, as a member of Congress, to speak out against policies and entities that I believe are damaging to our nation.

I want to make it clear to Mr. Prince that I will not stop working to end our reliance on private security contractors and to investigate any and all allegations of misconduct.

I want to make it clear to the military men and women who have shared their concerns that they are endangered by the behavior of hired guns employed by Blackwater-like companies that I will keep speaking out to protect our mission and our brave troops from risk.

And I want to tell the families of the men and women who have been killed in incidents involving Blackwater and other such companies that I will continue to push for full investigations and, whenever appropriate, criminal charges.

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October 7, 2011

Delivered By Hand

Hon. Jan Schakowsky
1027 Longworth House Office Building
Washington, DC 20515

Dear Congresswoman Schakowsky:

This firm represents Erik Prince concerning false and defamatory statements you have made against him.

On September 8, 2011, Guy Adams, a Los Angeles-based correspondent, published in the London-based *Independent* an article discussing "Blackwater" (2011), a video game owned by Mr. Prince. In that article, Mr. Adams attributes to you the following observation: "If Mr. Prince had not emigrated to the United Arab Emirates, which does not have an extradition agreement with the US, he too would now be facing prosecution."

We demand you cease and desist any further public statements that suggest in any way that Mr. Prince "would be facing prosecution" or has engaged in criminal conduct under any circumstances.

Your caprice in making a false and defamatory statement about criminal culpability is particularly galling in light of your husband's guilty plea to federal fraud and his time in prison. One would think you would be sensitive about falsely accusing others of criminality.

Mr. Prince has answered his country's call to serve both in military uniform and civilian life. Mr. Prince served his country with honor as a commissioned officer in the United States Navy SEALs. He deployed with SEAL Team 8 to Haiti, the Middle East, and the Balkans.

Mr. Prince's support for human rights around the world is well established, from funding famine relief in Somalia and the Sudan, to contributing to the building of hospitals, schools, orphanages, and churches and mosques in the Middle East and Asia. He financed a feature film, *The Stoning of Soraya M.*, about the oppression of women in Iran. Mr. Prince has spent time and resources to improve conditions for many who live under despotic regimes surrounded by war, drought, and famine.

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Your statement to Mr. Adams, which imputes commission of a crime, is *per se* libelous. *Raboya v. Shrybman & Assoc.*, 777 F.Supp. 58, 59 (D.D.C. 1991); *Farnum v. Colbert*, 293 A.2d 279, 281 (D.C. 1972).

Your malice cannot be questioned. You have a multi-year history of making derogatory comments about Mr. Prince and his former company, Blackwater. You have abused your Congressional power to request that Mr. Prince be investigated.

In May of this year, you attempted to initiate a Department of State investigation of Mr. Prince in a letter to Secretary of State Clinton. You based your request on your "concern that Mr. Prince is now exporting his services." Absent from your letter was any mention of other American security consultants who are performing the same business in the Middle East and Asia.

You brag on your official website that you have "focused" on private security contractors who "work for companies like the infamous Blackwater." In October 2007, you requested then Secretary of State Rice to "terminate[] Blackwater's contract immediately." In February 2009, you issued a press release alleging Blackwater's actions have put "our troops in harms [*sic*] way and jeopardized our mission in Iraq." In September 2010, you purposely evoked a criminal context by mischaracterizing Blackwater as a "repeat offender."


The facts you assert about Mr. Prince show complete reckless disregard for the truth. For example, Mr. Prince did not immigrate to the UAE. He maintains a residence in the United States. Mr. Prince has never committed nor ever been charged with any crime.

A federal court in July 2011 dismissed Mr. Prince from a civil law suit finding there was no evidence on which to base the claims. Moreover, a jury found there was no liability for United States Training Center, the company formerly known as Blackwater. A quick check would have verified these readily available facts.

Your interview with Mr. Adams is not protected by the Speech or Debate clause. *Hutchinson v. Proxmire*, 443 U.S. 111, 124-125 (1979).

As you are surely aware, since articles quoting you are published in other countries, you are subject to defamation laws in those countries as well as in the United States. If you do not like the "Blackwater" video game, you are free to express your opinion. But you are not permitted under the laws of the United States and numerous countries where your statements are published to make false accusations about Mr. Prince's status under the criminal law.

Sincerely,


Victoria Toensing
Counsel for Erik Prince