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## **IRAQ BOARD OF SUPREME AUDIT: “AUDITING FOR A NEW FOUNDATION OF LEGITIMACY IN IRAQ”**

*Remarks as prepared for delivery by Inspector General Joseph E. Schmitz of the Department of Defense, Arlington, Virginia, Friday, December 3, 2004.*

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Eight Hundred and Seventy Eight years after the siege of Troy, a twelve-year-old boy named Pyrrhus took the throne of a City State in what is now northwestern Greece. Pyrrhus grew to be an aggressive and quarrelsome king, given to warring with his neighbors. In 280 B.C., he led 25,000 men (and 19 elephants) to what is now southern Italy, where he defeated the Romans -- but only after losing a multitude of his own soldiers. A year later, he again suffered heavy casualties at Roman hands in another battle in central Italy. According to Plutarch, on being congratulated for those victories, Pyrrhus retorted, "Another such victory over the Romans, and we are undone." Hence the origins of the term, "Pyrrhic victory."

I share this story with you today because of the risks that you, as the emissaries of truth and light who are invested in the success of a newly-liberated Iraq, continue to confront on a daily basis. In the face of a continuing terrorist insurgency, the Iraqi people will soon be asked to elect the leaders who will guide them through this critical period of the transition from dictatorship to a representative government based on the rule of law. During this period, there will undoubtedly be calls to limit the political expressions of the People – and to turn a blind eye to abuse, waste, and corruption – in the name of controlling the terrorist threat. But wouldn't it be a Pyrrhic victory, indeed, if we were to defeat the insurgents through military might, and in the process lose the very principles for which we went to war against an illegitimate and corrupt regime?

Within the current Iraqi government construct, the responsibility falls in large part on you, the first truly independent auditors in forty years of recent Iraqi history, to ensure that the scourge of waste and corruption is revealed and eradicated. One of the forms of corruption I suspect you will face is inherent to human nature. It is the tendency for human beings in positions of power to shy away from constraints on their power. My suggestion is never to forget that in a transparent society based upon the rule of law,<sup>1</sup> all man-made laws must first be both prescribed and promulgated before they can be enforced.<sup>2</sup>

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<sup>1</sup> In *Marbury v. Madison*, the bedrock United States Supreme Court case establishing the principle of judicial review, Chief Justice John Marshall wrote, "The government of the United States has been emphatically termed a government of laws, and not of men." *Marbury v. Madison*, 5 U.S. (1 Cranch) 137, 163 (1803).

<sup>2</sup> See 1 WILLIAM BLACKSTONE, COMMENTARIES 44-46 (1765) (All "municipal or civil law . . . is likewise 'a rule prescribed.' Because a bare resolution, confined to the breast of the legislator, without manifesting itself by some external sign, can never be properly a law. It is requisite that this resolution be notified to the people who are to obey it. . . . [W]hatever what is made use of, it is incumbent upon the promulgators to do it in the most public and perspicuous manner; not like Caligula, who (according to Dio Cassius) wrote his laws in very small character, and hung them up upon high pillars, the more effectually to ensnare the people.").

Your good work is providing the foundation of legitimacy and establishing an ethic of dedication and selfless government service -- not to a man, to a dictator, or to a regime, but to the Iraqi people and to the foundational principles around which those People choose freely to define themselves.

If you only remember one thing about what I say to you today, I would ask that it be to focus on “first things first,” *i.e.*, the principles worth fighting for, in order that you might better focus on the “second things,” which include day-to-day survival.

“[T]he principle of 'first and second things,' as C. S. Lewis calls it . . . [is] that when second things are put first, not only first things but second things too are lost. More exactly, when there are greater goods, or ultimate ends and proximate ends, if we put lesser goods, like survival, before greater goods, like values to survive for, then we lose not only the greater goods, the values, but even the lesser goods that we've idolized . . . [T]he society that believes in nothing worth surviving for beyond mere survival will not survive.”<sup>3</sup>

My professional auditors, inspectors, and investigators stand ready to support you in your important mission during this critical period. The superior capability and professionalism of this Office is exemplified in particular by my most senior leaders, my Deputy Inspectors General. I depend on their professional expertise and advice in all of the audits, inspections, and investigations undertaken by this Office. In fact, when the Secretary of Defense asked me, a non-auditor, shortly after I was confirmed as Inspector General how I intended to tackle the innumerable audit issues that arise in a Department with a \$350 billion budget, I replied, “Sir, I will go out and hire the best damn auditor I can find to be my Deputy.”

With that introduction, I will turn the floor over to the best damn auditor I could find, Gene Reardon, my Deputy Inspector General for Auditing.

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<sup>3</sup> PETER KREEFT, A REFUTATION OF MORAL RELATIVISM: INTERVIEWS WITH AN ABSOLUTIST 133 (1999); *see* C.S. Lewis, *Time and Tide*, reprinted in *GOD IN THE DOCK* (1942) (“You can’t get second things by putting them first; you can get second things only by putting first things first. . . Civilizations have pursued a host of different values in the past: God’s Will, honour, virtues, empire, ritual, glory, mysticism, knowledge. The first and most practical question for ours is to raise the question, to care about the summum bonum, to have something to life for and to die for, lest we die”).