

## **The Madness of War Profiteering in Iraq**

by Robert Greenwald via rialator - altnet *Thursday, May 10 2007, 9:58am*

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The following is Robert Greenwald's testimony to the House Appropriations Committee, Subcommittee on Defense about war profiteering:

Thank you for inviting me to testify today. I appreciate the opportunity to share with you what I have learned in the course of making the documentary film, "Iraq For Sale: The War Profiteers." Along with my colleagues at Brave New Films, I spent a year researching the experiences of soldiers, truck drivers and families affected by the presence of private military contractors in Iraq. They shared with us their harrowing experiences of how military privatization and war profiteering have affected their lives, and in some cases taken the life of a loved one.

It is their personal stories that compel me to testify today. I am not a lawyer or a financial specialist or a government expert, but I can tell you from my extensive first-hand experience with these folks that something is seriously wrong. We are hurting our country and the many patriots who serve in the military. Our taxpayer dollars are being spent, abused, mis-used, and wasted on profiteers. It is a true tragedy, and it is costing the lives of Americans and Iraqis.

Please let me introduce you to a few of these people and their stories.

Imagine someone with the exact same job as you, working next to you, but getting paid three times as much as you! We heard this story over and over again from the soldiers we interviewed. And in the case of US Army SPC David Mann, a radio repair technician who served in Iraq, he was even required to train KBR contractors to replace him. In "Iraq For Sale," David shared his frustration:

"When I could be actively becoming a better soldier and becoming more proficient in my job, instead I'm going to sit up on guard duty and wait around while KBR contractors are doing the job that I had to train them to do."

US Army specialist Anthony Lagouranis also spoke of the effects of the private contractors on the military:

"It certainly affected retention because I don't know why any military person would re-enlist to do the same job when they could get out of the military and make six times the money -- I really don't understand why they were outsourced. I mean, it seems like this is a military job and the military should be doing it. Especially because the more civilians you have out there, the more military people you need to guard them. So we're spreading us thin."

"Iraq For Sale" was seen by hundreds of thousands of people around the country, and I cannot tell you the number of soldiers who saw it and thanked us for exposing the toll that contracting and profiteering are taking on our armed forces and on the war in Iraq.

I was also appalled to learn of the amount of waste by contractors in Iraq.

I remember clearly my interview with Stewart Scott, a former Halliburton employee. With pain and

rage in his voice, he said how dare Halliburton put its people up at five-star hotels, while the soldiers, who he was there to help, were sleeping on the ground. I did not believe in him at first, but then he began naming the hotels and the locations. It was all true.

I also spoke with Shane Ratliff, a truck driver from Ruby, South Carolina.

He saw Halliburton advertising a job for truck drivers in Iraq and he signed up. When Shane started telling me that empty trucks were being driven across dangerous stretches of desert, I assumed he was mistaken. Why would they do that? Then he explained that Halliburton got paid for the number of trips they took, regardless of whether they were carrying anything. These unnecessary trips were putting the lives of truckers at risk, exposing drivers and co-workers to attack. This was the result of cost-plus, no-bid contracts.

Another young Halliburton worker named James Logsdon told me about the burn pits. Burn pits are large dumps near military stations where they would burn equipment, trucks, trash, etc. If they ordered the wrong item, they'd throw it in the burn pit. If a tire blew on a piece of equipment, they'd throw the whole thing into the burn pit. They burn pits had so much equipment, they even gave them a nickname -- "Home Depot."

The trucker said he would get us some photos. And I naively asked, how big are they, the size of a backyard swimming pool? He laughed, and referred to one that he had seen that was 15 football fields large, and burned around the clock! It infuriated him to have to burn stuff rather than give it to the Iraqis or to the military. Yet Halliburton was being rewarded each time they billed the government for a new truck or new piece of equipment. With a cost-plus contract, the contractors receive a percentage of the money they spend. As Shane told me, "It's a legal way of stealing from the government or the taxpayers' money."

These costs eat up the money that could be used for other supplies.

Sgt. Phillip Slocum wrote to us and said, "In previous experiences I went off to war with extra everything, and then some. This time however, Uncle Sam sent me off with one pair of desert boots, two uniforms, and body armor that didn't fit."

Cost-plus and no-bid contracts are hopelessly undermining our efforts and costing the taxpayers billions. They do not operate within a free-market system and have no competition, but instead create a Stalinist system of rewarding cronies. In a letter from Sgt. Jon Lacore talking about the enormous amount of waste, he said, "I just can't believe that no one at all is going to jail for this or even being fired or forced to resign."

In my research, I was also shocked to discover the role of contractors in the tragedy of Abu Ghraib. Its images are seared into the minds of people throughout the world, yet few realize the role of CACI and its interrogators. As our team dug deeper and deeper into the numerous contracts, CACI and JP London kept appearing over and over. The Taguba report, the Fay report, and the Human Rights Watch report "By The Numbers" all made clear that CACI had played a significant role in the torture. As Pratap Chatterjee, head of CorpWatch has stated, CACI was using "information technology contracts through the department of Interior. So either somebody was in a big hurry or they did this deliberately so nobody would ever be able to track this ... CACI does a lot of work directly with OSD, Office of the Secretary of Defense."

And even after the investigations, there were no consequences; in fact, CACI continued to receive more and more contracts with no oversight. Later, CACI and JP London were even hired to process

cases of fraud and incompetence by contractors! I kid you not -- CACI, a corporation that had profited enormously from the war and whose CEO JP London personally made \$22,249,453 from his stock and salary in 2004 -- was being hired to oversee other contractors! This is a madhouse run amuck. And we need your help to fix this.

We know corporations are designed to create significant returns for its shareholders. Do we really believe they can and should be fighting for hearts and minds? Do we really think that the corporations with their legal commitment to profitability are to be given the responsibility for some of our country's most critical decisions and actions? Do we want corporations representing us in the battles for our country?

*Robert Greenwald is the director/producer of "Outfoxed: Rupert Murdoch's War on Journalism," as well as many other films. He is a board member of the Independent Media Institute, AlterNet's parent organization.*

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