

## Senate Democratic Policy Committee Hearing

### **“Contracting Abuses in Iraq: Is the Bush Administration Safeguarding American Taxpayer Dollars?”**

**Linda Warren**

Former Halliburton/KBR employee

Good afternoon, Mr. Chairman. It is for the sake of my four sons, three of whom are currently serving in the military, that I am here to testify today, and I would like to thank you for this opportunity.

I'm a 50-year-old Marine Corps veteran from Texas. For the 9 years preceding my employment with Halliburton/KBR in Iraq, I worked as a mail processing clerk for the United States Postal Service, where I was a union steward for the American Postal Worker's Union.

I worked in Iraq for Halliburton/KBR in 2004. There were two main reasons I sought employment with KBR in Iraq. My youngest son wanted to serve our country so desperately that he falsified his enlistment record and was subsequently discharged from the United States Marine Corps. When he was discharged, he felt like he had disappointed me and his brothers by not being able to serve the country. I knew that my sons might be deployed to the Middle East, and might be afraid. I wanted to prove to my youngest that he could serve the country as a civilian. I led my sons, by example, and without fear, and mobilized to support our troops in Iraq.

I was hired as a laundry foreman, and my first duty station was at the KBR D5 office in central Baghdad. I supervised a total of 50 Iraqi nationals in their duties, which was to provide military laundry service to our troops. By the second day I was in country, I was ready to demobilize. I was appalled at the conditions under which my Iraqi workers had to labor. American civilians working for KBR treated the Third Country Nationals (TCN) workforce like servants, and did whatever they wanted with impunity.

As a union steward, I fought for the rights of postal workers, but in Baghdad, the Host Country Nationals and TCN workforce had no rights. The American KBR laundry manager was not only cruel to the workers, but he cheated them out of money they had earned by not allowing me to correct the laundry count when my Iraqi supervisor miscounted. The KBR laundry manager compared the female employees to prostitutes and he made numerous racist comments. There was so much discontent in the laundry that the Iraqi supervisor informed me that the Iraqi workers were quitting en masse, so I intervened on their behalf and reported all the wrongdoing to the camp manager.

Hostile treatment of the workers was not the only reason I wanted to demobilize. I began to realize, as far as KBR as concerned, the moral compass that guides most individuals in life had disintegrated into the sands of Baghdad.

From the first day I was in Baghdad, I noticed something happening which I felt to be very wrong. KBR employees who were contracted to perform construction duties inside the palaces and municipal buildings were looting. Not only were they looting, but they had a system in place to get the contraband out of the country so it could be sold on eBay. They stole art work, rugs, crystal and even melted down gold to make spurs for cowboy boots. At first, I just watched as these KBR employees pilfered, but when I was asked if I wanted some of the items, I became very outspoken about what was happening, and informed the looters that what they were doing was stealing, and that those items belonged to the Iraqi people. I was ostracized because I started objecting to the actions of my co-workers, and was very vocal in my belief that they were looting, trafficking, and stealing antiquities.

One day when I was turning in my laundry reports, I overheard a conversation between the KBR camp manager and the Chief of Operations. The camp manager told the Chief of Operations that she, the manager, was “busted” by the military for pilfering inside the Ministry of Finance building. I reported the activity to the Tactical Operations Command because the activity was pervasive throughout the camp and the manager of the camp was involved in the stealing.

The next morning, the U.S. military commander at our camp came to our KBR camp meeting and spoke to all the employees. He directed the civilian contractors to stop stealing and said that if an Iraqi was caught doing the same thing, that person would be shot. The military commander told us that the items inside the palaces and buildings belonged to the people of Iraq, and that the thefts would not be tolerated.

Later the same day, two soldiers approached me in the laundry to ask for my assistance in arresting the camp manager. They wanted to catch her inside the Iraqi government buildings stealing artifacts, and because of the location of my laundry, I would be able to see her as she walked past. I did not observe her looting again, but shortly thereafter the camp manager was transferred to another larger, safer base to serve as the camp manager – a promotion from her then-current position.

Once the military commander left the KBR camp, I was retaliated against by KBR managers with a vengeance. My vehicle was taken away. I was forced to sign in and out of my own laundry so my whereabouts were known at all times by my supervisors. I was refused privileges that everyone else had, such as going to the PX, or using the telephone or Internet. After a trip outside of the KBR D5 office camp, I was written up for failing to sign in to camp, which was not a routine practice.

Finally, an event happened that put my life in danger. The laundry building where I worked was a metal, non-insulated, structure with no air-conditioning. I estimate that it was 120 degrees inside the building. The Iraqi employees of KBR had to drink from the potable water tank which was plumbed inside the building. But on this day the tanks were being rinsed out and the water which came from the tap was brown and seemed unhealthy to drink. My pregnant workers became ill from drinking the water, so

I walked to the KBR offices to get cases of water to give to my workers who were all suffering from the heat.

The KBR Chief of Services saw me take the water and distribute it to the workers, who were then able to drink clean water. He immediately demanded that I come to his office, which I did. He told me I was being written up for giving KBR property away to the Iraqis, to which I replied, "You can take their gold and silver, and rip their tapestries off the wall, but I can't give them a drink of water?" I told him that he could write me up and reminded him that Peter Jennings of ABC News was standing right outside the gate to the camp.

He reminded me that I'd signed a confidentiality agreement when I was hired and then he said, "You know something? A white woman wouldn't last very long on the streets of Baghdad!" This took place in early 2004 during the time of the riots in Baghdad, when Muqtada Al-Sadr's newspaper was shut down, and the prospect of being put on the streets was life threatening. I was very scared for my safety. I had heard of another instance where a KBR employee was left stranded without the proper documents or security.

That night I asked the KBR Chief of Services if I could use the phone to call Houston. I was not allowed privacy to make the phone call, and all of management was present in the doorway when I called the KBR Ethics Hotline in Houston. I told the KBR person in Houston about the looting and poor treatment of the Iraqi employees, and provided the names of everyone involved.

The next day, KBR security from Babylon was dispatched to make contact with me. I had to think of an excuse to leave the laundry and was escorted to a place to file a report. KBR security, along with cooperation from the U.S. military, did a Health and Welfare inspection on our quarters and found enough contraband in the rooms of the KBR employees to fill a warehouse. The search team found artifacts in every room except mine. They found artifacts including wooden carvings, artwork and tapestries.

Later, at night, someone showed up at my door. It was KBR security. They gave me a satellite radio and asked if I felt my life was in danger. I told them "yes." I was told that the KBR office in Houston intercepted a threatening e-mail sent by one of my co-workers and I was to be extracted from Baghdad the next morning. I was directed to pack my things.

A top official at KBR drove from another camp to extract me. Rioters were already forming into groups out on the streets and the military was shutting the gates down. KBR office management at the camp tried to stop my extraction, so we drove into the red zone with no military convoy, no protection, and the threat of violence from rioters, to get me to safety.

I do not know if any military charges were filed against the KBR employees who were caught with stolen items because the items belonged to Iraq. There was no follow-

up by KBR about the threats against me, and I do not know of anyone being disciplined for making threats. I was never told anything about the results of the investigation of theft by the KBR employees. Based on my experience, it appeared that the only way you would get disciplined at KBR would be if you reported illegal actions by KBR employees.

After being removed from the camp at Baghdad, I worked at Camp Blackjack, Radwaniyah Palace Complex, Camp Victory, Al Taji, and Camp Fallujah. I worked in the laundry facilities and as a technician in the Morale, Welfare and Recreation (MWR) centers.

All of the camps were the same. There appeared to be widespread corruption and no system of checks and balances. For instance, KBR allowed employees to use military convoys to get to the Baghdad International Airport to purchase alcohol. Another practice commonly referred to as a "drug deal" was rampant. A drug deal was a trade between KBR employees for goods stolen from the military. KBR employees would break into a "connex" box, which is a trailer full of supplies, and steal items, including lumber, air conditioners and tools meant for the troops. So instead of the troops using these items, KBR employees took them for their own use. Sometimes the KBR employees would trade these items with Iraqis.

I tried to just do my job and make the best of matters, but when I was stationed in Fallujah, I spoke out about the overt fraud by KBR in the Morale, Welfare and Recreation center. I know at one time KBR was charging the government for three meals a day for its employees even though the dining facility (DFAC) was closed for two weeks. We were eating MREs (Meal, Ready-to-Eat) which the military provided to us, yet KBR was still charging for DFAC meals during those days. KBR's inflated numbers allowed its overall budget to increase which allowed KBR to charge the government additional fees.

It was KBR practice to deliberately inflate the number of the troops who used the MWR facilities. Instead of creating quality programming to increase participation in the activities by the troops, we were instructed by our supervisors to do a deliberately misleading and fraudulent "daily count" of the number of people using the facilities. To begin with, we had a sign-in sheet for all the facilities that KBR was responsible for. Each person who walked through the door signed the sheet. That was the actual count. The MWR facilities were broken down into different rooms, such as the gym, movie theatre, game room, video game room, and so on. Every time one of the troops went into another room where an activity was going on, he was counted again.

On top of that, KBR did hourly counts. A KBR employee would walk through the building and count everyone present and add that to the daily count. It was possible for a soldier to be counted 8 times or more during his or her short stay in the building. The soldier might not have done anything but move from room to room to see what was going on, but KBR counted the soldier at the moment the soldier walked through the door and every time the soldier stepped into a room where an activity was going on. I refused

to falsify the numbers, and when I entered the correct totals, the next morning those figures would be changed. Further, once those false numbers were entered, the hard copies were destroyed.

I told my supervisor and the KBR camp manager about these problems at the MWR and was subsequently fired for “not getting along with other employees” at Fallujah. The journal that I had kept while serving in Iraq was stolen from my room by an unknown person just before I was sent home.

The impact that year had on me has been profound, and there were many times when I was ashamed to be an American working in Iraq. I suffer from anxiety and depression as a result of my experience working for KBR. I was afraid to talk about these events and yet, when I returned to the states, I contacted Members of Congress because our sons and daughters who are fighting over in Iraq, and dying in the sands, deserve better. My son, who was in Fallujah with me, serving in the Marines, deserves better. Every American must be ready to step up to the plate when called to serve our country, and not be afraid. Our men and women who have stepped up to the plate deserve the best that we can give them. Please do something about contractor abuses.