washingtonpost.com Army Whistleblower Draws Fire

By DEBORAH HASTINGS The Associated Press Sunday, August 7, 2005; 12:17 PM

WASHINGTON -- In the world as Bunnatine Greenhouse sees it, people do the right thing. They stand up for the greater good and they speak up when things go wrong. She believes God has a purpose for each life and she prays every day for that purpose to be made evident. These days she is praying her heart out, because she is in a great deal of trouble.

Bunnatine "Bunny" Greenhouse is the Principal Assistant Responsible for Contracting ("PARC" in the alphabet soup of military acronyms) in the U.S. Army Corps of Engineers. Lest the title fool, she is responsible for awarding billions upon billions in taxpayers' money to private companies hired to resurrect war-torn Iraq and to feed, clothe, shelter and do the laundry of American troops stationed there.

She has rained a mighty storm upon herself for standing up, before members of Congress and live on C-SPAN to proclaim things are just not right in this staggeringly profitable business.

She has asked many questions: Why is Halliburton _ a giant Texas firm that holds more than 50 percent of all rebuilding efforts in Iraq _ getting billions in contracts without competitive bidding? Do the durations of those contracts make sense? Have there been violations of federal laws regulating how the government can spend its money?

Halliburton denies any wrongdoing. "These false allegations have been recycled in the media ad nauseam," the company said in response to a list of e-mailed questions from The Associated Press.

Now Bunny Greenhouse may lose her job _ and her reputation, which she spent a lifetime building.

She is a black woman in a world of mostly white men; a 60-year-old workaholic who abides neither fools nor frauds. But she is out of her element in this fight, her former boss said.

"What Bunny is caught up in is politics of the highest damn order," said retired Gen. Joe Ballard, who hired Greenhouse and headed the Corps until 2000. "This is real hardball they're playing here. Bunny is a procurement officer, she's not a politician. She's not trained to do this."

Greenhouse has known for a long time that her days may be numbered. Her needling of contracts awarded to Halliburton subsidiary Kellogg, Brown & Root (KBR) predated the war in Iraq, beginning with costs she said were spiraling "out of control" from a 2000 Bosnia contract to service U.S. troops. From 1995 to 2000, Halliburton's CEO was Dick Cheney, who left to run for vice president. He maintains his former company has not received preferential treatment from the government.

Since then, she had questioned both the amounts and the reasons for giving KBR tremendous contracts in the buildup to invading Iraq. At first she was ignored, she said. Then she was cut out of the decision-making process.

Last October 6, she was summoned to the office of her boss. Major Gen. Robert Griffin, the Corps' deputy commander, was demoting her, he told her, taking away her Senior Executive Service status and sending her to midlevel management. Not unlike being cast out of the office of bank president into the cubicle of branch manager. Griffin declined to be interviewed by the AP.

Her performance was poor, said a letter he presented. This was a surprise. Her previous job evaluations had been exemplary, she said. The basic theme was that she was "difficult," and "nobody likes you," she said.

If she didn't want the new position, she could always retire with full benefits, the letter noted.

Over my dead body, said Greenhouse.

"I took an oath of office. I took those words that I was going to protect the interests of my government and my country. So help me God," she says. "And nobody. Has the right. To take away my privilege. To serve my government. Nobody."

She has hired lawyer Michael Kohn, who successfully represented Linda Tripp in her claim that the Pentagon leaked personal information after she secretly taped Monica Lewinsky's confessions of a sexual affair with President Bill Clinton.

Two weeks after Greenhouse's trip to the woodshed, Kohn wrote an 11-page letter to the acting Secretary of the Army, requesting an independent investigation of "improper action that favored KBR's interests."

He also asked that his client be protected against retaliation under whistleblower statutes.

Then he reminded the Army secretary of Federal Acquisition Requirement 3.101: "Government business shall be conducted in a manner above reproach ... with complete impartiality and with preferential treatment for none."

The status of an independent investigation by the Defense Department is unclear. "As a matter of policy, we do not comment on open and ongoing investigations," said Pentagon spokeswoman Lt. Col. Rose-Ann Lynch.

Halliburton is also under federal investigation for alleged favoritism by the Bush administration. FBI agents questioned Greenhouse for nine hours last November about that probe. In March, a former employee was indicted for taking bribes while working for KBR in Iraq.

Company spokeswoman Melissa Norcross said KBR has "delivered vital services for U.S. troops and the Iraqi people at a fair and reasonable cost, given the circumstances."

Meanwhile, Greenhouse has been placed under a 3-month performance review ending in September.

When Gen. Ballard hired her in 1997 she was overqualified _ three master's degrees and more than 20 years of contracting experience in private industry, the Army and the Pentagon.

"She is probably the most professional person I've ever met, " Ballard said. "And she plays it straight. That created problems for her after I left."

Ballard used her, he said, to help him revolutionize the Corps _ by ending the old-boys practice of awarding contracts to a favored few, and by imposing private industry standards on a mammoth, 230-year-old government agency with 35,000 workers. He felt the Corps, which had overseen everything from building hydroelectric dams to the Soo Locks to the Manhattan Project, needed a hard boot into the new age of contracting.

"The Corps is a tough organization. And I'll tell you, it's not easy to be a woman in this organization, and a black one at that," said Ballard, who was the first black leader of the Corps.

He is not optimistic about her future.

"I think you can put a fork in it," he said. "Her career is done."

At Corps headquarters, few speak to her, she said, and her bosses write down what she says at departmental meetings.

Sometimes, as she walks down a hall, someone will mutter, "Go for it, Bunny," or "Give 'em hell," she said. "They pass by saying this while they're looking straight ahead," she recounted, and chuckled.

In a city where politics is everything, including blood sport, she refuses to play. Right down to her clothes.

Bunny Greenhouse does not subscribe to the Capitol chic of a dowdy Janet Reno jacket and skirt or a boxy Hillary Clinton suit with buttons the size of quarters. On a sweltering summer day, seated in her lawyer's Georgetown office, Greenhouse wears a vibrant pink-and-black shirt, tight-fitting trousers with creases that could cut butter, and a blazer with a shredded-fabric flower.

Her bag _ overflowing with files, papers, pens, wallet, cell phone _ rivals the weight of a bound copy of the federal budget. Underestimate her at your peril.

"I have never gone along to get along. And I'm willing to suffer the consequences," she said.

Her contracting staff was sharply reduced, she said, and her superiors have gone behind her back, most notably in issuing an emergency waiver _ on a day she was out of the office _ that allowed KBR to ignore requests from Department of Defense auditors who issued a draft report in 2003 concluding KBR overcharged the government \$61 million for fuel in Iraq.

"They knew I would never have signed it," she said.

The Army Corps of Engineers declined to comment on Greenhouse's complaints. "It's a personnel matter," said Corps spokeswoman Carol Sanders. "We're not going to go point-by-point with Ms. Greenhouse's accusations.

"They want me out," Greenhouse said.

In her job, Greenhouse is mandated by Congress to get the best quality at the cheapest price from the most qualified supplier. Over her objections, KBR was awarded three multibillion-dollar war-related contracts, two of them without competitive bidding.

Together, they are worth as much as \$20 billion _ the entire cost of the Manhattan Project, adjusted to today's dollars.

Greenhouse's most strenuous complaints were over the Restore Iraqi Oil contract, estimated at \$7 billion, originally planned to handle oil field fires that might be started by Saddam Hussein's troops. When that failed to happen, it morphed into an agreement to repair oil fields and import fuel for civilians and soldiers.

The contract was given to KBR in March 2003. In Greenhouse's view, that process violated federal regulations concerning fair and open bidding. Halliburton denies that.

A month before KBR got the contract _ and three weeks before the U.S. invaded Iraq _ she had demanded KBR officials be ejected from a Pentagon meeting attended by high-ranking officials from the

Corps and the Defense Department. "They should not have been there," she said. "We were discussing the terms of the contract."

Later, she would tell Democratic members of Congress: "The abuse related to contracts awarded to KBR represents the most blatant and improper contract abuse I have ever witnessed during the course of my professional career."

At the Corps, Greenhouse said she was told KBR was the only qualified firm.

With the country on the brink of war, she reluctantly signed the RIO contract. But next to her signature, she boldly wrote an objection to the only thing she felt she could challenge _ the contract's length, five years. One year would have been more than fair, she said. After that, it should have been put out for bid among contractors with top security clearances.

"I caution that extending this sole source contract beyond a one-year period could convey an invalid perception that there is not strong intent for a limited competition," she penned in neat cursive.

In June, she was asked to testify before the Democratic Policy Committee _ formed by Democrats who said their efforts to get the Republican-controlled Congress to investigate alleged war profiteering had been repeatedly denied.

She was joined by a former Halliburton employee who said KBR fed spoiled food to American troops and charged the government for thousands of meals it never served.

Halliburton would not specifically address the former employee's claims. Norcross said taking care of troops is "our priority."

"I thought she was very courageous to come forward and blow the whistle," Rep. Henry Waxman of California said of Greenhouse. "The administration ran around her and ignored her. We owe her a debt of gratitude."

And if she is forced out?

"I would find that outrageous," Waxman replied. "They should be promoting her."

Greenhouse is a registered independent. Her husband, Aloyisus Greenhouse, is retired after a long Army career as a senior procurement officer. They have three grown children.

Bunny grew up in the segregated South, where her parents taught her and her siblings to be proud and hardworking. Her brother is Elvin Hayes, the Hall of Fame basketball player. She followed her husband's military postings, moving and moving and then moving again. In each place she found her own way, and her own job.

Her husband watches what is happening to her and tries to bite his lip.

"Bunny has a lot of faith. She really believes that someone will stand up and say, 'This is wrong.' But I don't think a person exists like that in the Department of Defense."

But in her world, Bunny Greenhouse's faith still beams.

"I simply believe that we have callings and purposes in this life. I walk through this life for a purpose. I wake up every day for a purpose. And every day I say, 'Here I am. Send me.' "

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