



Behind the Halliburton investigation

Lawyer for the contracting officer who alleged misconduct speaks to MSNBC's Chris Matthews

TRANSCRIPT

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The [FBI has opened an investigation into whether the Pentagon improperly awarded no-bid contracts to Halliburton](#), the company Vice President Cheney led before joining the White House.

Bunnatine Greenhouse, the Army Corps of Engineers chief contracting officer, went public last weekend with allegations that her agency unfairly awarded a Halliburton subsidiary no-bid contracts in Iraq. Her attorney Stephen Kohn joined "Hardball with Chris Matthews" to talk about the role his client played in the whole matter.

CHRIS MATTHEWS, "HARDBALL" HOST: Who is Bunny Greenhouse?

STEPHEN KOHN, BUNNATINE GREENHOUSE'S LAWYER: Bunny Greenhouse is the highest-ranking government, federal employee bureaucrat with final authority on contracts. Or one of the highest ranking. She's not political at all.

MATTHEWS: Now, what does she assert is being done wrongly here? What was wrong about this contract that was led to Halliburton?

KOHN: Well, the allegations concerned the length of the contract, the fact that it was for five years. It concerns the renewal of the contracts. It concerns the integrity of the Army's contracting process.

And let me tell you what was happening there—Bunny's job was to make sure that small businesses and minority-owned businesses could compete for contracts. When she would see problems in terms of the award of a contract, failure to follow regulations, things that may appear to be a bias or improprieties, it was her job to question it.

She did that. And she reported it on the contracting documents where she would raise her concerns. She was ordered not to disclose that information on the contracting documents. If she didn't put it on those contracting documents, as they went up the chain of command, no one would know about the problems.

MATTHEWS: Who gave her that order, Steve? Who was it in the Defense Department?

KOHN: Her supervisors—I don't want to mention names, but that was the supervision, said you are not to write on the contracting documents.

MATTHEWS: Was the person who gave her that order not to provide that information, which you believe relevant to the decision making by the Pentagon, was that person a political appointee?

KOHN: I can't answer that question.

MATTHEWS: Let me ask you, the defense of the administration with regard to Halliburton and these huge contracts that it gets led, is that the jobs are so big, they require such economies of scale, that it would be simply a process—it wouldn't serve any useful purpose to have a bidding procedure? There's no other company as big as Halliburton that could actually compete with it. What do you say to that?

KOHN: Well, again, without responding on the merits, I will say that Bunny's job was to ensure that the regulations and rules were followed, and that there was fair competition. And she made disclosures that they weren't being followed.

MATTHEWS: Why do you believe the FBI is acting on this allegation and beginning this investigation, right now, this week before the presidential election? Why are they acting now?

KOHN: I would certainly hope it is for the very reason why Bunny raised her concerns when she did. It doesn't matter. When you're a federal civil servant, you do your job. If it's the day before the election or four years or three years before an election, that should not enter the equation at all. You have a job to do, and

you do it.

MATTHEWS: Speaking of that job to do, does the FBI office responsible for this investigation, were they operating—are they operating at this moment under the direction of the FBI director, Mr. Mueller? Did they take this on their own?

KOHN: I have absolutely no idea. Bunny Greenhouse, when she wrote to the secretary of the Army, asked for a full investigation to her allegations, and we welcome the involvement of the FBI. We also think there should be a bi-partisan congressional inquiry into this Army contracting and all the problems.

It should be above board, open and aggressive. And so we welcome this as a positive first step, but we don't think it should be something that is just done privately in a criminal investigation. I think the American people have a right to know how their taxpayers' dollars are spent and how contracting has been done in critical places like the Balkans or Iraq.

MATTHEWS: Do you have any political interest in this matter?

KOHN: Absolutely not. Just so you know, when it was time to represent Linda Tripp, when her rights, as a Department of Defense employee were violated, when they went into her files illegally, we more than were glad and proud to represent her. She was viewed as a partisan. She was viewed as someone hurting a Democrat. Did not matter. Linda Tripp had a right and Bunny Greenhouse has rights.

MATTHEWS: Does Bunny Greenhouse have any interest in the defeat of this president, President Bush?

KOHN: Absolutely not. She is a federal civil servant. She is not a political appointee. Absolutely none.

MATTHEWS: Steve, you've been familiar with this case for how many, how many weeks now? When did you first come into this case as counsel to Bunny Greenhouse?

KOHN: A number of months ago.

MATTHEWS: You've had time to think about it. What is its public policy implications? I mean, think big right now. There is a lot of people watching right now and listening to your voice. Explain to them why this is a significant matter for the country.

KOHN: It's a significant matter because you have a whistle-blower with the courage to step forward and give the American people information they need. I hope that people put down their partisanship and say, "Thank you for giving us that information," and let everyone evaluate it how they will, investigate it how they will. But whistle-blowers need protection.

MATTHEWS: Let me ask you, Steve, you talked about renewal of contracts. You talked about length of contracts. The integrity of the Army Corps of Engineers contracting processing. What does that mean to the average taxpayer?

KOHN: This is billions of dollars, but it is also, I think, an issue of ethics. If you're a small business, you have the right to compete, and you have the right to know that in large contracts, that the Army or any other government agency is handing out, that your interests will be protected. That was Bunny's—one of her main jobs.

MATTHEWS: Your client, Bunnatine Greenhouse, is she still the chief contracting officer of the Army Corps?

KOHN: To the Army's credit, we asked that she not be removed during this investigation. And they've agreed. She still maintains that position, and we will do everything in our power to make sure that she does maintain that position, because if she is removed, the American people will never know the truth. There will be a chilling effect. No witness will come forward. And the truth will never get out.

MATTHEWS: Thank you very much, Stephen Kohn, who is counsel for the whistle-blower Bunnatine Greenhouse, who's chief contracting officer for the Army Corps of Engineers.

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