

Halliburton announces 284 percent increase in war profits

By [Halliburton Watch.Org](http://HalliburtonWatch.Org)

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WASHINGTON, July 25 (HalliburtonWatch.org) — Halliburton announced on Friday that its KBR division, responsible for carrying out Pentagon contracts, experienced a 284 percent increase in operating profits during the second quarter of this year.

The increase in profits was primarily due to the Pentagon's payment of "award fees" for what military officials call "good" or "very good" work done by KBR in the Middle East for America's taxpayers and the troops.

Despite the scandals that plague KBR's military contracts, the Pentagon awarded \$70 million in "award" fees to the company, along with four ratings of "excellent" and two ratings of "very good" for the troop logistics work under the Army's LOGCAP contract.

The Pentagon has provided preferential treatment to Halliburton on a number of occasions, including the concealment from the public of critical reports by military auditors.

Audits conducted by the Pentagon's Defense Contract Audit Agency determined that KBR had \$1 billion in "questioned" expenses (i.e. expenses which military auditors consider "unreasonable") and \$442 million in "unsupported" expenses (i.e. expenses which military auditors have determined contain no receipt or any explanation on how the expenses were disbursed).

But the top Pentagon brass ignored these audits and rewarded KBR's work anyway.

Halliburton's earnings announcement comes on the heels of new reports showing the Iraq and Afghan wars have already cost U.S. taxpayers \$314 billion and that another ten years of war will cost \$700 billion.

In another coup for Halliburton, a federal judge this month decided that whistleblowers may not sue U.S. companies for fraud if payment for services was Halliburton announces 284 percents made in Iraqi, not U.S., money. Halliburton was paid over \$1 billion in Iraqi oil money during the first 15 months of the occupation. The judge's ruling means the False Claims Act cannot be used to offer large rewards to corporate insiders who reveal wrongdoing or overcharges for services. The law is considered America's most successful deterrent against contractor fraud, but the judge's decision will help Halliburton and other contractors avoid tough scrutiny in Iraq.

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