



It was just a single contract for a single job on a single base in Iraq. The Department of Defense agreed to pay the megacontractor KBR \$5 million a year to repair tactical vehicles, from Humvees to big rigs, at Joint Base Balad, a large airfield and supply center north of Baghdad.

Yet according to a new Pentagon report [PDF], what the military got was as many as 144 civilian mechanics, each doing as little as 43 minutes of work a month, with virtually no oversight. The report, issued March 3 by the DOD's inspector general, found that between late 2008 and mid-2009, KBR performed less than 7 percent of the work it was expected to do, but still got paid in full.

The \$4.6 million blown on this particular contract is a relatively small loss considering that in 2009 alone, the government had a blanket deal worth \$5 billion with KBR (formerly known as the Halliburton subsidiary Kellogg Brown & Root). Just days before the Pentagon released the Balad report, KBR announced it had won a new \$2.3 billion-plus, five-year Iraq contract. But the inspector general's modest investigation offers new insight into just how little KBR delivers and how toothless the Pentagon is to prevent contractor waste.

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