



Testimony of Nick Schwellenbach

Director of Investigations, Project On Government Oversight (POGO),
before the House Committee on Oversight and Government Reform,
Subcommittee on Technology, Information Policy,
Intergovernmental Relations and Procurement Reform, on
**“Are government contractors exploiting workers overseas?
Examining enforcement of the Trafficking Victims Protection Act”**

November 2, 2011

Chairman Lankford, Ranking Member Connolly, other Members of the Subcommittee,

Thank you for inviting me to testify today on the topic of human trafficking and worker abuse as it relates to our contractor workforce in war zones and other contingency operations. I am the Director of Investigations at the Project On Government Oversight, also known as POGO. Founded in 1981, POGO is a nonpartisan independent watchdog that champions good government reforms. POGO’s investigations into corruption, misconduct, and conflicts of interest achieve a more effective, accountable, open, and ethical federal government.

Estimates vary considerably on the scale of human trafficking, but whatever the number of victims is, the problem is serious.¹ The U.S. has been a global leader in combating trafficking in persons, yet our tax dollars are inadvertently fueling this human rights tragedy through our labor

¹ Luis CdeBaca, Ambassador-at-Large, Office to Monitor and Combat Trafficking in Persons, “Special Briefing: Preview to Annual Meeting of the President’s Interagency Task Force to Monitor and Combat Trafficking in Persons,” February 3, 2010. <http://www.state.gov/g/tip/rls/rm/2010/136475.htm> (Downloaded October 31, 2011): “There are a number of different estimates and it’s a pretty broad estimate, depending on the methodology. The International Labor Organization estimates that there are around 12.3 million persons laboring in bondage around the world. And some of the other estimates from other organizations are higher, up to 27 million. Some of it ends up, again, coming down to methodology. But certainly, 12.3 million is—we think that that’s a pretty accurate number.”

supply chain in war zones and other contingency operations. Not only is trafficking and exploitation of laborers a moral wrong in and of itself, but it erodes our moral standing in the world, can spark a backlash from the laborers and their home countries, including riots, which have occurred in Iraq at labor camps, and could undermine the U.S. mission.

I have worked on the issue of contractors and human trafficking over the last two years. Earlier this year, I co-authored an article with my co-panelist David Isenberg on alleged worker abuse by Najlaa International Catering Services, a KBR subcontractor in Iraq.² David will be focusing on this story in his testimony. In addition, in a collaborative effort between *The Washington Post* and Center for Public Integrity last year, I co-wrote a detailed article that, among other things, noted the lack of prosecutions for any type of war-zone human trafficking despite several allegations of contractor involvement and the U.S. government's "zero-tolerance" policy.³

This topic received some attention from the Commission on Wartime Contracting. In its final report, the Commission stated:

...the Commission uncovered tragic evidence of the recurrent problem of trafficking in persons by labor brokers or subcontractors of contingency contractors. Existing prohibitions on such trafficking have failed to suppress it.⁴

² David Isenberg and Nick Schwellenbach, "Documents Reveal Details of Alleged Labor Trafficking by KBR Subcontractor: The Najlaa Episode Revisited," *POGO Blog*, June 14, 2011. <http://www.pogo.org/pogo-files/alerts/contract-oversight/co-ht-20110614.html>

³ Nick Schwellenbach and Carol Leonnig, "U.S. policy a paper tiger against sex trade in war zones," *The Washington Post*, July 18, 2010. http://www.washingtonpost.com/wp-dyn/content/article/2010/07/17/AR2010071701401_pf.html (Downloaded October 31, 2011); Nick Schwellenbach and Carol Leonnig, "Despite allegations, no prosecutions for war zone sex trafficking," *i Watch News*, July 17, 2010. <http://www.iwatchnews.org/2010/07/17/2609/despite-allegations-no-prosecutions-war-zone-sex-trafficking> (Downloaded October 31, 2011)

⁴ Commission on Wartime Contracting in Iraq and Afghanistan, *Final Report to Congress: Transforming Wartime Contracting: Controlling costs Reducing risks*, August 2011, p. 159. http://www.wartimecontracting.gov/docs/CWC_FinalReport-Ch7-lowres.pdf (Downloaded October 31, 2011)

Wartime Contracting Commission Co-Chair Christopher Shays, a former Member of Congress and of this Committee, called the abuse of foreign contract laborers, “a human-rights abuse that cannot be tolerated.”⁵

In a Senate hearing in October, Commissioner Dov Zakheim said, on the topic of contractor involvement in trafficking, “quite frankly, our commission just scratched the surface of this, to be honest. There's a lot more in that iceberg. We just saw the tip of it.”⁶

Today's hearing will help us see more of that iceberg. However, ultimately, greater enforcement and visibility into the activities of the often nebulous and complex chain of subcontractors and labor brokers, whose networks span continents, will be needed to get our arms around this horrific problem.

Currently, the Federal Acquisition Regulation, or FAR, relies on self-policing and reporting to contracting officers.⁷ As the State Department Office of Inspector General (OIG) noted earlier this year, “since the FAR does not specify how to monitor contractors for TIP [trafficking in persons], OIG could not conclude that TIP monitoring is effective.”⁸ Similarly, the DoD OIG “observed that contractor-initiated reporting to DoD contracting offices was the only means by which these offices could obtain timely and relevant information regarding actual or alleged TIP violations.”

⁵ Commission on Wartime Contracting in Iraq and Afghanistan, “Wartime Contracting team will examine big-dollar U.S. construction projects during Afghanistan trip,” August 23, 2010.

http://www.wartimecontracting.gov/docs/CWC_NR-31.pdf (Downloaded October 31, 2011)

⁶ Dov Zakheim, Commission on Wartime Contracting in Iraq and Afghanistan, “Testimony before Senate Committee on Armed Services, Subcommittee on Readiness and Management Support, on Wartime Contracting in Iraq and Afghanistan Report,” October 19, 2011. http://findarticles.com/p/news-articles/political-transcript-wire/mi_8167/is_20111019/sen-claire-mccaskill-holds-hearing/ai_n58315102/pg_19/ (Downloaded October 31, 2011)

⁷ Federal Acquisition Regulation (FAR), 52.222-50 Combating Trafficking in Persons.

https://www.acquisition.gov/far/html/52_222.html#wp1151848 (Downloaded October 31, 2011): “The Contractor shall inform the Contracting Officer immediately of ... Any information it receives from any source (including host country law enforcement) that alleges a Contractor employee, subcontractor, or subcontractor employee has engaged in conduct that violates this policy.”

⁸ Department of State, Office of Inspector General, Middle East Regional Office, *Performance Evaluation of Department of State Contracts to Assess the Risk of Trafficking in Persons Violations in Four States in the Cooperation Council for the Arab States of the Gulf* (MERO)-I-11-06, January 2011, p. 6. <http://oig.state.gov/documents/organization/156263.pdf> (Downloaded October 31, 2011)

On the DoD side, they are trying to ensure compliance with the FAR by including trafficking considerations in quality assurance surveillance of DoD contractors, which is something State should consider if it has not already.⁹ Also, DoD guidance issued late last year should improve information sharing on trafficking cases with the DoD's Combating Trafficking in Persons Program Manager.¹⁰

These improvements are welcome, but some notable experts are perturbed by the lack of criminal enforcement. To date, there have been no prosecutions for contractor-driven war zone trafficking. Attorney Martina Vandenberg told the Senate in 2007 that “[w]ith zero prosecutions, zero tolerance has zero credibility.”¹¹

First, I will recount in some detail a few stories of laborers in Iraq and what they experienced – the three examples all generated some sort of official government investigative activity that has been seen by at least some critics as wanting. Then, I will summarize my understanding of the U.S. government's investigative and enforcement activity in this area over the last several years. Third, I will summarize what I believe can be done to strengthen enforcement and to better prevent these abuses from occurring in the first place.

The New Yorker Article

In June, *The New Yorker* magazine ran an in-depth article by Sarah Stillman on labor rights abuses against third-country nationals on U.S. contracts in Iraq and Afghanistan, including the

⁹ Department of Defense, Office of Inspector General, *Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command* (Report No. SPO-2011-002), January 18, 2011, p. 10. http://www.dodig.mil/SPO/Reports/SPO-2011-002_508.pdf (Downloaded October 31, 2011)

¹⁰ Department of Defense, Office of Inspector General, *Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command* (Report No. SPO-2011-002), January 18, 2011, p. 9. http://www.dodig.mil/SPO/Reports/SPO-2011-002_508.pdf (Downloaded October 31, 2011) The new guidance directs the heads of military departments to “[p]rovide information on all known TIP cases to the USD(P&R) DoD Program Manager.” Memorandum from Clifford L. Stanley, Under Secretary of Defense for Personnel and Readiness, regarding Combating Trafficking in Persons (CTIP), September 15, 2010, p. 7. <http://www.dtic.mil/whs/directives/corres/pdf/220001p.pdf> (Downloaded October 31, 2011)

¹¹ Martina E. Vandenberg, attorney at Jenner & Block, “Testimony on Legal Options to Stop Human Trafficking, before the Senate Judiciary Subcommittee on Human Rights,” March 26, 2007. http://judiciary.senate.gov/hearings/testimony.cfm?id=e655f9e2809e5476862f735da123775c&wit_id=e655f9e2809e5476862f735da123775c-0-3 (Downloaded October 31, 2011)

abuse of two Fijian women—Vinnie Tuivaga and Lydia Qeraniu—who worked for Army Air Force Exchange Service (AAFES) subcontractors in Iraq.¹²

Vinnie and Lydia were, like many others, lured by promises of good pay. They were told by Meridian Services Agency, the local recruitment firm in Fiji, that they could each make up to \$3,800 a month as beauticians in Dubai.¹³ They signed up and in October 2007 were on a plane to the United Arab Emirates.

After arriving in the UAE, they and other women discovered their true destination: Iraq. According to *The New Yorker*, “Meridian had reportedly threatened some with more than a thousand dollars in early-termination fines if they left.” Many of the women had gone into debt to pay their recruitment fees—quitting with another \$1,000 added to their debt would have been crushing.¹⁴

In Iraq, Vinnie, Lydia, and the other women then learned that instead of making between \$1,500 and \$3,800 a month—the lucrative salary that lured them to a job around the world—that they would only make \$700 a month. This amount was in turn further reduced to \$350 a month. The contract they signed specified that they would work “‘Twelve (12) hours per day and seven (7) days a week.’ Their ‘vacation’ was a ‘Return ticket after the completion of the service.’”

¹² Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

I had become aware of Vinnie and Lydia’s story about a year before *The New Yorker* story ran during the course of reporting. I stumbled across an Army Criminal Investigation Command summary of an investigation into allegations of trafficking and sexual assault that was posted online as part of an Army Inspector General PowerPoint presentation. Army, Inspector General, *Inspector General Issues* (DSN 655-3897).
<https://www.documentcloud.org/documents/5022-army-inspector-general-issues-briefing.html#search/p52/Army> (Downloaded October 31, 2011) POGO also obtained documents through the Freedom of Information Act on AAFES’s formulation of a media response to Stillman in the early stages of her reporting. Emails obtained by POGO through FOIA from Redacted to Redacted regarding AAFES’s proposed response to Iraq Fijian contractor TIP allegations. <http://pogoarchives.org/m/ns/aafes-trafficking-emails-2010.pdf>

¹³ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

¹⁴ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

Appended to the contract was a legal waiver: “I am willingly and of my own free will have decided to go and work in Iraq, and I declare that no one in Fiji or out of Fiji has approach me to work in Iraq. . . . I am contented with my job. . . . I want to complete my contract, till then, I will not go back home.”¹⁵

Later, an American customer of the women’s beautician services sent a letter to the Defense Department requesting an investigation into the women’s recruitment and the labor practices to which they were subjected.¹⁶

According to *The New Yorker*, “soon thereafter, the aafes Inspector General dispatched a business manager to interview the beauticians. But the manager determined that, because the three had their passports and had known their ultimate destination after arriving in Dubai, aafes was not in violation of anti-trafficking regulations. (The organization did note that, in general, ‘better safeguards and improvements were necessary to protect contract workers.’)”¹⁷

New Yorker reporter Sarah Stillman also learned from the two women that one of the AAFES subcontractor supervisors had been repeatedly sexually assaulting Lydia. Stillman called the U.S. Army’s emergency sexual assault hot line several times over several days but no one ever picked up.¹⁸

¹⁵ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

¹⁶ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

¹⁷ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

¹⁸ Sarah Stillman, “The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell,” *The New Yorker*, June 6, 2011.
http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

After meeting with Vinnie and Lydia, the State Department's lead anti-trafficking official notified AAFES and the Department of Defense about the allegations and urged them to investigate.¹⁹ The allegations eventually ended up in the hands of both AAFES officials (this is separate from the earlier investigation, mentioned above) and Army Criminal Investigation Command (CID). Army CID told me last year that they did not substantiate the allegations of trafficking and sexual assault. They would not say if they interviewed the women.²⁰ According to *The New Yorker*, "Lydia and Vinnie both say that no one from the military or aafes spoke with them about the sexual-assault claims." When contacted by *The New Yorker*, CID said it could not find any record of the case.²¹

The "Pipeline to Peril"

The families of twelve Nepalese laborers who were killed by insurgents in Iraq and another victim filed a lawsuit against KBR, KBR subcontractor Daoud & Partners, and other entities in federal district court in 2008.²² That civil action is still ongoing.

The lawsuit alleges that "in an effort to fulfill their contractual obligations, Defendants and the co-conspirators willfully and purposely formed an enterprise with the goal of procuring cheap labor and increasing profits." Further, "the common scheme of this enterprise was to traffic in laborers and to profit from the provision of this labor."²³

¹⁹ Emails obtained by POGO through FOIA from Redacted to Redacted regarding AAFES's proposed response to Iraq Fijian contractor TIP allegations. <http://pogoarchives.org/m/ns/aafes-trafficking-emails-2010.pdf>

²⁰ Nick Schwellenbach and Carol Leonnig, "Despite allegations, no prosecutions for war zone sex trafficking," *i Watch News*, July 17, 2010. <http://www.iwatchnews.org/2010/07/17/2609/despite-allegations-no-prosecutions-war-zone-sex-trafficking> (Downloaded October 31, 2011)

²¹ Sarah Stillman, "The Invisible Army: For foreign workers on U.S. bases in Iraq and Afghanistan, war can be hell," *The New Yorker*, June 6, 2011. http://www.newyorker.com/reporting/2011/06/06/110606fa_fact_stillman?currentPage=all (Downloaded October 31, 2011)

²² Ramchandra Adhikari, et al. v. Daud & Partners, Kellogg Brown & Root, Inc., Kellogg Brown & Root Services, Inc. And John Does 1-5, August 27, 2008.

http://www.contractormisconduct.org/ass/contractors/29/cases/1008/1369/halliburton-human-trafficking_complaint.pdf (Downloaded October 31, 2011) This original complaint has been superseded by an amended complaint. The venue has also changed from the U.S. District Court for the Central District of California to the U.S. District Court for the Southern District of Texas.

²³ Ramchandra Adhikari, et al. v. Daud & Partners, Kellogg Brown & Root, Inc., Kellogg Brown & Root Services, Inc. And John Does 1-5, August 27, 2008.

Many of these twelve laborers believed they would be working in a five-star hotel in Amman, Jordan, according to a *Chicago Tribune* investigation. Cementing that belief that was paperwork filed with Nepal's Labor Ministry for several laborers to work at a five-star hotel in Amman.²⁴ The recruiting fee charged each laborer meant that each laborer and their families "went deeply into debt," but the promises of lucrative pay made the debt seem like a good deal. The manager of the labor recruitment firm "said in an interview that he didn't mention anything about Iraq to the applicants [who ended up getting killed by insurgents]. Because of the danger, the Nepalese government had prohibited job agents from sending men there." Yet the manager told the *Chicago Tribune* that he did issue a warning that "Jordan's Morning Star is a multinational company, and it might send you somewhere else."

The 12 Nepalis "all came to Jordan under Morning Star's authority, along with about two-dozen others from the South Asian country," according to the *Tribune*. They registered with a police station in Amman, which is required for foreign visitors staying more than two weeks. Then the "Jordanian brokers were now demanding they surrender two months' pay as a fee and accept less than half the salaries promised them in Nepal, according to their families." According to the *Tribune*, "[t]he men were desperate to go home. But their families told them they must continue into Iraq, solely to cover the loans used to pay a Nepalese broker \$3,500 for each man—more than a decade of earnings."²⁵

The Amman to Baghdad highway, which runs through Iraq's Anbar Province, was dangerous even for convoys guarded by armored vehicles and private security details. The twelve Nepali laborers who were kidnapped by insurgents, held for weeks, and then killed had neither.

http://www.contractormisconduct.org/ass/contractors/29/cases/1008/1369/halliburton-human-trafficking_complaint.pdf (Downloaded October 31, 2011)

²⁴ Cam Simpson, "Desperate for work, lured into danger: The journey of a dozen impoverished men from Nepal to Iraq reveals the exploitation underpinning the American war effort," *Chicago Tribune*, October 9, 2005. <http://www.chicagotribune.com/news/nationworld/chi-nepal-1-story,0,5585806.story> (Downloaded October 31, 2011)

²⁵ Cam Simpson, "Into a war zone, on a deadly road: Worker's chilling call home: 'I am done for,'" *Chicago Tribune*, October 10, 2005. <http://www.chicagotribune.com/news/nationworld/chi-0510100110oct10,0,431231,full.story> (Downloaded October 31, 2011)

The DoD OIG investigated after the State Department Ambassador-at-Large John Miller, then-chief of State's anti-trafficking office, made a referral to them in response to the *Chicago Tribune* series. After investigation, the DoD OIG, stated in a memo that it "found no reason to question the sequence or accuracy of events outlined in the Chicago Tribune articles" and that it confirmed that "[s]ome of the Nepalese [men] clearly felt they had been deceived about their place of employment (Iraq versus Jordan)." However, the DoD OIG memo concluded that "while it would appear that some foreign-based companies are using false pretenses to provide laborers to KBR/Halliburton subcontractors in Iraq, we must note that none of the allegations in the Chicago Tribune articles are against U.S. persons or U.S. contractors."²⁶

There are questions about the DoD OIG's investigation in the Nepali case. Attorney Martina E. Vandenberg, who is with the firm Jenner & Block, testified before the Senate Judiciary Subcommittee on Human Rights and the Law in 2007 that the DoD OIG's investigation into the case appears to have been flawed. Vandenberg stated that "there's no indication that the Inspector General actually delved into the issue of criminal complicity, or even criminal conspiracy by U.S. persons or contractors. Indeed, there is no hint of any investigation into the involvement of any of these U.S. contractors."²⁷ In their lawsuit, the Nepali victims' families and the one sole survivor have charged that the defendants, which include U.S. persons and contractors, had a scheme to supply low-cost labor through illegal means.²⁸ Vandenberg further stated that the DoD OIG confused criminal and civil law principles, thus mistakenly concluding the U.S. government had no jurisdiction because there was no direct contractual relationship between the U.S. government and the foreign subcontractors and suppliers. However, "that's

²⁶ Hearing before the Senate Subcommittee on Human Rights and the Law of the Committee on the Judiciary, regarding Legal Options to Stop Human Trafficking, March 26, 2007. <http://www.gpo.gov/fdsys/pkg/CHRG-110shrg37695/pdf/CHRG-110shrg37695.pdf> (Downloaded October 31, 2011)

²⁷ Martina E. Vandenberg, attorney at Jenner & Block, "Testimony on Legal Options to Stop Human Trafficking, before the Senate Judiciary Subcommittee on Human Rights," March 26, 2007, p. 9. <http://www.gpo.gov/fdsys/pkg/CHRG-110shrg37695/pdf/CHRG-110shrg37695.pdf> (Downloaded October 31, 2011)

²⁸ *Ramchandra Adhikari, et al. v. Daud & Partners, Kellogg Brown & Root, Inc., Kellogg Brown & Root Services, Inc. And John Does 1-5*, August 27, 2008. http://www.contractormisconduct.org/ass/contractors/29/cases/1008/1369/halliburton-human-trafficking_complaint.pdf (Downloaded October 31, 2011) "In an effort to fulfill their contractual obligations, Defendants and the **coconspirators** willfully and purposefully formed an enterprise with the goal of procuring cheap labor and increasing profits. In order to achieve the illegal purpose of this enterprise, Defendants established, engaged and/or contracted with a network of suppliers, agents, and/or partners in order to procure laborers from third world countries. The common scheme of this enterprise was to traffic in laborers and to profit from the provision of this labor."

simply incorrect as a matter of law,” according to Vandenberg.²⁹ The Military Extraterritorial Jurisdiction Act gives the U.S. government criminal jurisdiction over DoD subcontractors at any tier.³⁰

U.S. Embassy and First Kuwaiti

Another case of alleged labor trafficking in Iraq involved one of the U.S.’s largest projects: the construction of the New Embassy Compound in Baghdad by First Kuwaiti General Trading and Contracting Company, a KBR subcontractor.

First Kuwaiti was brought up at a Wartime Contracting Commission hearing in July 2010 on subcontracting. Commissioner Grant Green mentioned several instances where allegedly First Kuwaiti brought laborers to the Middle East under the impression that they were going somewhere other than Iraq. According to Green, First Kuwaiti gave Indian men plane tickets that identified their destination as Dubai, United Arab Emirates, but flew them to Iraq instead. Another group of Nepalese men in Jordan were transferred to First Kuwaiti and driven to Iraq. “Their passports were taken and with the burden of a large recruiting fee hanging over their heads, they had little or no choice other than to go,” said Green during the hearing.³¹

In another instance, after a group of Sri Lankan men brought to Kuwait refused to go on to Iraq, First Kuwaiti General Trading “gave them an ultimatum: agree to travel to Iraq and get more food and water; refuse and get nothing. Be put out in the street in Kuwait City and find your way

²⁹ ²⁹ Martina E. Vandenberg, attorney at Jenner & Block, “Testimony on Legal Options to Stop Human Trafficking, before the Senate Judiciary Subcommittee on Human Rights,” March 26, 2007, p. 9. <http://www.gpo.gov/fdsys/pkg/CHRG-110shrg37695/pdf/CHRG-110shrg37695.pdf> (Downloaded October 31, 2011)

³⁰ 18 USC Chapter 212- Military Extraterritorial Jurisdiction. <http://uscode.house.gov/download/pls/18C212.txt> (Downloaded October 31, 2011)

³¹ Grant Green, Commissioner, Commission on Wartime Contracting in Iraq and Afghanistan, “Statement during Commission on Wartime Contracting in Iraq and Afghanistan hearing on Subcontracting: Who’s Minding the Store?,” July 26, 2010. http://www.wartimecontracting.gov/docs/hearing2010-07-26_transcript.pdf (Downloaded October 31, 2011)

home. Their [the Sri Lankans'] response: 'We could not go back, we did not have a ticket, a passport, or money,'" Green added.³²

Investigative journalist David Phinney also reported on allegations by two whistleblowers of labor trafficking by First Kuwaiti, which came under investigation by the full Oversight Committee.³³

The Multi-National Force-Iraq Inspector General (MNF-I IG) looked into these matters. A March 2007 memorandum by the MNF-I IG recounted the findings of two MNF-I IG inspections in December 2006. The memo states that several New Embassy Compound third country nationals "reported that fraudulent hiring practices were used during their recruitment. They

³² Grant Green, Commissioner, Commission on Wartime Contracting in Iraq and Afghanistan, "Statement during Commission on Wartime Contracting in Iraq and Afghanistan hearing on Subcontracting: Who's Minding the Store?," July 26, 2010. http://www.wartimecontracting.gov/docs/hearing2010-07-26_transcript.pdf (Downloaded October 31, 2011)

³³ David Phinney, "A U.S. Fortress Rises in Baghdad: Asian Workers Trafficked to Build World's Largest Embassy," *CorpWatch*, October 17, 2006. <http://www.corpwatch.org/article.php?id=14173> (Downloaded October 31, 2011)

Years ago the full Oversight Committee examined whether a previous State Department Inspector General's highly unusual examination in September 2006 into these allegations was sufficient and conducted properly. Committee on Oversight and Government Reform, Majority Staff, *Report on Allegations Regarding State Department Inspector General Howard Krongard*, November 2007. <http://oversight-archive.waxman.house.gov/documents/20071114102223.pdf> (Downloaded October 31, 2011) *Unusual* because the IG himself conducted the inquiry.

The minority disputed much of the majority's characterization of IG Howard Krongard, but did not contest that it is unusual for an IG to personally take on an inquiry: Committee on Oversight and Government Reform, 110th Congress, *Staff Report: Governing by Accusation* "The Committee's Assault on the State Department Inspector General" <http://web.archive.org/web/20080529033535/http://republicans.oversight.house.gov/Media/PDFs/20071114StateOIGReport.pdf> (Downloaded October 31, 2011)

At a minimum, we know what Krongard did was not an in-depth investigation or audit. Krongard himself testified to the full Committee that he did not conduct an inquiry that could be considered in-depth. Krongard testified:

First of all, I didn't do an investigation. I have tried to point that out. This was not an audit. It was not an investigation.

This was an agreed upon procedures and a limited review which I also did in conjunction with visits by the management committee or the management counselor."

Joint Hearing before the Subcommittee on National Security and Foreign Affairs and the Committee on Oversight and Government Reform, 110th Congress, regarding Allegations of Waste, Fraud and Abuse at the New U.S. Embassy in Iraq, p. 147. <http://oversight-archive.waxman.house.gov/documents/20071114164530.pdf> (Downloaded October 31, 2011)

stated the promises made and the terms of the original contracts presented to them in their country of origin were inconsistent with the actual conditions (lower pay, longer hours, no days off) of their employment in Iraq.” Further, “[i]n all cases where deceptive hiring practices were evident, the workers originated from the Indian Subcontinent countries of Nepal, India, Pakistan, Bangladesh, and Sri Lanka. The deception was from recruiting agencies that were being paid by these workers.”³⁴

The MNF-I IG memo details the debt bondage some of these laborers faced. “A large majority of workers from the Indian Subcontinent incurred recruiting fees of up to 1 year’s salary, which far exceeded the legal limits of the countries where the recruitment took place. ... Recruiting fees from approximately \$2,000 to \$3,000 are normal for workers from the Indian Subcontinent; TCN [third-country national] workers typically make only \$240 to \$400 per month. These workers reported they usually raise money to pay their recruiting fees by selling or mortgaging their land/house to a bank at 18-24% interest per year. Other workers borrow money from family, friends, and their villages to pay these illegal fees to recruiters. In several extreme cases, TCN workers relinquished all pay for between 9 to 12 months of labor, in order to repay their recruiting fee and interest.”³⁵ If this isn’t indentured servitude, I don’t know what is.

MNF-I IG may have only scratched the surface as it only conducted inspections, rather than investigations or audits, which are more in-depth.

First Kuwaiti said in a written statement to Congress that “allegations by former employees that First Kuwaiti engages in human trafficking and mistreats its work force [are] unsubstantiated claims.”³⁶

³⁴ Joint Hearing before the Subcommittee on National Security and Foreign Affairs and the Committee on Oversight and Government Reform, 110th Congress, regarding Allegations of Waste, Fraud and Abuse at the New U.S. Embassy in Iraq, pp. 141-142.<http://oversight-archive.waxman.house.gov/documents/20071114164530.pdf> (Downloaded October 31, 2011)

³⁵ Joint Hearing before the Subcommittee on National Security and Foreign Affairs and the Committee on Oversight and Government Reform, 110th Congress, regarding Allegations of Waste, Fraud and Abuse at the New U.S. Embassy in Iraq, pp. 141-142.<http://oversight-archive.waxman.house.gov/documents/20071114164530.pdf> (Downloaded October 31, 2011)

³⁶ Statement of First Kuwaiti General Trading & Contracting Company before the Committee on Oversight and Government Reform regarding Allegations of Waste, Fraud, and Abuse at the New U.S. Embassy in Iraq, July 26, 2007, p.4.

Investigative activity and enforcement

During my research, I tried to pin down the total number of U.S. government investigations into federal contractors accused of human trafficking in contingency operations (both labor and sex trafficking).

For instance, I reviewed the publicly available Department of Justice (DOJ) reports on human trafficking enforcement, which summarize investigative activity across the federal government. There were no Defense Department investigations into trafficking in persons in 2006 and 2007, according to the annual reports.³⁷ The section detailing the military's efforts is altogether missing in the 2008 report.³⁸ The Justice Department declined to comment on the missing section in its 2008 report when I asked the DOJ about this last year. In the 2009 report, the most recent available online (the report is dated July 2010), this section is also missing.³⁹

http://democrats.oversight.house.gov/images/stories/subcommittees/NS_Subcommittee/7.26.07_Iraq_Embassy/First_Kuwait_Written.pdf (Downloaded October 31, 2011)

³⁷ Department of Justice, *Assessment of U.S. Government Efforts to Combat Trafficking in Persons in Fiscal Year 2006*, September 2007, p. 18. <http://www.justice.gov/archive/ag/annualreports/tr2007/assessment-of-efforts-to-combat-tip0907.pdf> (Downloaded October 31, 2011); Department of Justice, *Attorney General's Annual Report to Congress and Assessment of the U.S. Government Activities to Combat Trafficking in Persons Fiscal Year 2007*, May 2008, pp.25-26. <http://www.justice.gov/archive/ag/annualreports/tr2007/agreporhumantrafficking2007.pdf> (Downloaded October 31, 2011)

The 2006 report was originally released in May 2007, and re-released in September 2007 with the Department of Defense section added. In June 2007, in written responses to questions for the record after a Senate hearing, a Justice Department official said DOJ and DoD would add a DoD section on its anti-trafficking after Martina Vandenberg proposed such a section. Hearing before the Senate Subcommittee on Human Rights and the Law of the Committee on the Judiciary, regarding Legal Options to Stop Human Trafficking, March 26, 2007, pp.32-33.

<http://www.gpo.gov/fdsys/pkg/CHRG-110shrg37695/pdf/CHRG-110shrg37695.pdf> (Downloaded October 31, 2011) <http://www.gpo.gov/fdsys/pkg/CHRG-110shrg37695/pdf/CHRG-110shrg37695.pdf> pages 32-33.

Original release of 2006 report. Department of Justice, *Attorney General's Annual Report to Congress on U.S. Government Activities to Combat Trafficking in Persons Fiscal Year 2006*, May 2007.

<http://www.justice.gov/archive/ag/annualreports/tr2006/agreporhumantrafficking2006.pdf> (Downloaded October 31, 2011)

³⁸ Department of Justice, *Attorney General's Annual Report to Congress and Assessment of U.S. Government Activities to Combat Trafficking in Persons Fiscal Year 2008*, June 2009.

<http://www.state.gov/documents/organization/125840.pdf> (Downloaded October 31, 2011).

³⁹ Department of Justice, *Attorney General's Annual Report to Congress and Assessment of U.S. Government Activities to Combat Trafficking in Persons*, July 2010.

<http://www.justice.gov/ag/annualreports/tr2009/agreporhumantrafficking2009.pdf> (Downloaded October 31, 2011)

In 2009, according to a 2010 DoD IG report, there was “one report of preliminary investigative activity of a contractor in Iraq” for labor trafficking violations, and while briefed to the Justice Department, prosecutors “determined facts and circumstances did not warrant further action.” The contractor took “corrective action,” according to the DoD IG report. This investigation may be the same one as that into Najlaa, but the DoD IG would not confirm this.

Over at the State Department, two investigations, one each on sex and labor trafficking, were opened in 2009 and closed in 2010, a State Inspector General spokesman told me last year. He said both cases were unsubstantiated, and declined to name companies or countries involved in the allegations.

The latest State Department annual report on human trafficking issued this past summer notes “during the reporting period, allegations were investigated and one employee was dismissed by a DoD contractor.” However, “no prosecutions occurred and no contracts were terminated” for the reporting period, although “allegations against federal contractors engaged in commercial sex and labor exploitation continued to surface in the media.”⁴⁰

In sum, although there are a few investigations into alleged contractor involvement in human trafficking in contingency operations, so far none of them have led to any prosecutions. It is possible that none of them warranted prosecution because allegations were not substantiated, prosecutors felt there wasn’t enough evidence to prosecute, or for other reasons. In at least two cases, prosecutors felt other appropriate remedies existed that were utilized so decided not to prosecute. Without knowing more, it can be hard to second-guess prosecutorial discretion in these cases.

But in one case, that of the Fijian women covered by *The New Yorker*, government investigators did not interview the women, according to the author of the article. That is a reason to be skeptical of the investigative outcome in that case.

⁴⁰ Department of State, “Country Narratives: Countries N Through Z: Office To Monitor and Combat Trafficking in Persons Trafficking in Persons: Report 2011.” <http://www.state.gov/g/tip/rls/tiprpt/2011/164233.htm> (Downloaded October 31, 2011)

Similarly, a labor broker in Sri Lanka told me during my reporting with David Isenberg on the Najlaa story that his company had submitted complaints in late 2008 “to the U.S. Army and other authorities” asking them to stop payments to Najlaa until the laborers and his company were paid, but said the complaints were not acknowledged and that there were no inquiries. POGO was provided with copies of the complaints the labor broker said he provided to the U.S. government. As of April this year, he said U.S. government investigators had not interviewed him or anyone with his company.⁴¹

While not criminal prosecutions, there have been some civil and administrative actions recently. Earlier this year, the Justice Department joined a whistleblower qui tam lawsuit that alleged that ArmorGroup North America had not reported trafficking-in-persons violations by its personnel as required by its contract. ArmorGroup North America, which had a contract to defend the U.S. Embassy in Kabul, settled the lawsuit for \$7.5 million.⁴² In a statement, ArmorGroup North America’s parent company said in a statement that the settlement was made “to avoid costly and disruptive litigation—and that there has been no finding or admission of liability.”⁴³

In addition, according to two State Department Office of Inspector General reports issued earlier this year that contain the findings of an audit and evaluation of U.S. Embassy locations in the Middle East, there are widespread indications of trafficking among the labor force working for embassy contractors and subcontractors. The State Department OIG stated in one report that two contractors were disqualified from winning future contracts. One contractor increased the risk of trafficking in persons “through exploitative conditions or work, including long work hours and payment issues.”⁴⁴ Another was disqualified and had its contract terminated in Jordan because the

⁴¹ David Isenberg and Nick Schwellenbach, “Documents Reveal Details of Alleged Labor Trafficking by KBR Subcontractor: The Najlaa Episode Revisited,” *POGO Blog*, June 14, 2011. <http://www.pogo.org/pogo-files/alerts/contract-oversight/co-ht-20110614.html>

⁴² Department of Justice, Office of Public Affairs, “Armor Group North America and Its Affiliates Pay \$7.5 Million to Resolve False Claims Act Allegations,” July 7, 2011. <http://www.justice.gov/opa/pr/2011/July/11-civ-889.html> (Downloaded October 31, 2011)

⁴³ Wackenhut Services Inc., “ArmorGroup North America Reaches Settlement with Dept. of Justice Resolving Former Employee's Allegations,” July 7, 2011. <http://www.prnewswire.com/news-releases/armorgroup-north-america-reaches-settlement-with-dept-of-justice-resolving-former-employees-allegations-125162109.html> (Downloaded October 31, 2011)

⁴⁴ Department of State, Office of Inspector General, Middle East Regional Office, *Performance Evaluation of Department of State Contracts to Monitor Vulnerability to Trafficking in Persons Violations in the Levant (MERO)-I-11-07*, March 2011, p. 4. <http://oig.state.gov/documents/organization/160376.pdf> (Downloaded October 31, 2011)

“contracting officer stated that a female employee of the contractor alleged that her employer had solicited her to engage in prostitution” and had thus violated the Federal Acquisition Regulation’s prohibition on trafficking in persons.⁴⁵

Recommendations

If we assume that enforcement is not where it should be despite the 2002 Bush Administration National Security Presidential Directive 22, which set forth a “zero tolerance” policy on trafficking that includes prosecution and suspension and debarment of federal contractors,⁴⁶ what can be done?

One thing that can be done is to ensure that investigations are thorough and that investigative resources are adequate. One obvious deficiency in some of the investigations I’ve looked into is the lack of interviews of victims and other witnesses, including individuals who have directed submitted complaints to the government.

This raises an immediate red flag—how can an investigative agency make a determination that allegations are not substantiated without interviewing the individuals making the allegations?

This Subcommittee should consider requesting some of the underlying documentation on these cases, and a briefing on all investigations into trafficking by State and DoD investigators.

In addition, lurking in the background of almost any conversation on criminal enforcement in Iraq and Afghanistan are the oversight voids that existed for some time both in Iraq and

“Specifically, all employees for one contractor reported they routinely worked double shifts equating to 70-80 hours per work week, but did not receive overtime pay, in violation of local labor law. In addition, all the employees reported having to pay fees to the employer to renew their work permits at a cost amounting to approximately 1 month’s salary. However, at the time of OIG’s field work, the contract was in its final days of performance and a new contract solicitation had already been issued. Moreover, the embassy at which the contract was executed had previously learned of the contractor’s conduct and had disqualified it from issuing a proposal for the new contract.”

⁴⁵ Department of State, Office of Inspector General, Middle East Regional Office, *Performance Evaluation of Department of State Contracts to Monitor Vulnerability to Trafficking in Persons Violations in the Levant (MERO)-I-11-07*, March 2011, p. 4. <http://oig.state.gov/documents/organization/160376.pdf> (Downloaded October 31, 2011)

⁴⁶ Memorandum from the Office of the White House, to the Vice President, et al, regarding National Security Presidential Directive/NSPD-22 regarding Combating Trafficking in Persons, December 16, 2002. <http://www.combat-trafficking.army.mil/documents/policy/NSPD-22.pdf> (Downloaded October 31, 2011)

Afghanistan. At the beginning of and throughout contingency operations, adequate investigative and prosecutorial resources need to be in place. The proposed Special Inspector General for Overseas Contingency Operations (SIGOCO) could be the way to ensure that these resources are in place. The Wartime Contracting Commission and the Special Inspector General for Iraq Reconstruction have recommended the SIGOCO concept, and Representative John Tierney has introduced H.R. 2880, which would create a SIGOCO.⁴⁷

Beyond ensuring that investigators are conducting, and that they have the resources to conduct, adequate investigations, we need to ensure that there are not gaps in the rule of law. Currently, there is an ambiguity regarding the application of U.S. criminal law to non-DoD contractors and subcontractors (such as those working for State and USAID).

As the Commission on Wartime Contracting stated in its final report:

Expansion of investigative authority and jurisdiction would facilitate imposing effective accountability on contractors, especially foreign contractors and subcontractors who are difficult or impossible to subject to U.S. law. Increasing contractor accountability would also enhance protections against exploitation of persons.⁴⁸

To expand jurisdiction and authority, the Civilian Extraterritorial Jurisdiction Act, or CEJA, should be passed. House and Senate versions of the CEJA (H.R. 2136 and S. 1145) were introduced over the summer.

Yet another answer is that the government should create incentives for prime contractors to hold their supply chains accountable.

⁴⁷ H.R. 2880, Contingency Operation and Emergency Oversight Act of 2011. <http://www.gpo.gov/fdsys/pkg/BILLS-112hr2880ih/pdf/BILLS-112hr2880ih.pdf> (Downloaded October 31, 2011)

⁴⁸ Commission on Wartime Contracting in Iraq and Afghanistan, *Final Report to Congress: Transforming Wartime Contracting: Controlling costs Reducing risks*, August 2011, p. 11. http://www.wartimecontracting.gov/docs/CWC_FinalReport-lowres.pdf (Downloaded October 31, 2011)

The Commission recommended that enforcement be strengthened through prime contractors. One of their recommendations is to:

Direct agencies to incentivize contingency contractors to end trafficking in persons by labor brokers and subcontractors by requiring prime contracts to include performance incentives, such as award fees, and mandate that an assessment of contingency contractors' management of trafficking in persons be included in performance assessments.⁴⁹

Regarding the Commission's recommendation on performance assessments, the DoD published guidance last year directing contracting officer representatives to include trafficking considerations as part of their quality assurance surveillance plans so that contractor "non-compliance with FAR clause 52.222-50, Combating Trafficking in Persons, is brought to the immediate attention of the contracting officer."⁵⁰ It is not clear if an assessment of prime contractor management of its subcontractors and labor brokers in regards to trafficking is part of these quality assurance surveillance plans, but it should be if it is not.

Another partial solution is language contained in the House version of the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2011 (H.R. 2830) that would greatly strengthen the role of the DoD trafficking-in-persons program and improve reporting on enforcement activities. We fully support these provisions, but believe the section on foreign labor contracting should be amended to apply to foreign laborers recruited to work on U.S. government contracts (and subcontracts) outside of the U.S.

A former federal prosecutor, Sam McCahon, who is conducting a private investigation of labor trafficking, has a proposal to amend the TVPRA to expand coverage in the U.S. Code, Title 18, Section 1351—which is related to fraud in foreign labor contracting—which could help enforcement efforts. Currently Section 1351 makes it illegal to intentionally deceive labor

⁴⁹ Commission on Wartime Contracting in Iraq and Afghanistan, *Final Report to Congress: Transforming Wartime Contracting: Controlling costs Reducing risks*, August 2011, p. 160.

http://www.wartimecontracting.gov/docs/CWC_FinalReport-lowres.pdf (Downloaded October 31, 2011)

⁵⁰ PGI 222.17—Combating Trafficking in Persons. http://www.acq.osd.mil/dpap/dars/pgi/pgi_hm/PGI222_17.htm (Downloaded October 31, 2011)

recruits outside of the U.S. for work in the U.S. with materially false or fraudulent pretenses, representations, or promises regarding the employment. That language should be expanded to include fraudulent labor recruitment and other questionable practices for work performed on U.S. government contracts performed outside of the U.S.

The problem of trafficking can also be approached with legal tools other than the TVPA. Often there is evidence of many elements of a trafficking violation, but not enough to put together an airtight criminal case on trafficking itself. However, the trafficking scheme may contain elements of procurement fraud and/or kickbacks between subcontractors and labor brokers. Investigators and prosecutors should consider going after those violations if they have prosecutorial merit.

We also need to make sure administrative tools such as suspensions and debarments, even in the absence of criminal prosecutions or civil actions in federal court, are used when warranted to protect the interests of the U.S. government. Furthermore, the government should add information on a contractor's connections to trafficking into its Past Performance Information Retrieval System. In our examination of the Najlaa case, David and I noted that, despite all the government's information on Najlaa's labor abuses as a subcontractor, nothing negative existed in the government's Past Performance Information Retrieval System entries on the company.⁵¹

Trafficking-in-persons training and contractual clauses will also help raise awareness to prevent this practice and promote the reporting of violations when they occur. The DoD IG has found that a substantial percentage of the contracts they have audited do not have the mandatory trafficking-in-persons clause.⁵² This is troubling, since, as the DoD IG pointed out in its report earlier this year:

⁵¹ Government Accountability Office, Bid Protest Decision regarding Najlaa International Catering Services, B-402434; B-402434.2 <http://www.gao.gov/decisions/bidpro/402434.htm> (Downloaded October 31, 2011) "Since no past performance information had been submitted for the firm, its initial proposal received an unknown risk rating under the past performance factor."

⁵² Department of Defense, Office of Inspector General, *Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command* (Report No. SPO-2011-002), January 18, 2011, p. 5. http://www.dodig.mil/SPO/Reports/SPO-2011-002_508.pdf (Downloaded October 31, 2011); Department of Defense, Office of Inspector General, *Evaluation of DoD Contracts Regarding Combating Trafficking in Persons* (Report No. IE-2010-001), January 15, 2010, p. 7. http://www.dodig.mil/inspections/IE/Reports/DODIG_Evaluation_CombatingTrafficking_Persons2010.pdf (Downloaded October 31, 2011)

Noncompliance with the requirement to include the CTIP [Combating Trafficking in Persons] clause in contracts has two negative effects. First, contractors remain unaware of the U.S. Government’s “zero tolerance” policy and self-reporting requirements regarding CTIP. Second, contracting offices were potentially unable to apply applicable remedies to correct contractor violations when the CTIP clause was not properly present. The number of contracts without any form of a CTIP clause indicates that additional effort is still necessary to ensure compliance.⁵³

This is a baseline issue that needs to be remedied, and we need to ensure these clauses also flow down to subcontractors, which is where we’ve seen most of the problems with labor trafficking.

Additionally, every contractor and subcontractor site should be required to post in the language of the foreign nationals working on site a poster explaining their rights and offering a hotline for violations of trafficking in persons. This has been successful in other contexts, such as the requirement on Recovery Act job sites to post signage regarding whistleblower protections and a hotline to report waste, fraud, and abuse.⁵⁴ This would help meet the intent of the Federal Acquisition Regulation, which requires that contractors inform their employees of the U.S. government’s zero tolerance policy.⁵⁵

The nexus between trafficking and our war zone supply chain has existed on a significant scale at least since the conflict in the Balkans at the end of the 1990s. Although there are some differences between that situation and the one that exists today, there are far more similarities. There are many horror stories. Enforcement is lacking in many key ways. Whistleblowers,

⁵³ Department of Defense, Office of Inspector General, *Evaluation of DoD Contracts Regarding Combating Trafficking in Persons: U.S. Central Command* (Report No. SPO-2011-002), January 18, 2011, p. 6. http://www.dodig.mil/SPO/Reports/SPO-2011-002_508.pdf (Downloaded October 31, 2011)

⁵⁴ Recovery.gov, “Whistleblower Information.” <http://www.recovery.gov/Contact/ReportFraud/Pages/WhistleBlowerInformation.aspx> (Downloaded October 31, 2011)

⁵⁵ Federal Acquisition Regulations (FAR), 52.222-50 Combating Trafficking in Persons. https://www.acquisition.gov/far/html/52_222.html#wp1151848 (Downloaded October 31, 2011); Federal Acquisition Regulations (FAR), Subpart 22.17—Combating Trafficking in Persons. https://www.acquisition.gov/far/html/Subpart%2022_17.html (Downloaded October 31, 2011)

journalists, NGOs, and the fourth estate have been in the vanguard raising these issues. We must be vigilant in deploying U.S. policy and resources in ways that combat modern-day slavery, especially when our tax dollars may be inadvertently fueling it. We cannot allow these crimes to continue with impunity.

Before I conclude, I want to acknowledge some of the people whose work has informed mine. Thanks to the work of Dyncorp whistleblowers Kathryn Bolkovac and Ben Johnston who disclosed human trafficking by Dyncorp employees in the Balkans, and the investigation and advocacy of attorney Martina E. Vandenberg, formerly with Human Rights Watch, Sarah Mendelson, formerly with the Center for Strategic and International Studies, and many others, we have the laws, regulations, and training that we have today.



**Nick Schwellenbach, Director of Investigations
Project On Government Oversight (POGO)**

Nick Schwellenbach rejoined POGO in 2010, and oversees POGO's investigations. In addition, Mr. Schwellenbach conducts investigations into national security-related corruption, incompetence, and waste; transportation safety; government secrecy policies and practices; and the effectiveness of government oversight.

Prior to rejoining POGO, Mr. Schwellenbach was a staff writer at the Center for Public Integrity from 2008 to 2010, where he wrote about congressional ethics and defense spending. He and the Center were finalists for the 2009 Scripps Howard Raymond Clapper Washington Reporting award for investigative work on the House Defense Appropriations Subcommittee. He also assisted in the direction of a Knight Foundation-funded News21 team of eleven graduate students from around the country working on an investigative series on transportation safety.

Previously, Mr. Schwellenbach was an investigator at POGO from 2004 through 2008. His work on lavish Air Force accommodations for generals was one of three POGO investigations cited by the Society of Professional Journalists when they awarded POGO its prestigious national Sunshine Award for improving government transparency. He has testified before Congress on the need for stronger whistleblower protections in order to improve congressional oversight and how to improve contract auditing. From August 2006 through February 2007, Mr. Schwellenbach was a reporter-researcher for the Nieman Watchdog, a project of the Nieman Foundation for Journalism at Harvard University, that seeks to improve the quality of American journalism.

His reporting has appeared in *The Washington Post*, *Politico*, *Bulletin of the Atomic Scientists*, and elsewhere. Mr. Schwellenbach is also a contributor to *TIME* magazine's national security blog.

Mr. Schwellenbach earned his M.A. in Journalism and Public Affairs from American University and his B.A. in History with a minor in Economics from the University of Texas-Austin.

Committee on Oversight and Government Reform
Witness Disclosure Requirement – “Truth in Testimony”
Required by House Rule XI, Clause 2(g)(5)

Name:

1. Please list any federal grants or contracts (including subgrants or subcontracts) you have received since October 1, 2008. Include the source and amount of each grant or contract.

N/A

2. Please list any entity you are testifying on behalf of and briefly describe your relationship with these entities.

The non-profit Project On Government Oversight (POGO).

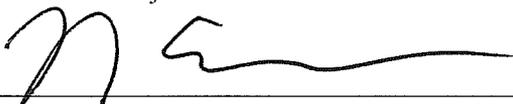
POGO is my employer. I work as
POGO's Director of Investigations.

3. Please list any federal grants or contracts (including subgrants or subcontracts) received since October 1, 2008, by the entity(ies) you listed above. Include the source and amount of each grant or contract.

N/A. POGO does not accept
government funding.

I certify that the above information is true and correct.

Signature:



Date:

10/31/2011
