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Accountability Office Finds Itself Accused

By WILLIAM J. BROAD

A senior Congressional investigator has accused his agency of covering up a scientific fraud among builders of a \$26 billion system meant to shield the nation from nuclear attack. The disputed weapon is the centerpiece of the Bush administration's antimissile plan, which is expected to cost more than \$250 billion over the next two decades.

The investigator, Subrata Ghoshroy of the Government Accountability Office, led technical analyses of a prototype warhead for the antimissile weapon in an 18-month study, winning awards for his "great care" and "tremendous skill and patience."

Mr. Ghoshroy now says his agency ignored evidence that the two main contractors had doctored data, skewed test results and made false statements in a 2002 report that credited the contractors with revealing the warhead's failings to the government.

The agency strongly denied his accusations, insisting that its antimissile report was impartial and that it was right to exonerate the contractors of a coverup.

The dispute is unusual. Rarely in the 85-year history of the G.A.O., an investigative arm of Congress with a reputation for nonpartisan accuracy, has a dissenter emerged publicly from its ranks.

And Mr. Ghoshroy's assertions raise new questions about the Boeing Company's military arm, the main contractor for the troubled \$26 billion system of interceptor rockets now being installed in Alaska and California. The system's "kill vehicles" are to zoom into space and destroy enemy warheads by force of impact.

But years of test failures have thrown the program into disarray, and the military has recently begun to look for a kill vehicle of greater reliability.

Mr. Ghoshroy, 56, a senior analyst with seven years of service at the accountability office, makes his charges in a recent letter to Representative Howard L. Berman, a California Democrat who, along with Senator Charles E. Grassley, Republican of Iowa, originally requested the G.A.O. study. Mr. Berman's office provided his letter to The New York Times, along with dozens of Mr. Ghoshroy's documents.

After the G.A.O. made its report public in February 2002, Mr. Ghoshroy quietly tried to have his agency reverse itself and grew increasingly frustrated at its denials. He took a sabbatical at Harvard.

John P. Holdren, a Harvard physicist who oversaw his leave as director of the university's program on science, technology and public policy, praised Mr. Ghoshroy as "smart, capable and honest," and added, "I think Subrata's been right to stick to his guns."

Mr. Ghoshroy is now on leave from the accountability office as a research fellow at the Massachusetts Institute of Technology.

In an interview, David M. Walker, the head of the G.A.O. (formerly known as the General Accounting Office), called the senior analyst "a relatively low-level, disgruntled employee" out of step with his technical peers.

He denied that his agency had produced a biased report and defended the rigor of its investigations. "We don't pull any punches," Mr. Walker said. "It's almost laughable for anybody to say that."

Pentagon planners hail the weapon, known as the ground-based midcourse interceptor, as a hedge against disaster. Skeptics ridicule it as an unworkable defense against a nonexistent threat.

The dispute over its reliability began a decade ago. Nira Schwartz, a senior engineer in 1995 and 1996 at the military contractor TRW, told her superiors that the company had falsified research findings meant to help kill vehicles differentiate incoming warheads from clouds of decoys.

In April 1996, Dr. Schwartz filed a suit under the False Claims Act, a federal law that allows heavy fines against contractors who lie about their government work. TRW strongly denied her accusations.

She subsequently singled out the prototype kill vehicle's first flight test, in June 1997, arguing that the contractors falsified data from it. The flight cost \$100 million.

TRW was a Boeing subcontractor. Boeing, in turn, was competing against other companies to build the overall kill vehicle. Both denied any impropriety.

In 2000, Senator Grassley and Representative Berman asked the G.A.O. to examine Dr. Schwartz's charges.

Mr. Ghoshroy became the main technical analyst. Born in India, he earned a master's degree in electrical engineering at Northeastern University in 1973. He worked at <u>Princeton</u>, for military contractors and for the House National Security Committee in Washington before joining the accountability office in 1998 as a senior defense analyst.

Almost immediately, Mr. Ghoshroy recalled, the G.A.O. team found signs of a coverup — for instance, disturbing charts buried at the back of an upbeat report.

The stakes rose in January 2001 as George W. Bush took office, having pledged to deploy antimissile arms "at the earliest possible date."

On April 12, a G.A.O. manager wrote a draft summary of the team's findings. It strongly backed Dr. Schwartz, saying the contractors had "excluded some data and modified statistical techniques."

The summary added that failures of the kill vehicle during its test flight made most of the collected data unusable. It also questioned whether the test showed that "the Boeing sensor could distinguish a warhead from decoys."

Around this time, the G.A.O. team was directed to switch its focus from looking for fraud to searching for contractor admissions of failure. While it found written reports that disclosed some flight-test problems before Dr. Schwartz revealed them to federal investigators, it was unable to document them all.

Finally, the team learned of a meeting in late August 1997 at which contractor personnel had reportedly made complete oral disclosures. But no contractor or federal official could recall anything specific about this meeting — no date, place, agenda or list of attendees.

Mr. Ghoshroy came to believe that the meeting had never happened, he said. Even so, the G.A.O. report incorporated its claims. The report also noted the explanations that the contractors gave for excluding some experimental data.

After the report was made public, Mr. Ghoshroy in private called for an independent investigation of its integrity. The G.A.O. conducted three internal inquiries, each absolving itself of any wrongdoing.

In an interview and written responses to questions, Mr. Walker of the accountability office said part of the controversy grew from a "communication breakdown" with Mr. Berman's office over the report's scope. His agency, he said, has a policy of addressing no issue that could affect litigation, but had failed to tell Mr. Berman that.

Mr. Walker emphasized that the strong consensus at the G.A.O. was against Mr. Ghoshroy. The communication breakdown, he said, "doesn't mean the report is wrong."

And he defended the report's use of the disputed oral disclosures, saying it relied "more heavily" on written admissions. Mr. Ghoshroy said the office's dependence on such evidence was highly unusual.

The contractors never presented the exonerating G.A.O. study in court. In early 2003, a federal judge threw out Dr. Schwartz's suit after deciding that going ahead would release military secrets that could

hurt national security.

Today, the military calls the dispute irrelevant to national defense because the Boeing kill vehicle was rejected in favor of one made by Raytheon. The Raytheon model now tips the nation's antimissile interceptors.

But Mr. Ghoshroy says the issue matters greatly. Boeing may have lost the kill vehicle competition, but it won a bigger contest as the Pentagon in 1998 named it lead contractor for the whole antimissile project. Charges of corporate dishonesty, he said, threaten to undermine the program's overall credibility.

Boeing declined to comment on the dispute. A spokeswoman, Maria McCullough, said company policy was to not comment on reports it had not seen.

Meanwhile, the military has quietly begun looking for a better interception method. One alternative under study is a shotgun approach that would try to destroy all enemy targets in space, whether warheads or decoys.

For his part, Mr. Ghoshroy said he found it "totally amazing" that the G.A.O. refused to admit that its report misinformed Congress and the public. "I'm concerned," he said, "that there's no one out there to oversee the overseer."

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