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## Senate

The Senate met at 10 a.m. and was called to order by the Honorable MICHAEL D. CRAPO, a Senator from the State of Idaho.

### PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Father, Lord of the ups and downs of life, Lord of the seeming triumphs and supposed disappointments, Lord who does not change in the midst of change, we come to You for Your strength and Your power. Make us hopeful people who expect great strength from You and continue to attempt great strategies for You. Today especially, we ask You to fill this Chamber with Your presence and each Senator—Democrat, Republican, Independent—with Your special resiliency. Replenish our wells with Your peace that passes understanding. We claim Your promise through Isaiah—*Fear not, for I am with you. Be not dismayed, I am your God. I will strengthen you; yes, I will help you; and I will uphold you with My righteous right hand.* Amen.

### PLEDGE OF ALLEGIANCE

The Honorable MICHAEL D. CRAPO led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

### APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The assistant legislative clerk read the following letter:

U.S. SENATE,  
PRESIDENT PRO TEMPORE,  
Washington, DC, May 24, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby

appoint the Honorable MICHAEL D. CRAPO, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,  
President pro tempore.

Mr. CRAPO thereupon assumed the chair as Acting President pro tempore.

### RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

### RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

### SCHEDULE

Mr. THOMAS. Mr. President, today the Senate will be in a period for morning business until 11:30 a.m., with Senators THOMAS and DURBIN in control. Following morning business, the Senate may begin consideration of any legislative or executive items available for action. The conference report to accompany the tax reconciliation bill is expected to be available no later than Friday. Therefore, we expect votes throughout the remainder of the week.

I thank my colleagues for their attention.

### CONFERENCE REPORT PROGRESS

Mr. REID. Will the Senator from Wyoming yield?

Mr. THOMAS. Absolutely.

Mr. REID. I see the chairman of the Finance Committee. I ask him if we made progress on the conference.

Mr. THOMAS. The chairman is going to take a few minutes.

Mr. REID. The reason I say that, it is Thursday morning early, but we have already been getting calls on this side about people wanting to make parades on Saturday and things of that nature. I hope the Senator will be good enough this morning and during the day to

keep us posted on how the conference is proceeding so we are better equipped to answer the phone calls we get.

Mr. THOMAS. I yield to the chairman of the Finance Committee.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. I thank the distinguished Democratic leader for asking the question. I hope I can answer it. Remember, I have tried to conduct the work of the Finance Committee in a very transparent way and with open communication with everybody. So there will not be anything about this conference committee, except the specific negotiations, that will be kept from anybody.

Last night there were some—well, yesterday over the course of the afternoon and evening there were three informal meetings, and they are going to continue this morning, probably in just a few minutes. There have not been any decisions made yet, but the normal give and take that has to be done before settling down to serious negotiation is done and out of the way.

What I can best inform you about is that at the trail end of our visiting yesterday the Speaker of the House came to our meeting and he informed all conferees that he had instructed the House of Representatives that they would stay in session into the weekend until this conference report was adopted. That does not mean we have to be in on the weekend.

There has to be a realization that there has to be a slot of give and take. There is good spirit about the conference at this point, and we will just have to work our way through it. That is all I can tell the Senator. I will be glad to keep him informed anytime he wants to ask, and even if he does not ask, I know I have a responsibility to keep him informed, and I will try to do that.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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## MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, with Senators permitted to speak therein for not to exceed 5 minutes.

Under the previous order, the time until 10:45 a.m. shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, is the Senator from Wyoming finished?

Mr. THOMAS. I yield to the Senator.

## NOMINATION OF DAVID CHU

Mr. GRASSLEY. Mr. President, I want to speak about something I have often spoken about in this Chamber. My colleagues have not heard me speak about this for a couple months. I try to follow on a very regular basis what is going on in the Defense Department because I want to make sure our defense dollars are spent wisely.

I come to this Chamber today to explain my opposition to a Department of Defense nomination. This is the nomination of Dr. David Chu to be Under Secretary of Defense for Personnel and Readiness.

On Friday, May 18, I placed a hold on Dr. Chu's nomination. It happens that Dr. Chu is a very talented person. Those people who know him may wonder why I have some question about him filling this position because he is so highly educated, holding a Ph.D. from Yale University. He has a very impressive resume, and he has an extensive management and analytical background. He is currently vice president at the prestigious Rand Corporation.

In most ways, he is qualified for the position for which he has been nominated. I emphasize, he is qualified in most ways, but in a most important one—the matter of integrity—I am not 100-percent certain.

I have some unresolved questions about Dr. Chu's approach to telling it like it is—one might say his honesty. I am hoping these can be cleared up through negotiations.

My questions about Dr. Chu's integrity go back 20 years. I am sorry to say, to 1982, an incident I had that involved the Director of the Office of Program Analysis and Evaluation. This is commonly called PA&E—program, analysis, and evaluation.

PA&E was a very important office in the Pentagon in those days, and it was staffed with a very impressive cast of characters. It was set up in the 1960s to act as a devil's advocate for the Secretary of Defense.

PA&E was supposed to help the civilian Secretary of Defense separate the wheat from the chaff. PA&E was supposed to ferret out questionable programs and help the Secretary eliminate those that were not necessary.

From time to time, PA&E has to tangle with the brass at the Pentagon, and

it took a very special person to do that. I think Secretary Rumsfeld is coming to grips with that very same problem right now.

Over the years, PA&E developed a reputation for being very hardnosed, but also being very smart. In the old days, PA&E put the fear of God in the hearts and minds of admirals and generals worried about their pet projects.

Over the years, PA&E earned a solid reputation and well-deserved respect. That is how it came to be known as the home for the famous Pentagon “whiz kids.” One of the modern-day whiz kids is one I came to know quite well—Franklin C. Spinney, Chuck Spinney for short.

Chuck Spinney worked for Dr. Chu in PA&E's tactical air division, where he still works this very day. Chuck Spinney's immediate boss was Tom Christie. Tom Christie is another distinguished PA&E alumnus. President Bush has just nominated him to be the next Director of Operational Test and Evaluation.

Tom Christie deserves a lot of credit for protecting Chuck Spinney. He provided a sanctuary where Chuck Spinney could speak freely. He provided an environment where Chuck Spinney could do the kind of work that PA&E had always done. Unfortunately, this kind of work became increasingly unpopular during the Reagan defense build-up.

That's when I met Chuck Spinney—in the early stage of the Reagan defense build-up. I came to know him as the author of a very controversial report entitled “The Plans/Reality Mismatch.”

The Plans/Reality Mismatch was an explosive piece of work. It was so explosive because it undermined the credibility of the Reagan defense build-up.

Chuck Spinney's Plans/Reality Mismatch set the stage for an unprecedented hearing held in February 1983. This was a joint hearing between the Armed Services and Budget Committees that was held largely at my request.

And Chuck Spinney, his Plans/Reality Mismatch, and stack of famous spaghetti charts were the centerpiece of the hearing. This was a hearing characterized by high drama. It was held in the Senate Caucus Room under the glare of television lights and intense media coverage.

Chuck Spinney gained instant notoriety as the “maverick Pentagon analyst.” He appeared on the cover of the March 7, 1983 issue of Time magazine.

My questions about Dr. Chu's integrity grew out of Chuck Spinney's Plans/Reality Mismatch.

Leading up to the hearing, Dr. Chu withheld information about the Spinney report. He didn't tell us the whole story. He tried to keep it from me, Senator Gorton, and Senator Kassebaum.

Mr. President, that's the bottom line: Dr. Chu was not forthright and honest with me.

I laid out the entire matter in much greater detail in a letter I wrote to the chairman of the Budget Committee, my friend from New Mexico, Senator PETE DOMENICI.

My letter to Senator DOMENICI is dated January 19, 1995.

I wrote the letter because Dr. Chu was being considered as a possible Director of the Congressional Budget Office. I opposed his appointment to that position.

My letter about Dr. Chu has remained a closely guarded secret for the past six years. Until recently, only Senator DOMENICI had seen the letter—and no one else.

When I heard that Dr. Chu was being considered for a top-level post in the Pentagon, I shared the letter with the Director of White House Personnel. That was on March 8.

Clearly, the existence of this letter has caused some heartburn in both the White House and Pentagon. It has generated a number of phone calls to my office.

I continue to have strong reservations about Dr. Chu's nomination.

When I was contacted by the White House about Dr. Chu, I made my position crystal clear:

If Secretary Rumsfeld wants to make Dr. Chu the Under Secretary of Personnel and Readiness, then Secretary Rumsfeld will need a strong, independent Inspector General (IG).

That's my position on the Chu nomination.

One of the IG's toughest jobs is the investigation of allegations of misconduct by senior Pentagon officials. He will need a hard-nosed individual with plenty of hands-on experience to succeed at that job.

I don't see the Pentagon moving in that direction—yet.

Mr. President, I may have much more to say about Dr. Chu at a later date.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

## SENATE BUSINESS

Mr. THOMAS. Mr. President, I take a few minutes this morning to talk about a topic to which we will soon be moving. We have properly spent a good deal of time on the budget. We spent a good deal of time on taxes, although that is not finished yet. I congratulate the chairman on his excellent work on the tax bill. It sounds as if we will be able to present that to the President and successfully give tax relief to the American people.

We also have been heavily involved in education. We have not finished that area yet. We will soon be returning to it.

Those have been the most current topics and perhaps, indeed, among Members the most important topics.

There is another topic that is very important to everyone and one to which we are moving, and that is energy and energy policy. After having