

by saying thank you to Senator THURMOND, as a citizen of the United States of America and as a colleague in the Senate. I am honored that I can say I served with you and called you my friend. Moreover, I know that many Americans will join me in commemorating the enduring record you have set and legacy you will leave for future generations.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, June 9, 1997, the Federal debt stood at \$5,348,703,813,773.07. (Five trillion, three hundred forty-eight billion, seven hundred three million, eight hundred thirteen thousand, seven hundred seventy-three dollars and seven cents)

Five years ago, June 9, 1992, the Federal debt stood at \$3,940,424,000,000. (Three trillion, nine hundred forty billion, four hundred twenty-four million)

Ten years ago, June 9, 1987, the Federal debt stood at \$2,296,260,000,000. (Two trillion, two hundred ninety-six billion, two hundred sixty million)

Fifteen years ago, June 9, 1982, the Federal debt stood at \$1,072,647,000,000. (One trillion, seventy-two billion, six hundred forty-seven million)

Twenty-five years ago, June 9, 1972, the Federal debt stood at \$428,210,000,000 (Four hundred twenty-eight billion, two hundred ten million) which reflects a debt increase of nearly \$5 trillion—\$4,920,493,813,733.07 (Four trillion, nine hundred twenty billion, four hundred ninety-three million, eight hundred thirteen thousand, seven hundred thirty-three dollars and seven cents) during the past 25 years.

Mr. GRASSLEY addressed the Chair. The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I ask unanimous consent to have 5 minutes as if in morning business and to extend the time.

The PRESIDING OFFICER. Without objection, it is so ordered.

OPPOSITION TO POSSIBLE NOMINATION OF JOHN HAMRE TO BE DEPUTY SECRETARY OF DEFENSE

Mr. GRASSLEY. Mr. President, on May 27 I sent a letter to President Clinton.

In it, I expressed opposition to the possible nomination of Mr. John J. Hamre to fill the No. 2 spot at the Pentagon.

He would be the Deputy Secretary of defense, and it's a big job.

I told the President why I would oppose this nomination—if it's ever made, and I'll give my reasons in just a moment.

But 2 days after writing this letter, the Washington Post ran a story about my opposition to the nomination.

Mr. Hamre was also interviewed.

He attempted to respond to my criticism.

Mr. President, I ask unanimous consent that my letter and the newspaper article be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRASSLEY. Mr. President, I would like to address some of Mr. Hamre's assertions.

First, Mr. Hamre's remarks imply that my criticism is somehow personal. Nothing could be further from the truth. He is a very likeable person.

But my personal feelings have absolutely nothing to do with my position on his nomination.

What I have tried to do is examine all the facts and then reach a conclusion based on those facts.

These are the facts as I know them.

In 1992, the inspector general [IG] examined the Department of Defense's [DOD] progress payment procedures.

The IG along with legal counsel declared that these policies "resulted in the rendering of false accounts and violations of the law."

The IG told the Department to get on the stick and fix the problem.

The bureaucrats balked.

Under pressure, they finally signed an agreement in March 1993.

In signing this document, they agreed to comply with the law.

One of the persons who signed this agreement was Mr. Alvin Tucker.

Well, 7 months after Mr. Tucker signed the agreement, Mr. Hamre became Comptroller and Chief Financial Officer or CFO.

Well, guess what?

Mr. Tucker became Mr. Hamre's most senior deputy. He became the Deputy CFO.

Mr. President, after becoming CFO, Mr. Hamre did nothing to meet the terms of the agreement and comply with the law.

Instead, he sided with the bureaucrats who were thumbing their noses at the law.

He gave them the green light to keep breaking the law.

He personally reauthorized their illegal operation.

Then, early this year he floated a legislative proposal.

His draft language would have sanctioned the procedure that the IG had declared illegal and that he, Mr. Hamre, had personally authorized.

Mr. President, those are the facts.

In my opinion, Mr. Hamre was attempting to legalize a crime.

Mr. Hamre knew full well his progress scheme was operating outside the law.

Otherwise, why would he feel like he needed some legal cover?

Second, he accuses me of making a mountain out of a molehill.

He claims I am focusing on a "small policy" issue.

I take issue with the notion that this is somehow an insignificant issue.

The statute that Mr. Hamre's progress payment scheme violates is section 1301 of title 31 of the United States Code.

This law embodies a sacred constitutional principle: Only Congress has the power to decide how public money may be spent.

This is the device that Congress uses to control the purse strings.

So, Mr. President, this isn't Mickey Mouse stuff. I'm talking about a constitutional principle.

When a constitutional principle is involved, it's very difficult for me to see the smallness of an issue.

Third, Mr. Hamre claims this is an acquisition issue—not a finance and accounting question.

This is an obvious attempt to deflect responsibility—away from himself.

It's an attempt to make it someone else's problem.

His reasoning is flawed.

If Mr. Hamre thinks this is an acquisition issue, maybe he has abdicated his responsibilities under the law—as CFO.

The CFO's responsibilities are spelled out in the "Money and Finance" section of the United States Code. That's in title 31.

His payment scheme violates section 1301 in the same book—title 31.

It does it by deliberately charging payments to the wrong accounts and then juggling the books to cover it up.

Anyone who thinks this is an acquisition issue needs to consult the law books.

When you go to the law library and locate title 31 and open the book, the subtitle staring you in the face is: "Money and Finance."

Section 1301 lies in a chapter entitled "Appropriations."

Mr. President, misappropriation, mischarging and cooking the books takes Mr. Hamre deep into the realm of money and accounting.

If this is just an acquisition issue, I'll eat my hat.

Fourth, when Mr. Hamre became CFO in October 1993, he declared war on financial mismanagement.

To claim success today, he cites "steep drops in contract overpayments."

Mr. Hamre's claims are not supported by the facts.

The General Accounting Office [GAO] has issued a series of reports on DOD overpayments.

These reports demolish Mr. Hamre's success stories.

The most recent report says Mr. Hamre's progress payments scheme is the biggest, single driver behind overpayments. He's to blame.

That's right, Mr. President, Mr. Hamre's own operations are causing overpayments to happen.

That's exactly what it says on page 12 of the GAO report entitled: "Fixing DOD's Payment Problems is Imperative."

This report is dated April 1997 and has the designation NSIAD-97-37.

GAO reports also say that DOD has no capability to detect overpayments.

Virtually every overpayment ever examined by the GAO was detected by