

Grassley's mentality: 'Cut, cut, squeeze, squeeze'

GRASSLEY
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Senate conference committee, where military contractors and the Pentagon apparently have succeeded in gutting it.

Grassley also has used efficiency and productivity arguments to justify his recent — and increasing — tendency to vote against major weapons systems. When he voted against the MX missile last March, Grassley said he did so because the Pentagon had been unable to show any improvement in the 48 percent efficiency rate of the 14 major MX contractors. In other words, Grassley explained, "we paid for in-house work for 2.1 equivalent units, on average, and got only one."

WHISTLEBLOWERS — From the start, Grassley has sought help from insiders willing to expose waste and fraud in the military and defense industry. In return, he has provided them with a forum and tried to protect them from reprisal. Fitzgerald, who won fame when he lost his job for exposing cost overruns in the C-5A cargo plane, says he first heard from Grassley when his phone rang at 10 o'clock on a Saturday night. Grassley said he had been reading Fitzgerald's book on Pentagon waste. "He asked me if it was true," Fitzgerald recalls. "I said it's more than true. The truth is so bad you don't have to stretch it. Then he asked me to be in his office first thing Monday morning."

Grassley's most celebrated find was Defense Department evaluation officer Franklin Charles "Chuck" Spinney, whose studies showed the Reagan administration's military buildup would cost at least \$500 billion more than stated. After repeatedly being denied permission to see Spinney, Grassley piled into his orange Chevette, drove to the Pentagon and bullied his way to Spinney's office, where he was blocked by an aide to Weinberger. Grassley finally forced the Pentagon to produce Spinney through congressional subpoena. Spinney himself ended up as an instant celebrity, his face on the cover of Time magazine.

This year, the Senate passed a Grassley amendment to provide whistleblowers with monetary rewards and protection from dismissal or demotion. "Honest public servants who expose waste are too often demoted, transferred, fired or otherwise penalized," said Grassley. "Yet those who overlook waste, and refuse to rock the boat, are rewarded and promoted." The amendment remains in a House-Senate conference committee.

Grassley also has sponsored a bill modeled after a Civil War law originally proposed by Abraham Lincoln. The bill would give any citizen, public or private, a percentage of the money saved through exposure of military contract fraud.

ACCOUNTABILITY AND "OUTPUT" — As a tool in arguing the case for a budget freeze, Grassley developed an analysis of Pentagon spending that focused on what was being purchased, rather than how much the military said it needed. The result was



Charles Grassley
Called a tightwad and gadfly.

startling. Under President Reagan, the Navy and Air Force spent 73 percent more to buy aircraft than had been spent by the Carter administration, but they bought 12 percent fewer planes. Ship purchases dropped by 17 percent, despite a 48 percent increase in funding.

The "input-output" analysis initiated by Grassley has become fashionable recently. House Armed Services Committee Chairman Les Aspin has produced his own version of it, and Hart has cited it as a key weapon for military reformers. "The input-output argument was utterly alien on The Hill when Grassley first started talking about it," says Mike Burns of BENS. "What you usually had were passionate arguments over whether to spend 3 percent more or less for defense. Now the air is filled with input-output arguments."

ENFORCEMENT AND ETHICS — Grassley has sought to demonstrate — repeatedly and noisily — that Justice Department and Pentagon law enforcement officials are too lenient when dealing with military contractors. Despite reports that 45 of the largest 100 contractors are under investigation, only three have been prosecuted.

Grassley has been particularly vehement about the department's failure to take action against the General Dynamics Corp., the nation's largest military contractor. In an effort to learn why Justice had dropped its investigation of the contractor, Grassley subpoenaed departmental records. When the department refused to respond to the subpoena, Grassley sought to hold Attorney General William French Smith in contempt of Congress, a move eventually quashed by Judiciary Committee Chairman Strom Thurmond.

Joined by Senator William Proxmire (D-Mn., Wis.) Grassley also held hearings to show that General Dynamics kept two sets of books and "manufactured a campaign of deception" in building 18 submarines under a 1971 Navy contract. And he loudly protested Navy Secretary John Lehman's decision in August to resume business

as usual with General Dynamics, after a three-month investigation showed irregularities in bills submitted to the government as well as illegal gratuities given to retired Adm. Hyman Rickover.

The reluctance to take legal action against military industries stems from the symbiotic relationship between contractors and the Pentagon, Grassley believes. He has offered legislation to close the "revolving door" with criminal penalties. "It would be cheaper just to pay these people and tell them they couldn't have any job at all for a year after leaving the military," Grassley recently suggested sarcastically.

There is still debate over whether Grassley has accomplished much of significance in his war with the Pentagon. But about one point there is general agreement: Grassley takes the war seriously, and so does everyone else.

That Grassley's activities are regarded seriously can be seen in the vehemence with which his opponents attack him. When Grassley wrote an op-ed column arguing for a military budget freeze, published in the Wall Street Journal and The Des Moines Register, he drew a 2,000-word reply from Senate Armed Services Committee Chairman Barry Goldwater, denouncing the Iowa's plan as "superficial, impulsive" and "better suited to bumper stickers than the realities of the dangerous world in which we live."

Navy Secretary Lehman regularly denounces Grassley in speeches around the country, saying the senator's activities harm the nation's military posture. Recently Lehman even implied that Grassley was to blame for a spy scandal involving several active and retired Navy personnel, saying the Pentagon was so distracted by "hysteria" over \$600 toilet seats that it didn't have time to look for spies.

Grassley's allies, on the other hand, regard him as nothing less than a hero.

"There's been a real shift in the Senate, and that's pretty amazing," says Ellen Nisenbaum of the Center for Defense Priorities. "Clearly Grassley has — in a consistent, conscientious way — staked out a leadership position on this issue. And it's not just hammers and toilet seats but revolving doors and uncompleted contracts and efficiency measurement and a whole range of issues. Grassley has tried to take a hard look at where the money is going and how it's spent, and that's brought a real change in the Senate's attitude."

Bill Lind, an advisor to Senator Hart and frequent advocate for military reform, says Grassley has done "very good work. He has chosen to focus on one segment of the problem, but it's an important segment. He has made a serious and systemic contribution."

The impact of Grassley's war is now widely felt inside the Pentagon, says Mike Burns. "Grassley's making an ungodly nuisance of himself from the [Defense] department's standpoint in

one particular case — competition. He likes it. He thinks it's good for the country and it's good for the military."

"He was singing that tune in the dark days when few other people were," Burns adds. "Now you can't go 10 feet without tripping over a competition advocate. The Air Force has theirs. The Navy has theirs. The Pentagon has started to figure out that you can get more stuff for less money. Is that good? It's very, very good."

Joe Bernice of the Project on Military Procurement says Grassley's anti-waste campaign has generated scores of legislative proposals from other congressmen. "He's had an effect far beyond what one member can have," says Bernice. "I would argue that he's not a politician at all. He will not back away. The stiff backbone is the mark of a statesman."

Even those not as enthralled with Grassley give him grudging respect.

"In a sense, he's a Proxmire of the right," says an aide to a pro-military Southern senator. "He's a gadfly in that he'd rather cut from any budget than add to any budget. His whole mentality is cut, cut, cut, squeeze, squeeze, squeeze. . . . But he sure is rousing the Pentagon by what he's doing."

A military affairs reporter for a major newspaper says: "I don't think he really understands the problem very well. There are some very complex and sophisticated issues involved here. But I think he's bumbled into the right solution, which is to give the Pentagon less money. There's really no other way to attack the problem."

Grassley himself can tick off the various battles, victories and defeats he has seen since 1981, but he feels his major accomplishment has been a "change in the atmosphere" that is difficult to characterize or articulate.

The change can be seen in the Pentagon's recent cancellation of the Sergeant York gun, he says. It can be seen in the announcement last week by Barry Goldwater and Sam Nunn, ranking Democrat on the Armed Services Committee, that the Pentagon has serious problems and is in need of extensive reform.

"They have virtually acknowledged all of the problems we outlined two and a half years ago," says Kris Kolesnik, Grassley's military issues aide. "The environment drove them to it."

Kolesnik well remembers the time two years ago when Grassley proposed a freeze on military spending in the Budget Committee. "The military people in the room were laughing right out loud," says Kolesnik. "They aren't laughing any more."

