

## Really Only Hearsay, Gentlemen?

SOME unexpected byproducts came out of the Senate confirmation hearings for L. Patrick Gray III. They showed that in one case Nixon Administration officials falsely denied reports that linked the White House with the Watergate affair.

The case involves the complex dealings of three men: Dwight L. Chapin, who was the President's appointments secretary at the time of the Watergate bugging; Herbert W. Kalmbach, Nixon's personal attorney; and Donald Segretti, a California lawyer who Justice Department officials say has admitted trying to disrupt the campaigns of Democratic presidential candidates last year. In October, several publications, including *TIME* and the *Washington Post*, reported that Chapin had hired Segretti and that Kalmbach had paid Segretti out of funds collected by Nixon's re-election committee.

This brought protests from the White House. Press Secretary Ronald Ziegler charged that such reports were based "on hearsay, character assassination, innuendo or guilt by association." A White House release

quoted Chapin as calling the reports "fundamentally inaccurate." Clark MacGregor, Nixon's campaign manager, insisted that "Dwight Chapin just simply was not involved in any way." He said such stories were inspired by "George McGovern and his partner in mudslinging, the *Washington Post*."

Last week Gray informed the Senate Judiciary Committee that 1) Chapin had admitted to the FBI that he had arranged the recruiting and hiring of Segretti, and 2) Kalmbach similarly had admitted to federal agents that he had paid Segretti \$30,000 to \$40,000 in a six-month period beginning in September 1971. Kalmbach had also told FBI agents, *TIME* learned, that he was authorized to spend up to \$300,000 in Nixon-committee funds for "security" operations. Gray gave no hint of this to the Judiciary Committee.

The hearings disclosed that such findings by the FBI were being transmitted to the White House—and that officials there, if not MacGregor, thus had reason to know that their denials were untrue.

TIME  
3-26-73