Gray Concedes Dean 'Probably' Lied to FBI

By Spencer Rich Washington Post Staff Writer

Acting FBI Director L. Patrick Gray III told the Senate Judiciary Committee yesterday that White House counsel John W. Dean III "probably" lied last June 22 when he told the FBI he needed to check before he could say whether a key Watergate bugging case figure had an office in the White House.

Gray's statement, made under pressure from Senate Majority Whip Robert C. Byrd (D-W.Va.), came as Gray wound up his eighth day of testimony on his nomination as FBI director.

When Byrd charged that Dean had lied and demanded to know whether Gray would agree, Gray said, "I would have to conclude that judgment probably is

correct. The White House, without mentioning Gray's response, called Byrd's charge "reprehensible, unfortunate, unfair and incorrect," adding, "Mr. Dean flatly denies that he ever misled or . . . lied to an agent of the FBI." It said the question asked of Dean in June was whether the agents could visit E. Howard Hunt's White House office, not whether Hunt had ever had such an office.

Both Byrd and John V. Tunney (D-Calif.) sought to paint Gray as unsuitable to be FBI director because even after he had an inkling that Dean was lying, he lacked the strength to stand up to pressure from Dean for information which might be used to help quash the Watergate case.

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Tunney also charged that "the FBI investigation of the ITT merger case has been incredibly shoddy—which bears directly on his qualifications." He expressed concern that Gray was conducting the ITT merger probe in a way designed to protect key Republican figures. Both Byrd and Tunney called on the Judiciary Committee to vote soon on the nomination and to reject it, and Tunney predicted outright that the committee

nomination and to reject it, and Tunney predicted outright that the committee would kill the nomination.

"If think if there were a vote on confirmation of Mr. Gray, he would not receive sufficient votes," said Tunney. "He may get eight—he wouldn't get nine." On the 16-member Judiciary Committee, a majority of nine would be needed to approve the nomination. An 8408 ties approve the nomination. An 8-to-8 tie would kill it.

Byrd declined to predict flatly that the committee would defeat the nomination, but said, "I can't help but believe that the issues are so clear that the committee will reject him."

The thrust of the Byrd-Tunney argu-The thrust of the Byrd-Tunney arguments and questioning yesterday was that the FBI needs a director who will resist pressure to let the White House use it for political purposes and make it, as Byrd put it, into a "political police force." When Gray learned that Dean probably had lied early in the case, the senators said, he should have attempted to reach the President directly and obtain assurance that none of the FBI

obtain assurance that none of the FBI raw reports was being misused.

Instead, they said, he continued to make materials directly available to Dean and even had testified (and he repeated this under questioning) that he would this under questioning) that he would continue to do so because "that man is counsel to the President of the United

Gray didn't concede at any point that Dean either was implicated himself in the Watergate bugging incident, in which five men linked to the Republican campaign committee were caught in Demo-cratic national headquarters during early morning hours, or had misused any of the FBI reports sent to him as the President's representative. And Gray told the committee that since the hearings on his nomination began three weeks ago, he has been discussing it with Dean on the phone every few days, with some calls initiated by him and others by

However, under pressure from Byrd, Gray did state that Dean "probably" lied last June 22 when he was questioned on whether Howard Hunt, a former White House consultant who pleaded guilty to charges he was involved in the Watergate bugging, had had an office in the White House.

House.

As Byrd reconstructed the situation, the Watergate five were caught June 17, and an address book obtained from one of the suspects implicated Hunt.

Two days later, Byrd said, Dean sent two White House aides to an office in the Executive Office Building where there were a desk and safe formerly used by Hunt, had them open the safe and take out Hunt, had them open the safe and take out a batch of papers and a gun.

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These materials were put in Dean's office, said Byrd, and not turned over to the FBI until June 26. In the interim, however, Byrd contended, however, Byrd contended, Dean was present at an interview June 22 between FBI agents and another White House figure, Charles W. Colson. When Dean was asked whether he had any knowledge. whether he had any knowledge of a Hunt White House office, according to Byrd, he responded that he'd have to

"Knowing all along that the office was there, that the safe was there . . he lied to the agents,di dn't he?" Byrd demanded.

"Looking back on the details . . . I would have to conclude that judgment probably is correct," responded Gray.

But he quickly added that that was only "in hindsight," repeatedly stating that many of the details on which his critics were seeking to build a case had come out only much later.

Gray's testimony was repeatedly hobbled by on order from Attorney General Richard G. Kleindienst not to discuss the contents of various raw files and investigative files, based on a presidential statement of several days ago that the FBI shouldn't make public its raw

Thus, Gray was unable to respond effectively when Tunney cited a Chicago Sun-Times article alleging that in the ITT merger investigation, requested by the Senate to see if there had been perjury during the ITT hearings before the Judiciary Committee, none of the key witnesses had been questioned though the probe was almost

According to the Sun-Times story, so far the FBI hasn't questioned ITT board chairman Harold S. Geneen and corpora-Harold S. Geneen and corpora-tion counsel Harold Aibel, Jack Anderson investigator Brit Hume and several political figures, and it is unclear whether former Attorney Gen-eral John N. Mitchell and for-mer White House aide and Commerce Secretary Peter G. Peterson were questioned Peterson were questioned.

Gray responded that the inthat, in any event, it is the Justice Department that decides which areas and persons should be investigated in a perjury probe of this type.

As yesterday's session ended. Judiciary Committee Chair man James O. Eastland (D. Miss.) announced that the hearings would resume in "several days." At least three more witnesses have been sum med.