

Dean to Testify On Nixon's Home

By Seymour M. Hersh
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Washington

John W. Dean III will be recalled by the Senate Watergate committee this fall to testify about President Nixon's personal financial dealings in his purchase of his \$1.5-million estate in San Clemente, Calif., the committee's chief counsel said yesterday.

Samuel Dash, the counsel, said in a telephone interview that Dean would be questioned to determine, among other things, whether any Republican re-election campaign funds had been involved in the purchase.

Sources close to Dean have said that the former White House counsel was prepared to testify during his televised Senate appearance last week that he was convinced the White House had "covered up" the full financial affairs behind the purchase of the estate. However, the question never came up during Dean's five days of testimony.

Dean's associates told a reporter before he made his Senate appearance that "the White House has not made a clean breast" of the arrangements behind the purchase.

"John didn't think that the whole thing had been flushed out," one source close to Dean said in reference to a White House statement May 25 on San Clemente. That statement acknowledged that an unnamed investment company controlled most of the property.

"It's another big, elaborate cover," the source said of the statement.

Although questions about Mr. Nixon's personal finances were never specifically asked during last week's hearings, Dean referred on at least two occasions to his working knowledge of the President's affairs.

In response to questions last Tuesday about his functions as White House counsel, Dean caustically said that "the title was probably the best part of the job." Then he declared, "some of the work of the counsel's office was really related to technical legal problems, making sure that the I's were dotted and the T's were crossed on certain documents."

"I had a number of dealings," he added, "with persons who were working on the Nixon Foundation and did some personal work on the president's San Clemente properties and other personal things like that for the president, where I was the conduit to the law firm that was handling this for the president."

One of the partners in that firm, Herbert W. Kalmbach, also served as Mr. Nixon's personal attorney until his involvement in the coverup payments to the Watergate

defendants became publicly known.
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Kalmbach and a partner, Frank Demarco Jr., were involved in the purchase of the San Clemente estate in 1969, according to published records, and also handled Mr. Nixon's personal income tax.

In his senate testimony, Dean said, "I was often the conveyor of information to Mr. Kalmbach for the president."

Asked about Dean's assertions of a White House coverup in the San Clemente statement, Dean said that

the seven members of the Senate Committee agreed before last week's testimony to limit all questioning to the Watergate bugging and coverup.

"We stayed away from that (the President's personal financial affairs) in the first round," Dash said, "because we're going to get into it in another phase of the hearings."

"San Clemente may become a very important issue," the counsel added, "but not at this point."

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