

Connally, Seeking G.O.P. Base, May Find It in the South

By CHRISTOPHER LYDON

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ATLANTA, Dec. 9 — John B. Connally's Republican honeymoon ended abruptly last Oct. 10 — the day Vice President Agnew resigned — and party leaders as different as Governor Rockefeller of New York and Senator Barry Goldwater of Arizona moved with quiet effectiveness to head off Mr. Connally's succession to the Vice Presidency.

President Nixon — once a powerful one-man political base in Mr. Connally's new party — has lost popularity according to the public opinion polls, since Mr. Connally's Republican conversion last May.

Melvin R. Laird, the White House counselor and no Connally fan, went so far not long ago as to tell reporters that if Mr. Connally really wanted to be a Presidential nominee, he should have stayed in the Democratic party.

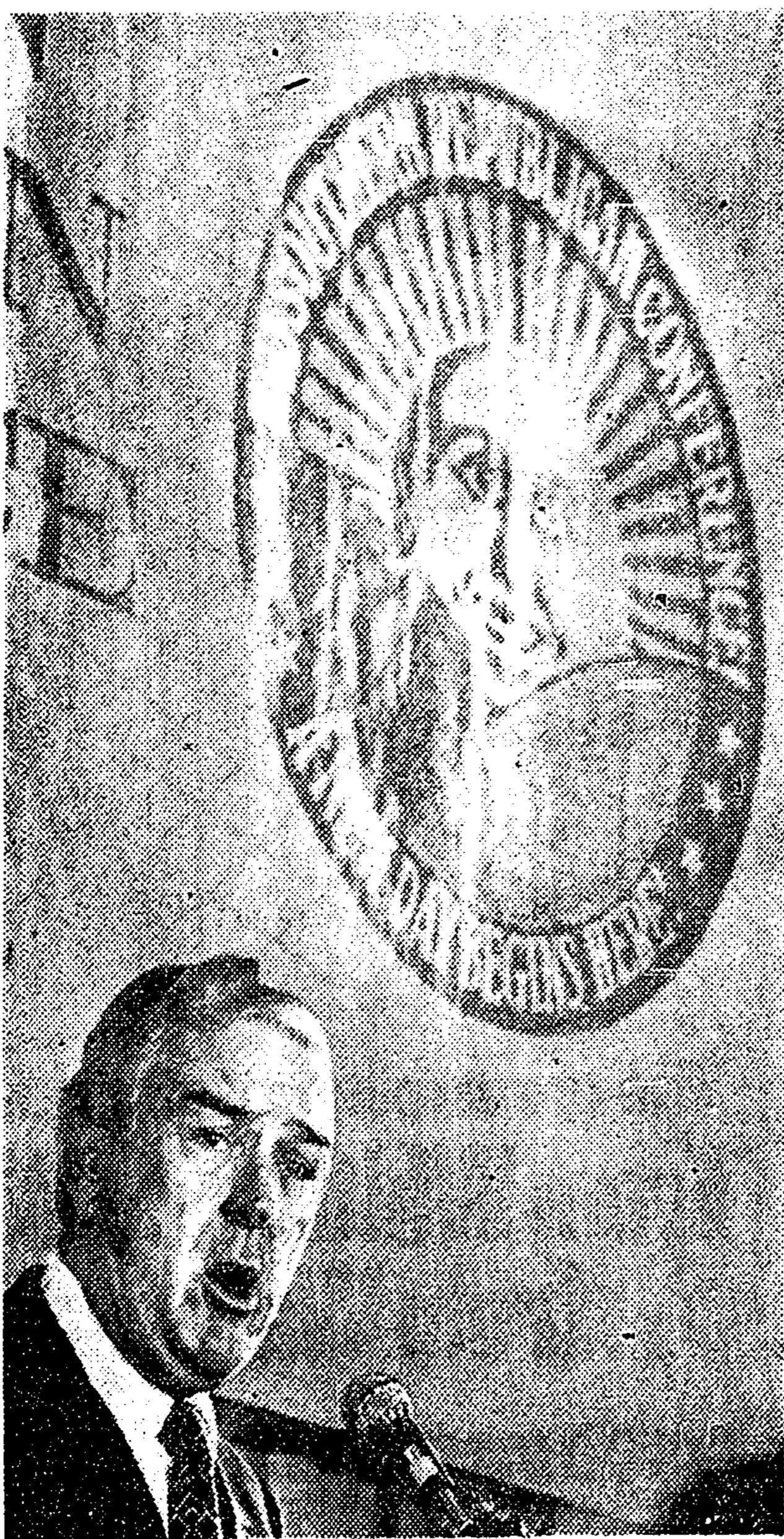
Milk Fund Inquiry

Meanwhile, Watergate investigators in Washington are reportedly getting testimony about a Connally role in political fund-raising from the milk industry when the White House was raising milk price supports in 1971.

Mr. Connally, a former Texas Governor, Treasury Secretary in the first Nixon Administration and leader of the Democrats for Nixon last year, is still scrambling energetically for a base in the Republican party. He is apparently finding it in the South, and he is still exploring the chances of a 1976 Presidential race in a growing schedule of speeches to Republican groups around the country.

Most of the 13 state party chairmen at the Southern Republican Conference here this weekend regard Mr. Connally as their second-choice candidate for President, behind Governor Ronald Reagan of California.

"He's everybody's second choice," L. E. Thomas, the Republican chairman in Florida said of Mr. Connally. Mr.



John B. Connally, former Treasury Secretary, addressing Southern Republican Conference in Atlanta Saturday.

Thomas is a Reagan man himself, recalling the California conservative's near-capture of the Florida delegation at the Republican National Convention in 1968.

Robert Shaw of Georgia is probably the only Southern Republican chairman outside Texas who publicly prefers Mr. Connally and believes his state delegation to a national convention would do the same today.

But Mr. Connally, who arrived a day ahead of his speech yesterday and lingered afterward to chat with state party leaders in his hotel suite, is rapidly making inroads. The favorite today is Governor Reagan, said Clarke Reed of Mississippi, the unofficial captain of the Southern state chairmen, but a year from today it could be Mr. Connally.

It helps rather than hurts Mr. Connally in the South to be a nouveau Republican.

"In the South," Mr. Reed said in an interview, "most of

us are ex-Democrats, and our job is converting more Democrats." And, when Southern Republicans dream not simply of a Presidential victory, but of a sweeping realignment of traditionally Democratic state and local politics, Mr. Connally—a Southerner himself, a professional politician and a symbol of established power in Texas—is a compelling attraction.

Mr. Connally is not talking Presidential politics yet—even in private with the state chairmen. But he is offering counsel on the recruitment of Congressional candidates in next year's campaign and is making himself available as a fundraising attraction.

In his public speeches—improvisations on a few basic themes, delivered without text or notes—the essential elements are commerce, competition and, above all, change.

This often comes as a surprise to people who expect a conventionally conservative message

Americans are living in an era "epitomized by change," Mr. Connally said two days ago in Nashville. There is probably no cure for inflation, he says. The energy crisis will get worse before it gets better, he says. International monetary instability is a long-term problem, he says. But he suggests that these are all simply models of more crises ahead—of the kind of challenge in economic management which he, by implication, is an expert.

"We are going to have some rough days ahead of us," Mr. Connally often warns. There is little idealism in his speeches but in phrases that are not unlike John F. Kennedy's 1960 campaign admonition that America must get "moving again," Mr. Connally says. "We've got to face up to some of our problems. We've got to buckle down to our jobs."

The United States, he said here yesterday, faces "a day of sacrifice, a decade of scarcity."

Recruiting Staff Help

After three months of barnstorming in which he often traveled alone, or with just his wife, Mr. Connally is recruiting staff help—Dr. George Willeford, the retiring Republican chairman in Texas, and Brad O'Leary, Dr. Willeford's assistant—to build a tentative national organization. Mr. Connally is also extending his tour; he now has commitments, he said here, to speak in 27 states before the end of next March.

But even as his informal campaign accelerates, many Republicans see trouble ahead for him. As Mr. Nixon's reported favorite for the Presidential nomination, he has an especially awkward problem in dealing with White House scandals. Party leaders outside the South consider him damaged by the damage to Mr. Nixon's fortunes.

Perhaps for those reasons—perhaps also, some speculated here, because of the milk money investigation—Mr. Connally is no longer opening himself up to news conferences, as Mr. Rockefeller and Mr. Reagan did here this weekend.

And even in the South, where Watergate has made less impression than elsewhere, Republican officials wonder publicly whether Mr. Connally can meet the standards of probity that voters are expected to apply on candidates henceforth.

But Mr. Connally, who bristles at conflict-of-interest questions, gives no ground to the public curiosity about his personal business or his rich law practice in Houston. He opposes public campaign financing and any requirement of financial disclosure by political candidates.

It still nettles him that while

he is out of government—during the latest in a series of private interludes in which he has assembled substantial wealth—people continue to ask how rich he is and how he acquired his wealth. "How rich is Nelson?" he counters, referring to Governor Rockefeller, the man he seems to regard as his main rival for the Republican Presidential nomination in 1976. "How rich is Ted Kennedy?" he asks of the Massachusetts Senator—the favorite, if he runs, for the Democratic nomination.

'Is That Fair?'

"What's the difference?" he persisted in a recent interview. "That they inherited it and I've worked for it? Is that fair? What are they doing with their money?"

That much of Mr. Connally's life will remain private, he insists.

"I think if you ask everybody the same question, it's a fair question," he continued. "But I don't expect you're going to get an answer out of me because it's none of your damned business. But I don't expect you're going to get an answer out of Ted Kennedy, either."