COUNSEL IS NAMED

Buzhardt Will Advise on Watergate—the Super-Cabinet Dies

By JOHN HERBERS Special to The New York Times WASHINGTON, May 10 — President Nixon announced today another major reorganization of government and reshuffling of political power as a result of the Watergate scandals.

He disclosed the following at a Cabinet meeting:

John B. Connally, the former Secretary of the Treasury who switched from the Democratic party to the Republican party a few days ago, will join the White House as an unpaid special adviser to the President on a part-time basis while continuing his law practice in Houston. He will advise the President on various domestic and foreign matters and on rebuilding the White House staff.

GJames R. Schlesinger, Director of Central Intelligence, will be nominated as Secretary of Defense to replace Elliot L. Richardson, who was nominated as Attorney General last week to take over the troubled Justice Department and oversee prosecution of the Watergate case.

¶William E. Colby, deputy director for operations of the Central Intelligence Agency, will become its director to succeed Mr. Schlesinger.

The super-Cabinet that the President set up in January as part of a plan for highly centralized control of the bureaucracy will be mostly demolished with the President going back to the traditional system of direct contacts with the regular Cabinet members. The super-Cabinet system collapsed according to Ronald L. Ziegler, the White House press secretary, because its two chief architects and operators, H. R. Haldeman and John D. Ehrlichman, resigned last week as

Presidential aides because of the scandals.

GJ. Fred Buzhardt Jr., general counsel of the Defense Department, is moving to the White House on a temporary basis to be special counsel on Watergate matters. Leonard Garment will

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continue to have over-all counsel duties for the White House, but Mr. Buzhardt will answer directly to the President. As the top Defense Department lawyer, Mr. Buzhardt has been heavily involved in the Pentagon papers case.

The moves came after Mr. Nixon had addressed a Republican fund-raising dinner here last night at which he said:

"We are not going to allow this deplorable incident to deter us or deflect us from going forward toward achieving the great goals that an overwhelming majority of the American people elected us to achieve in November of 1972."

Mr. Nixon said much the same thing at his Cabinet meeting this morning, which Mr. Connally and Mr. Schlesinger attended, Afterward, Mr. Ziegler reported the changes to a crowded press room.

The appointments followed the pattern that Mr. Nixon had established earlier in seeking to repair the Watergate damage: instead of turning to outsiders, as some Presidents have done in scandals of the past, Mr. Nixon drew on his established circle of aides and advisers.

Refusal From Packard

The post of Defense Secretary was first offered to David Packard, who served as Deputy Secretary in the first Nixon term and who had returned to private business and apparently did not want to resume government service.

Reshuffling of officials has been so rapid that it had an air of musical chairs. Mr. Richardson, Defense Secretary for three months, has not yet been confirmed as Attorney General and the Senate is showing no inclination to hurry with the confirmation, as a result of pending matters in the Watergate case.

Mr. Ziegler was asked if there would be any problem of Mr. Schlesinger taking Mr. Richardson's seat at Defense in case of further Senate delay. He said the White House was confident the Senate would act soon.

Following the announce-ments, Mr. Ziegler was flooded with questions, many of them centering on the unusual situa-tion of Mr. Connally's acting as Presidential adviser without giving up his law firm position. He is a senior partner in the Houston firm of Vinson Elkins, Searls & Connally, which represents various corporate interests. Asked if this would not represent a conflict of interest, Mr. Ziegler said Mr. Connally had been advising the President in the past on a variety of matters and that he would have no operational functions in the White House. The press secretary said that Mr. Connal-ly would be given an office in the Executive Office Building, would probably be here three days a week and would be available to the President on



J. Fred Buzhardt Jr. To be special counsel

any matters about which Mr. Nixon wished to consult him.

This was an arrangement Mr. Connally apparently preferred rather than returning to a fulltime Cabinet-level post. The former Texas Governor is widely regarded as a leading contender for the Republican Presidential nomination in 1976.

Pressed as to the question of conflict of interest, Mr. Ziegler said, "I am convinced" that the President and Mr. Connally will be careful to lay aside any interests represented by Mr. Connally's law firm in their consultations.

Mr. Ziegler was then asked

if the White House would provide a list of corporate clients of the Connally law firm. He said that would have to come from the firm. In Houston, a spokesman for the firm did not respond to a request for the list of clients.

The super-Cabinet that Mr. Nixon set up in January was short-lived. Seeking to put into effect by executive order much of the Nixon reorganization plan that Congress had refused to enact, the President elevated three Cabinet officers by giving them titles of Counselor to the President in addition to Cabinet titles and offices in the Executive Building, where they spent much of their time.

They were Caspar W. Weinberger Secretary of Health Education and Welfare, with administration-wide jurisdiction over human resources; James T. Lynn, Secretary of Housing and Urban Development; with authority over community de-velopment matters; and Earl L. Butz, Secretary of Agriculture, with jurisdiction over natural resources and environment.

Three Are Demoted

Mr. Ziegler said that the President had told all his Cabinet members today that the three would no longer have Office of Management and Dean 3d, as counsel, had too the title of Counselor to the Budget. President and he would maintain closer contacts with each

tions of George P. Shultz, Sec- idea went into effect, Mr. Butz, opments in the Watergate case. retary of the Treasury and as-sistant to the President for monoted to Mr. Ehrlichman economic affairs; and Henry reported to Mr. Ehrlichman. A. Kissinger, the President's chief adviser for foreign af-fairs.

Administration policy and free to do. operations, Mr. Nixon was re-ups were expected as Gen. Al-will be coordinated through Ad-ministration - wide committees framily assigned to the White in which the three demoted House to oversee the reorgani-Cabinet members will have considerable authority.

pair to some extent the Presi- more open Administration. dent's relations with Congress. Many Representatives and questions about the future of Senators had complained that the C.I.A., which had been unthe centralized setup curtailed dergoing reforms and cutbacks Congressional oversight of the under Mr. Schlesinger, a forexecutive branch and access mer economics professor. Mr. to the White House.

to be saying that the return ligence work for many years, to the traditional Cabinet sys-including Southeast Asia,

Mr. Haldeman and Mr. Ehr- Mr. Garment, Mr. Ziegler

zation, works with the Presi-dent for what some White White The move is expected to re-House aides believe will be a

Today's moves also raised Colby, who will succeed him, However, Mr. Ziegler seemed has been in international intel-

tem was based on the depar-ture of Mr. Haldeman and Mr. Ehrlichman. The super-Cabinet grew out of a reorganization brought in because Mr. Garcommission study headed by ment, whom Mr. Nixon turned Roy Ash, now director of the to after he dismissed John W.

heavy a work load.

member of the full Cabinet. Not affected by the disman-tling, however, were the posi-and when the super-Cabinet tions of George P. Shultz, Sec-idea went into effect Mr Butz