

John Connally: Back to Business

for 4/23/73

Like the Cheshire cat in Alice in Wonderland Big John Connally is slowly fading from view. All that is left is not the grin but the Connally grimace which is part intimidation and part cheerful condescension.

One of the fantasies of this fantastic time is that Connally could become the nominee for President in 1976 on either the Republican or the Democratic ticket. He is a big money lawyer tied not only to Texas oil but to international oil in the Mideast where the mix of oil wealth and diplomacy is at the peril point. A lifelong friend from his origins in Floresville, Tex., puts it this way:

"He is the most capable man I've ever known. But money will always be the big attraction outweighing everything else. It's not just money in those big retainers, money in corporate directorships, but those \$60 shirts, the \$150 shoes, the \$500 suits, the status symbols so important to the man from Floresville whose father was the second meat cutter in the Floresville butcher shop."

As with everything he has done, Connally puts the best possible face on his fade out. His private doubts about the disastrous delay in confronting Watergate and the uncertain policy on the economy, as he has expressed them to close associates, do not surface in public.

He had apparently understood when he went to Key Biscayne to talk with the President as the worst of the Watergate was about to explode that their arrangement would be strictly private. He would continue his law practice with the highly lucrative retainers he has garnered in and the directorships in big corporations while privately advising the President on affairs of state, foreign and domestic.

The announcement from the White House that he would be a dollar a year man came as a shock. It meant giving up much of his law practice or risk conflict of interest on a monumental scale. How, for example, could he as a presidential consultant advise Nixon on the energy crisis and Mideast oil when he was retained by several of the biggest operators.

One of his ventures was in behalf of Bunker Hunt, son of oil billionaire H. L. Hunt. Connally was retained to try to prevent the Libyan dictator, Muammar Qaddafi, from nationalizing Bunker Hunt's concession. The Hunt concession had been part of a larger operation shared with British Petroleum and when Connally came into the picture BP had already been expropriated. The other day the Hunt conces-

sion also fell before the fanatical Libyan who has some \$3 billion in annual oil revenues.

More important is Connally's connection with Armand Hammer who recently announced in Moscow a \$10 billion deal for liquified natural gas to be exported to the United States. Connally flew with Hammer in Hammer's private plane to Saudi Arabia where the goal was a large concession sought by other American oil companies. He is said to have accompanied Hammer in an audience with King Faisal.

As Secretary of the Treasury in 1971, Connally put through the Smithsonian agreement on international finance which was a kind of postlude to the shock of the import tax and the non-convertibility of the dollar into gold.

Nixon called it the greatest monetary agreement in the history of the world. It lasted a few months when the dollar began to sink to new lows and two devaluations later it is still in a perilous condition.

Western envoys with whom Connally dealt were appalled at what appeared to be his lack of facts about money and trade on the world scene. He made up for this by his approach which was half cajolery and half blunt bulldozing.

His ability, as his old friend from Texas put it, is indisputable. The trouble has been that his know how and expertise on world affairs were spread

dangerously thin. President Nixon's admiration for Connally borders on awe. Here is a hearty extrovert radiating confidence in striking contrast to the withdrawn, introverted man in the White House.

Connally shares many of the characteristics of his good friend and one time ally the late Lyndon Baines Johnson. He might have followed in the Johnson footsteps toward a political career. But his in and out political assignments have been overshadowed by the drive for money and personal power.

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