

By CHRISTOPHER LYDON
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WASHINGTON, Oct. 12—John B. Connally is positioning himself as a "third force" in next year's Presidential race—first in the Republican contest between President Ford and former Gov. Ronald Reagan of California, and further (if necessary) in a third-party race against the Republican and Democratic nominees next fall.

In interviews today the former Democratic Governor of Texas and Treasury Secretary in the Nixon Administration said that a Reagan primary challenge was both likely and "a very good thing."

His adopted Republican party has not experienced enough "excitement and debate," Mr. Connally explained on CBS News's "Face the Nation."

He believes that Mr. Reagan has more support in Texas today than President Ford does, and Mr. Reagan might well beat Mr. Ford in the New Hampshire primary next February. But if the Ford campaign falls apart early, Mr. Connally himself will move to pick up some pieces.

"I might run as a favorite son" in Texas's May primary and elsewhere, he said, "but not as a stand-in for anybody. I'd run on my own."

Mr. Connally also believes that popular disenchantment with the major parties has broadened the opportunity for third choice. He will meet on Tuesday with William Rusher, publisher of the conservative National Review, who is the chairman of the Committee for The New Majority, a group that is clearing a third-party line for a unnamed Presidential candidate on ballots in the 50 states. Today, Mr. Connally called Mr. Rusher's project "a good idea that could perform a very useful service."

Mr. Connally, reliably understood to have turned down an offer from President Ford to become Secretary of Health, Education and Welfare last summer, speaks with a Dutch uncle's tone about the President.

"I'm a supporter of the President," he said today before going on to say that Mr. Ford has not yet shown "the capacity of leadership to challenge and inspire the nation."

"He's got to be more im-



Associated Press

John B. Connally at televised interview yesterday

designated Representative Morris K. Udall of Arizona as his favorite candidate for the Democratic Presidential nomination.

"Udall is a calm, solid liberal with a sense of humor," Mr. Galbraith wrote in a statement released today. "He still believes in decent, compassionate government, will deal equitably and fairly with corporate power and personal privilege, will work honestly to reconcile full employment with stable prices."

"He has a on environ- vation, the w po"

less courtesy if he cannot improve his financial position. Dorothy Lyon, running what is left of Mr. Sanford's campaign office here "we've taken almost one off salary." he campaign has gone Wac"

aginative, more aggressive and more innovative on the issues," Mr. Connally said. "He's got to make some new issues." Mr. Connally credited the President with initiative in his proposals to cut taxes and Federal spending by \$28-billion and to set up a \$100-billion energy development agency. But they were the wrong initiatives, Mr. Connally said.

The economic priority should be a balanced budget, not a tax cut, Mr. Connally said. On energy development, Mr. Connally believes that "probably all that could be intelligently spent now would be in the \$2- to \$5-billion range."

"We haven't done enough with smaller pilot projects," he remarked.

John Kenneth Galbraith, the Harvard economist whose political endorsements and book jacket blurbs tend to be viewed as the seal of official liberalism, has finally