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TO PRIORITY FCO

TELEGRAM NO 3834 OF 25 AUGUST

INFO SAVING ALL NATO POSTS DUBLIN UKREP BRUSSELS

MOSCOW TOKYO ATLANTA BOSTON CHICAGO CLEVELAND DETROIT HOUSTON

LOS ANGELES NEW YORK SAN FRANCISCO SEATTLE

MY IMMEDIATELY PRECEDING TELEGRAM: THE OUTLOOK FOR A SECOND CARTER TERM

1. IT IS OFTEN SUGGESTED THAT IF PRESIDENT CARTER WINS IN NOVEMBER, THEN IN HIS SECOND TERM, FREED FROM THE CONSTRAINTS OF RE-ELECTION CALCULATIONS, THE REAL JIMMY CARTER WILL AT LAST STAND UP. BUT EVEN AFTER THREE AND A HALF YEARS, IT IS STILL HARD TO SAY WHO THE REAL JIMMY CARTER IS. AS A RECENT NEW YORK TIMES ARTICLE PUT IT, WHEN CARTER'S MOST EARNEST AND THOUGHTFUL SUPPORTERS TALK ABOUT A SECOND TERM, THEY SOUND LIKE THE BLIND MEN DESCRIBING THE ELEPHANT. AT BASE, CARTER'S PERSONALITY IS SPLIT BETWEEN WHAT BRZEZINSKI HAS CALLED QUOTE THE MORALIST AND THE ENGINEER UNQUOTE. THE MORALIST ACCOUNTS FOR IMPULSIVE, ILL-THOUGHT-OUT ACTIONS (EG THE EARLY HUMAN RIGHTS CAMPAIGN): THE ENGINEER FINDS EXPRESSION IN THE TENDENCY TO PROPOSE OVER-AMBITIOUS, EXCESSIVELY DETAILED SOLUTIONS TO COMPLEX AND POLITICALLY CONTENTIOUS PROBLEMS (E.G. THE ORIGINAL ENERGY PACKAGE). BOTH ARE REFLECTED IN CARTER'S RELUCTANCE TO TAKE ADEQUATE ACCOUNT OF THE WASHINGTON POLITICAL PROCESS, THE WHEELING AND DEALING REQUIRED TO TRANSLATE PROPOSALS INTO LEGISLATION (IN CONTRAST TO HIS TALENT FOR POLITICAL MANIPULATION FOR ELECTORAL PURPOSES).
2. EXPERIENCE HAS GIVEN CARTER A BETTER APPRECIATION OF THE POLITICAL REALITIES OF WASHINGTON, BUT IT HAS NOT CHANGED HIS NATURE. IN A SECOND TERM WE SHOULD STILL BE DEALING WITH AN INTELLIGENT MAN WITH GOOD INTENTIONS, A READINESS TO EMBARK ON UNPOPULAR COURSES AND GREAT POWER OF APPLICATION: BUT ONE WHO, AS A FORMER WHITE HOUSE STAFFER PUT IT, BELIEVES IN 50 DIFFERENT THINGS AT ONCE AND WHO LACKS THE ABILITY TO RELATE DIFFERENT AREAS OF POLICY AND TO BALANCE CONFLICTING CONSIDERATIONS IN ORDER TO ARRIVE AT A BROADLY COHERENT AND COMPREHENSIBLE STRATEGY. THIS TENDENCY TO SEE ISSUES IN SEPARATE COMPARTMENTS COULD AGAIN BE REFLECTED IN THE ADOPTION OF CONTRADICTORY PUBLIC POSITIONS AND SOMETIMES A LACK OF DETERMINATION TO SEE INDIVIDUAL POLICIES THROUGH WHEN THEY HAVE ENCOUNTERED MORE THAN A CERTAIN AMOUNT OF RESISTANCE.
3. EVEN THOUGH RELIEVED OF ELECTORAL PRESSURES, CARTER WOULD STILL HAVE TO OPERATE WITHIN THE LIMITS OF THE POLITICALLY POSSIBLE AND SUBJECT TO THE PRESSURE OF EVENTS OUTSIDE HIS CONTROL. HE WOULD STILL

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HAVE TO GET HIS PROGRAMMES THROUGH A CONGRESS WHOSE CENTRE OF GRAVITY IS LIKELY TO HAVE SHIFTED FURTHER TO THE RIGHT AND WHICH WILL REMAIN SUBJECT TO ALL THE INTERNAL AND EXTERNAL INFLUENCES WHICH HAVE MADE IT AN INCREASINGLY UNMANAGEABLE INSTITUTION. AND HIS PROBLEMS WOULD BE INCREASED IF THE REPUBLICANS WERE TO GAIN CONTROL OF THE SENATE, WHICH IS POSSIBLE ALTHOUGH ON BALANCE IT LOOKS UNLIKELY AT PRESENT. IT IS DOUBTFUL IF HE WOULD PROVE TO BE A SIGNIFICANTLY MORE SKILLFUL WASHINGTON POLITICIAN IN HIS SECOND TERM THAN IN HIS FIRST. BUT HE MIGHT DO SOMETHING TO STRENGTHEN THE ADMINISTRATIVE PROFESSIONALISM OF HIS STAFF (AS HE BELATELY STARTED TO DO LAST AUGUST) AND TO IMPROVE THE WHITE HOUSE CONGRESSIONAL LIAISON OPERATION, AND APPOINT SOME MORE EFFECTIVE MANAGERS TO SENIOR ADMINISTRATION POSTS. BUT IF BRZEZINSKI STAYED ON AS NATIONAL SECURITY ADVISER (AND WE HAVE HEARD NOTHING TO SUGGEST THE CONTRARY), WE SHOULD HAVE TO EXPECT CONTINUING TENSION AND DIVIDED RESPONSIBILITY BETWEEN THE NSC AND THE STATE DEPARTMENT.

4. IT WOULD BE IDLE TO ATTEMPT A DETAILED FORECAST OF LIKELY SECOND TERM POLICIES AT THIS STAGE AND THE PARTY PLATFORM IS NOT A RELIABLE GUIDE. BUT CLUES TO THE PRIORITIES CARTER MIGHT SET CAN BE FOUND IN HIS CONVENTION ACCEPTANCE SPEECH, OTHER RECENT SPEECHES AND INTERVIEWS AND WHAT WE KNOW OF THE WHITE HOUSE STAFF'S CONTINGENCY PLANNING.

5. A RECURRENT THEME OF THE ACCEPTANCE SPEECH WAS CARTER'S ASSERTIONS THAT QUOTE THE PRESIDENT IS THE STEWARD OF THE NATION'S DESTINY.... HIS TRUE CONSTITUENCY IS THE FUTURE ... THE TIME TO SHAPE THE WORLD OF THE YEAR 2000 IS NOW UNQUOTE. THIS ATTITUDE HAS COLOURED MUCH OF CARTER'S INTELLECTUAL APPROACH TO PROBLEMS (BUT BY NO MEANS ALL HIS ACTIONS) IN THE PAST AND WOULD PROBABLY BE GIVEN EVEN GREATER WEIGHT IN A SECOND TERM. ACCORDINGLY, CARTER'S SECOND TERM AGENDA IS LIKELY TO GIVE RENEWED EMPHASIS TO PROMOTING GREATER US ENERGY SELF-SUFFICIENCY, BOTH AS AN END IN ITSELF AND AS ONE IMPORTANT MEANS OF ACHIEVING THE RELATED GOAL OF REINVIGORATING AMERICAN INDUSTRIAL CAPACITY AND PRODUCTIVITY. THIS SUGGESTS GIVING PRIORITY TO EXPANDED PRODUCTION OF INDIGENOUS ENERGY (COAL, SHALE, SYNFUELS) COUPLED WITH ACCELERATED DEVELOPMENT OF THE NECESSARY INDUSTRIAL AND TRANSPORTATION INFRASTRUCTURE. THERE MAY BE FURTHER EFFORTS TO STRIKE A MORE PRAGMATIC BALANCE BETWEEN THESE AIMS AND ENVIRONMENTAL PROTECTION: AND CARTER WILL PROMOTE ENERGY CONSERVATION AND R AND D SUPPORT FOR LONGER TERM DEVELOPMENT OF BENIGN ENERGY SOURCES (E.G. SOLAR POWER). THE PLACE OF NUCLEAR POWER IN THIS PROGRAMME REMAINS AN OPEN QUESTION.

6. THE WATCHWORDS OF ECONOMIC POLICY WOULD PROBABLY BE INVESTMENT INCENTIVES AND FISCAL RESPONSIBILITY. BUT THE ECONOMIC AND FISCAL HISTORY OF CARTER'S FIRST TERM SUGGEST THAT IT WOULD BE UNWISE TO ATTEMPT MORE DEFINITE PREDICTIONS FOR HIS SECOND.

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7. IN FOREIGN AFFAIRS, EAST-WEST RELATIONS AND THE MIDDLE EAST WOULD CONTINUE TO ABSORB MOST OF THE ADMINISTRATION'S ATTENTION. CARTER IS COMMITTED TO STRENGTHENING US DEFENCE CAPABILITIES AND THE MOOD OF THE COUNTRY IS LIKELY TO PRECLUDE ANY QUICK OR SIGNIFICANT SOFTENING OF ATTITUDES TOWARDS THE SOVIET UNION IN THE ABSENCE OF A RADICAL CHANGE IN SOVIET BEHAVIOUR. BUT CARTER IS ALSO GENUINELY COMMITTED TO EAST-WEST ARMS CONTROL AND WOULD BE ON THE LOOK-OUT FOR OPPORTUNITIES TO REVIVE THE PROCESS AND PERHAPS MORE WILLING TO TAKE DOMESTIC POLITICAL RISKS TO DO SO.

8. THERE IS SPECULATION THAT IN A SECOND TERM CARTER MIGHT BE READIER TO EXERT POLITICAL LEVERAGE ON ISRAEL. BUT EVEN IF HE WERE, THE AMERICAN JEWISH LOBBY WOULD BE CORRESPONDINGLY READY TO BRING COUNTER-PRESSURE TO BEAR ON PUBLIC OPINION AND CONGRESS, SO THAT CARTER'S PUTATIVE WILLINGNESS TO ACT IN THIS AREA SHOULD NOT BE OVER-ESTIMATED.

9. ALTHOUGH CARTER'S HEART IS IN THE RIGHT PLACE, WE SHOULD HAVE TO EXPECT CONTINUING GAPS BETWEEN PROMISE AND PERFORMANCE IN THE CONDUCT OF US RELATIONS WITH WESTERN EUROPE AND JAPAN. SOURCES OF STRAIN ARE LIKELY TO PERSIST OVER DIFFERENCES OF INTEREST AND ASSESSMENT IN THE HANDLING OF RELATIONS WITH THE SOVIET UNION; THE MIDDLE EAST, ESPECIALLY ARAB-ISRAELI MATTERS; AND THE BALANCE OF EUROPEAN AND US CONTRIBUTIONS TO SAFEGUARDING WESTERN INTERESTS. MORE GENERALLY THERE COULD BE A REVIVAL OF US EMPHASIS ON HUMAN RIGHTS, RELATIONS WITH THE THIRD WORLD AND NORTH/SOUTH QUESTIONS (THOUGH WITH A CLEAR AWARENESS OF US ECONOMIC INTERESTS).

10. IN BRIEF: SOME SHIFTS IN EMPHASIS BUT NO FUNDAMENTAL CHANGE IN DIRECTION, CAPACITY OR PERFORMANCE.

F.C.O PASS SAVING TO ALL.

FRETWELL

STANDARD
NAD
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CABINET OFFICE

COPIES SENT TO
No. 10 DOWNING STREET

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WAS NOT
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[PASSED AS REQUESTED]

Prime Minister

*You may like to
read through Sir N.
Henderson's two telegrams
on election prospects*

MA 27/8

GR 1300

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TELEGRAM NO 3833 OF 25 AUGUST

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NEW YORK, SAN FRANCISCO, SEATTLE

US PRESIDENTIAL ELECTION: THE OUTLOOK FOR THE DEMOCRATS

1. IN THE WAKE OF THE DEMOCRATIC CONVENTION PRESIDENT CARTER HAS REGISTERED SHARPER THAN EXPECTED GAINS AGAINST RONALD REAGAN IN THE PUBLIC OPINION POLLS. THE LATEST GALLUP POLL SHOWS CARTER AND REAGAN RUNNING NECK AND NECK: REAGAN 39% CARTER 38%, COMPARED WITH REAGAN'S 45-31 LEAD BEFORE THE CONVENTION. TWO OTHER POST-CONVENTION POLLS SHOW REAGAN STILL AHEAD BUT WITH A MUCH REDUCED LEAD. REAGAN'S LEAD HAS FALLEN, ACCORDING TO THE HARRIS SURVEY, FROM 20 TO 6 POINTS (NOW 42-36 AND, ACCORDING TO AP/NBC, FROM 25 TO 7 POINTS (NOW 39-32). THE INDEPENDENT JOHN ANDERSON'S SUPPORT VARIES FROM 13-17 PER CENT: HE NEEDS TO AVERAGE AT LEAST 15 PER CENT BY 10 SEPTEMBER IN ORDER TO QUALIFY FOR PARTICIPATION IN THE NATIONALLY TELEVISED PRESIDENTIAL DEBATES ORGANISED BY THE LEAGUE OF WOMEN VOTERS.

2. THESE FIGURES STILL DO NOT PROVIDE ANY FIRM GUIDE AS TO HOW THE ELECTORATE WILL VOTE ON 4 NOVEMBER, ALTHOUGH THEY ARE CONSISTENT WITH PREDICTIONS OF A CLOSE RACE. PUBLIC REACTIONS TO THE TELEVISED DEBATES BEGINNING IN MID-SEPTEMBER MAY PROVIDE A MORE RELIABLE INDICATION OF THE WAY OPINION IS MOVING. BUT IN THIS VOLATILE YEAR MANY VOTERS ARE LIKELY TO MAKE UP THEIR MINDS AT A VERY LATE STAGE.

3. MOREOVER, SINCE THE OUTCOME OF THE PRESIDENTIAL ELECTION WILL DEPEND NOT ON THE NATIONAL POPULAR VOTE BUT ON THE RESULT IN EACH OF THE 50 STATES, IN A CLOSE RACE REGIONAL VARIATIONS MAY BE MORE SIGNIFICANT THAN NATIONAL TRENDS OF OPINION. FOR THE SAME REASON, EVEN IF ANDERSON'S SUPPORT SINKS TO AROUND 5-10 PER CENT NATIONALLY (AS COULD WELL HAPPEN) HIS INTERVENTION COULD STILL DETERMINE THE OUTCOME IN A FEW KEY STATES, PROBABLY TO CARTER'S DISADVANTAGE.

4. THE 1980 ELECTIONS ARE TAKING PLACE AGAINST A BACKGROUND OF BROADER SHIFTS IN POPULAR ATTITUDES, WHOSE EXTENT AND DEPTH ARE HARD TO QUANTIFY BUT WHICH GO BEYOND IMMEDIATE PREOCCUPATIONS WITH ECONOMIC RECESSION AND A TROUBLING INTERNATIONAL OUTLOOK. THE SYMPTOMS INCLUDE:

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(A) DIMINISHED CONFIDENCE IN THE EFFICACY OF REPRESENTATIVE POLITICAL INSTITUTIONS AND OF THE POLITICAL PARTIES AS VEHICLES FOR POPULAR ASPIRATIONS - EXEMPLIFIED BY STEADILY DECLINING ELECTORAL TURNOUTS SINCE 1960 AND THE PROLIFERATION OF NON-PARTY SINGLE ISSUE GROUPS:

(B) GROWING DISLIKE OF THE "BIG GOVERNMENT", WELFARE STATE APPROACH TO ECONOMIC AND SOCIAL PROBLEMS CHARACTERISTIC OF DEMOCRATIC ADMINISTRATIONS SINCE ROOSEVELT. THIS IS REFLECTED IN INCREASED HOSTILITY TO WHAT IS SEEN AS WASTEFUL GOVERNMENT EXPENDITURE AND EXCESSIVE FEDERAL REGULATION (BUT THIS GENERALISED CRITICISM OF THE BUREAUCRACY IS ACCOMPANIED BY PERSISTENT EFFORTS BY EACH SPECIAL INTEREST GROUP TO PRESERVE OR EXTEND GOVERNMENT PROGRAMMES FROM WHICH IT BENEFITS).

5. THE REPUBLICANS ARE SEEKING TO EXPLOIT THIS MALAISE WITH SKILFUL ADVERTISING WHICH ASCRIBES THE BLAME FOR ALL AMERICA'S DISCONTENTS TO THE CARTER ADMINISTRATION AND THE DEMOCRATS' NEARLY UNBROKEN CONTROL OF CONGRESS FOR THE LAST 30 YEARS AND URGES VOTERS TO "VOTE REPUBLICAN - FOR A CHANGE". OPINION SURVEYS SUGGEST THAT THIS IS MAKING SOME IMPACT, BUT NOT ENOUGH TO GIVE THE REPUBLICANS CONTROL OF CONGRESS THIS YEAR, ALTHOUGH THEY COULD SECURE A MAJORITY IN THE SENATE.

6. AGAINST THIS BACKGROUND, THE DEMOCRATS ARE GOING INTO THE ELECTIONS DIVIDED AND ON THE DEFENSIVE, BEHIND AN INCUMBENT PRESIDENT WHO AROUSES LITTLE REAL ENTHUSIASM EVEN AMONG THE FAITHFUL. THE SPLIT BETWEEN KENNEDY'S LIBERAL IDEOLOGUES AND CARTER'S PRAGMATISTS WAS BARELY PAPERED OVER AT THE CONVENTION. CARTER'S BRAND OF SOUTHERN DEMOCRATIC POLITICS, WITH ITS BLEND OF POPULISM AND CONSERVATISM, IS MORE IN TUNE WITH THE PUBLIC MOOD THAN KENNEDY'S ANACHRONISTIC LIBERALISM AND SHOULD GIVE HIM THE MIDDLE GROUND. BUT HE WILL NEED MORE THAN TOKEN SUPPORT FROM KENNEDY IF HE IS FULLY TO MOBILISE SOME DISENCHANTED SECTORS OF THE DEMOCRATIC CONSTITUENCY (EG BLACKS, ORGANISED LABOUR) BEHIND HIM AND IT IS STILL FAR FROM CERTAIN THAT HE WILL GET IT. AND A GOOD MANY OF KENNEDY'S SINGLE-ISSUE SUPPORTERS, WHOSE FIRST LOYALTY IS TO A PARTICULAR CAUSE RATHER THAN TO THE DEMOCRATIC PARTY, MAY WELL OPT OUT OR GO OVER TO ANDERSON RATHER THAN WORK FOR A DEMOCRATIC CANDIDATE OF WHOM THEY DISAPPROVE.

7. CARTER'S INCUMBENCY IS BOTH AN ASSET AND A LIABILITY. THE INCUMBENT'S CAPACITY TO MAKE AND EXPLOIT THE NEWS AND TO DISPOSE OF (OR WITHHOLD) FEDERAL FUNDS TO THE MAXIMUM ELECTORAL ADVANTAGE IS A PRICELESS ASSET. BUT AS THE MAN IN CHARGE AT A TIME OF ECONOMIC TROUBLES AT HOME AND EMBARRASSMENT OR WORSE ABROAD, CARTER IS SELF-EVIDENTLY VULNERABLE TO ATTACKS ON HIS RECORD. THERE IS SOME SUBSTANCE TO THE DEMOCRATS' COMPLAINT THAT THIS ADMINISTRATION HAS

BEEN UNDER-RATED BY THE PRESS AND PUBLIC. FOR ALL HIS ADMINISTRATION'S INCONSISTENCIES, LAPSES IN EXECUTION AND ACCIDENT-PRONENESS, CARTER HAS BEEN GIVEN INSUFFICIENT CREDIT FOR HIS READINESS TO TACKLE DIFFICULT AND UNPOPULAR ISSUES: BUT MANY OF HIS ACHIEVEMENTS HAVE BEEN EITHER CONTROVERSIAL IN THEMSELVES (EG THE PANAMA CANAL TREATIES) OR OF A KIND WHICH MAKE LITTLE IMMEDIATE OR POSITIVE IMPACT ON THE ELECTORATE (EG GOVERNMENT REORGANISATION, THE TOKYO ROUND OF THE GATT MTNS AND THE PAINFUL PASSAGE THROUGH CONGRESS OF THE ENERGY PROGRAMME). IT IS LITTLE WONDER THAT CARTER'S CAMPAIGN STRATEGY RESTS ON ALL-OUT ATTACK ON REAGAN AND THE HOPE THAT REAGAN WILL MAKE SOME FATALLY DAMAGING MISTAKE.

8. CARTER IS AN EFFECTIVE CAMPAIGNER WITH A MEAN AND CAPABLE CAMPAIGN STAFF. HE IS AN ACCOMPLISHED POLITICAL CHAMELEON, SKILLED IN APPEALING TO THE PARTICULAR INTERESTS OF HIS AUDIENCE. BUT BY THE SAME TOKEN HE HAS NEVER SUCCEEDED IN ARTICULATING CONVINCINGLY AN OVERALL VISION OF WHERE HE WANTS TO LEAD AMERICA OR A COMPREHENSIVE STRATEGY FOR GETTING THERE. HE IS NOT HATED, BUT NEITHER IS HE LOVED. HE IS STILL WIDELY REGARDED AS AN HONEST, COURAGEOUS AND INTELLIGENT MAN DOING HIS BEST, BUT OUT OF HIS DEPTH IN THE WHITE HOUSE, THOUGH HELD IN CONTEMPT BY SOME, HE REMAINS AN ENIGMA TO MOST, AND HE LACKS ANY SOLID BASE OF POPULAR SUPPORT WHICH WILL STICK WITH HIM THROUGH THICK AND THIN. IF HE WINS THE ELECTION IT WILL BE AS THE LESSER OF TWO EVILS.

9. A LOT MAY TURN ON THE TELEVISION DEBATES BETWEEN THE CANDIDATES, IN WHICH CARTER WILL TRY TO EXPOSE REAGAN AS ANOTHER BARRY GOLDWATER AND REAGAN WILL TRY TO MAKE CARTER LOOK SMALL. CARTER'S STRENGTH IS HIS MASTERY OF HIS BRIEFS AND HIS FLUENCY IN DEBATE. REAGAN'S STRENGTH IS THAT, AS PRESIDENT NIXON ONCE SAID, "GOLDWATER CAN MAKE PERFECTLY REASONABLE STATEMENTS SOUND CRAZY, WHILE REAGAN CAN MAKE CRAZY STATEMENTS SOUND PERFECTLY REASONABLE". IT IS HARD TO PREDICT WHETHER THE ELECTORATE WILL BE MORE IMPRESSED BY CARTER'S PECULIAR BLEND OF SOFT-SPOKEN HYPERBOLE AND DOGGED EXPOSITION OF THE COMPLEXITY OF THE PROBLEMS OF CONTEMPORARY GOVERNMENT, OR BY REAGAN'S AMIABLE PRESENTATION OF PAINLESS PRESCRIPTIONS FOR "MAKING AMERICA GREAT AGAIN".

10. IN MIFT I CONSIDER WHAT WE MIGHT EXPECT FROM A SECOND CARTER TERM.

FCO PASS SAVING ALL NATO POSTS, DUBLIN, UKREP BRUSSELS, MOSCOW, TOKYO.

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