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TELEGRAM NUMBER 4538 OF 10 NOVEMBER

INFO SAVING EC AND NATO POSTS, MOSCOW, PEKING, TOKYO AND
CONSULATE-GENERALS IN USA.

USA
Read in full.

US ELECTIONS.

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1. I SHALL BE LETTING YOU HAVE INDICATIONS OF NEW POLICIES ON SPECIFIC ISSUES, WHICH MAY TAKE TIME TO EMERGE EVEN AFTER SENIOR ADMINISTRATION APPOINTMENTS HAVE BEEN ANNOUNCED. BUT A FEW GENERAL OBSERVATIONS CAN BE MADE NOW ON THE BASIS OF THE RESULTS.
2. AS REGARDS THE UNDERLYING CAUSE OF THE LANDSLIDE, A DEBATE HAS ALREADY STARTED HERE ON WHETHER IT WAS MAINLY CARTER'S FAULT OR WHETHER IT REFLECTS A DEEPER CHANGE IN THE NATIONAL MOOD. THE COMBINATION OF REAGAN'S MASSIVE VICTORY AND THE REPUBLICANS' UNEXPECTED SEIZURE OF CONTROL OF THE SENATE HAS LED SOME COMMENTATORS TO TALK OF A FUNDAMENTAL CHANGE IN THE AMERICAN POLITICAL LANDSCAPE, PERHAPS EVEN COMPARABLE WITH ROOSEVELT'S WATERSHED ELECTION IN 1932.
3. THERE HAS INDEED BEEN A MAJOR ELECTORAL UPHEAVAL. HAVING GAINED THE PRESIDENCY AS A SELF-PROCLAIMED OUTSIDER CARTER FAILED THEREAFTER TO ESTABLISH ANY SENSE OF LOYALTY TO HIMSELF EITHER IN HIS OWN PARTY OR OUTSIDE. MORE IMPORTANTLY, HE FAILED TO COMMUNICATE TO THE PEOPLE AT LARGE A CREDIBLE, LET ALONE INSPIRING, VISION OF THE DIRECTION IN WHICH HE SOUGHT TO GUIDE AMERICA. DISENCHANTMENT WITH CARTER BECAME ALMOST UNIVERSAL, EVEN AMONG TRADITIONAL DEMOCRATS. WHAT EVENTUALLY OVERCAME THE WIDESPREAD DOUBTS ABOUT REAGAN'S FITNESS FOR THE PRESIDENCY WAS HIS TALENT FOR COMMUNICATION, HIS ABILITY BOTH TO ARTICULATE POPULAR DISCONTENTS, WITHOUT BEING TOO SPECIFIC ABOUT THE REMEDIES HE WAS PROPOSING, AND TO CONVEY AN IMPRESSION OF GOOD-HUMOURED AUTHORITY, COMMON SENSE AND REASSURANCE. WATCHING HIM IN THE NATIONWIDE TV DEBATE THE MAN IN THE STREET NO LONGER SAW HIM AS THE MAD BOMBER THAT CARTER TRIED TO PAINT HIM. ONLY IN THE FINAL WEEK OF THE CAMPAIGN DID THE ELECTORATE TURN DECISIVELY AGAINST CARTER.
4. BUT THIS PERSONAL FEATURE OF THE PRESIDENTIAL DOES NOT ACCOUNT FOR THE REPUBLICANS' SUCCESSES IN THE CONGRESSIONAL ELECTIONS. IN THE SENATE THEY MADE A NET GAIN OF 12 SEATS TO TURN A 58-41 DEMOCRATIC MAJORITY INTO A 53-46 REPUBLICAN ONE (THE INDEPENDENT SENATOR BYRD OF VIRGINIA WILL CONTINUE TO CAUCUS WITH THE DEMOCARATS

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AND VOTE WITH THE REPUBLICANS). IN THE HOUSE THEY GAINED 33 SEATS, NOT ENOUGH FOR A MAJORITY BUT STILL MORE THAN EXPECTED.

5. ALTHOUGH THE SENATE ELECTIONS WERE DISASTROUS FOR THE DEMOCRATS, THE RETURNS SHOW THAT THE VOTERS' REJECTION OF DEMOCRATIC CANDIDATES WAS NOT ON THE SAME SCALE AS THEIR REPUDIATION OF PRESIDENT CARTER.

6. THE POLITICAL CENTRE OF GRAVITY IN AMERICA HAS BEEN MOVING RIGHTWARDS FOR SOME YEARS. THE PROCESS IS A COMPLEX ONE, WHICH I HOPE TO EXAMINE IN MORE DEPTH IN A FUTURE DESPATCH, BUT THERE ARE SOME FACTORS WORTH MENTIONING HERE. IN THE COUNTRY AT LARGE THE FEELING HAS BEEN GROWING (ENCOURAGED BY A DECADE OR MORE OF PERSISTENT INFLATION) THAT THE COSTS OF THE TRADITIONAL DEMOCRATIC APPROACH TO SOCIAL AND ECONOMIC PROBLEMS HAD COME TO OUTWEIGH THE BENEFITS: THE FEDERAL GOVERNMENT HAD BECOME TOO LARGE, TOO SPENDTHRIFT AND TOO INTRUSIVE: IN PARTICULAR, EXCESSIVE GOVERNMENT REGULATION WAS STIFLING ECONOMIC GROWTH. MORE RECENTLY, WITH THE POST-VIETNAM TRAUMA FADING AND IN RESPONSE TO SOVIET ADVENTURISM AND AMERICAN SETBACKS OVERSEAS, THE PUBLIC MOOD HAS TURNED IN FAVOUR OF A STRONGER DEFENCE EFFORT AND A MORE MUSCULAR FOREIGN POLICY. UP TO NOW, THE DEMOCRATS HAVE SUCCEEDED IN BENDING WITH THIS WIND BY PRESENTING THEMSELVES AS ALL THINGS TO ALL MEN, BUT AT THE COST OF WEAKENING THEIR IDENTITY AND THEIR CREDIBILITY. NEW POLITICAL IDEAS HAVE BEEN COMING FROM THE RIGHT, NOT THE LEFT. LIBERAL DEMOCRATS HAVE INCREASINGLY BEEN FORCED ON TO THE DEFENSIVE: WHILE ON THE REPUBLICAN SIDE THE PACE HAS INCREASINGLY BEEN SET BY THE RIGHT WING OF THE PARTY AND BY A COALITION OF SINGLE INTEREST AND RELIGIOUS GROUPS ADVOCATING WHAT AMOUNTS TO A POLITICAL AND CULTURAL COUNTER-REVOLUTION.

7. THIS YEAR THE REPUBLICAN PARTY SUCCEEDED IN GETTING ACROSS THE MESSAGE THAT THE DEMOCRATS HAD CONTROLLED THE CONGRESS WITH ONLY SHORT INTERRUPTIONS FOR THE BEST PART OF 50 YEARS. THEY CAPTURED AND SKILLFULLY EXPLOITED THE PUBLIC MOOD WITH THEIR SLOGAN "VOTE REPUBLICAN - FOR A CHANGE". THE RESULTS MARK THE END OF THE LONG SUPREMACY OF THE NEW DEAL LIBERAL TRADITION.

8. WHAT HAS CAUSED COMMENTATORS TO SPEAK OF A FUNDAMENTAL POLITICAL CHANGE IS NOT SIMPLY THE CHANGE-OVER TO REPUBLICAN CONTROL OF THE SENATE AFTER 26 YEARS OF DEMOCRATIC DOMINANCE, BUT ALSO THE STARK CONTRAST IN EXPERIENCE AND IDEOLOGY BETWEEN MANY OF THE PERSONALITIES INVOLVED. DEFEATED DEMOCRATIC SENATORS INCLUDE FIVE COMMITTEE CHAIRMEN AND HALF A DOZEN PROMINENT REPRESENTATIVES OF THE LIBERAL WING OF THE PARTY. THE 15 NEW REPUBLICAN SENATORS INCLUDE FIVE FORMER MEMBERS OF THE HOUSE OF REPRESENTATIVES, BUT THE MAJORITY OF THEM HAVE ONLY SERVED

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IN RELATIVELY MINOR STATE OR LOCAL OFFICES UP TO NOW AND AT LEAST FOUR OF THEM HAVE HAD NO PREVIOUS POLITICAL EXPERIENCE. AND WHILE SOME OF THESE NEW MEMBERS COME FROM THE MAINSTREAM OF THE REPUBLICAN PARTY, AT LEAST HALF OF THEM ARE IDENTIFIED WITH THE EXTREME RIGHT. SOME OF THE CHANGES IN COMMITTEE CHAIRMANSHIPS ALSO HIGHLIGHT THE IDEOLOGICAL SHIFT IN THE SENATE.

9. WITH THE DEMOCRATS RETAINING THEIR MAJORITY IN THE HOUSE OF REPRESENTATIVES, THE CONGRESS IS NOW DIVIDED AGAINST ITSELF: BUT THE ATTITUDE OF MANY DEMOCRATS SHOULD LEAD THEM TO SIDE WITH THE NEW ADMINISTRATION ON ECONOMIC AND DEFENCE ISSUES AND HENCE ENSURE FOR THE MOMENT A WORKING MAJORITY FOR MUCH OF THE REPUBLICAN LEGISLATIVE PROGRAMME.

FCO PASS SAVING EC POSTS, NATO POSTS, MOSCOW, PEKING AND TOKYO.

HENDERSON

[THIS TELEGRAM WAS NOT ADVANCED]
[REPEATED AS REQUESTED]

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