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PRESIDENT REAGAN AND THE US POLITICAL SCENE

SUMMARY

1. THE PRESIDENT IS WIDELY EXPECTED TO ANNOUNCE HIS CANDIDACY FOR A SECOND TERM AT THE END OF JANUARY. HIS STANDING REMAINS HIGH. MONDALE HAS RETAINED HIS LEAD IN THE DEMOCRATIC RACE.

DETAIL

2. EVER SINCE THE PRESIDENT DECIDED TO AVOID DECLARING HIS INTENTIONS THIS AUTUMN, IT HAS LOOKED LIKELY THAT HE WOULD DEFER A FORMAL ANNOUNCEMENT OF HIS CANDIDACY UNTIL SHORTLY AFTER HIS STATE OF THE UNION ADDRESS IN LATE JANUARY 1984. TODAY'S WASHINGTON POST CARRIES A REPORT BY CANNON, A JOURNALIST WITH EXCELLENT WHITE HOUSE CONTACTS, THAT THE PRESIDENT IS LIKELY TO ANNOUNCE ON 29 JANUARY. OUR WHITE HOUSE CONTACTS HAVE CONFIRMED PRIVATELY THAT THE REPORT IS ACCURATE. AT A PRESS CONFERENCE TODAY THE PRESIDENT SAID THAT ALL WOULD BECOME CLEAR ON 29 JANUARY.

3. THE PRESIDENT'S APPROVAL RATING IN THE POLLS REMAINS OVER 60 PERCENT, THE HIGHEST SINCE THE SUMMER OF 1981. IT HAS NOT DROPPED OFF IN THE AFTERMATH OF THE INTERVENTION IN GRENADA. NOR HAS THE PRESIDENT'S STANDING BEEN DAMAGED BY THE SOVIET WALKOUT AT GENEVA OR, SO FAR, BY EVENTS IN THE LEBANON.

4. THE PRESIDENT CONTINUES TO MIX OVERTLY POLITICAL ENGAGEMENTS (WITH MINORITY, BUSINESS AND OTHER GROUPS) INTO HIS OFFICIAL SCHEDULE. FOR EXAMPLE, HE RECENTLY APPEARED AT WASHINGTON HANNUKAH CELEBRATIONS AT WHICH, WITH AN EYE ON THE JEWISH VOTE, HE REAFFIRMED THE ADMINISTRATION'S STRONG SUPPORT FOR ISRAEL.

5. THE PRESIDENT'S STAFF SENSIBLY, ARE REACTING VERY CAUTIOUSLY TO THE POLLS. PRIVATE WHITE HOUSE SAMPLINGS SHOWING A SUBSTANTIAL (UP TO 16 PERCENT) LEAD OVER MONDALE AND GLENN. BUT THE KEY DOMESTIC POLITICAL ADVISERS REALISE THAT NEXT YEAR'S ELECTION WILL, IN JAMES BAKER'S WORDS, BE A "CLOSE, TOUGH RACE". THE PRESIDENT'S COUNSELLOR, ED MEESE, HAS JUST DISCOVERED THE CONTINUING STRENGTH OF FEELING ON THE "FAIRNESS" ISSUE IN THE PREDICTABLE PUBLIC REACTION TO HIS REMARK THAT HE HAD NEVER SEEN AUTHORITATIVE FIGURES THAT THERE WERE HUNGRY CHILDREN IN THE UNITED STATES AND THAT SOME PEOPLE VISITED SOUP KITCHENS ONLY BECAUSE THE FOOD WAS FREE. REAGAN REMAINS VULNERABLE ON THESE SOCIAL

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ISSUES, ON WHICH THE DEMOCRATS HAVE CONCENTRATED THEIR FIRE. THE PRESIDENT'S ADVISERS AND CAMPAIGN STAFF ARE ALSO VERY WARY OF FOREIGN POLICY BANANA SKINS BETWEEN NOW AND THE ELECTION. BAKER AND DARMAN PRIVATELY EXPRESS MISGIVINGS ABOUT THE DOMESTIC POLITICAL CONSEQUENCES OF CONTINUING INVOLVEMENT IN LEBANON. THE PRESIDENT, HOWEVER, IS SAYING THAT HE WILL NOT BE DEFLECTED BY DOMESTIC POLITICAL CONSIDERATIONS FROM DOING WHAT HE BELIEVES TO BE RIGHT.

6. MEANWHILE, MONDALE CONTINUES TO PICK UP USEFUL INDIVIDUAL AND GROUP ENDORSEMENTS. LAST WEEKEND HE WAS ENDORSED BY THE NATIONAL ORGANISATION OF WOMEN AND THE BLACK ALABAMA DEMOCRATIC CONFERENCE. HE HAS INCREASED HIS LEAD AS THE DEMOCRATIC FRONT RUNNER, BUT CONTINUES TO BE CRITICISED BY GLENN AND HOLLINGS FOR WEAK POLICIES ON DEFENCE AND PUBLIC SPENDING OF A KIND WHICH, THEY ARGUE, LED THE DEMOCRATS TO DEFEAT IN 1980.

7. THE POLITICAL ESTABLISHMENT HERE, THEREFORE, IS MORE THAN EVER CONVINCED THAT PRESIDENT RAGAN WILL BE A CANDIDATE IN 1984. THE PRESIDENT HAS STILL TOLD NO ONE DEFINITELY THAT HE WILL RUN. THE POSSIBILITY THAT HE MIGHT SPRING A SURPRISE AS PRESIDENT JOHNSON DID, CAN STILL NOT BE ENTIRELY EXCLUDED. BUT HE IS NOW COMMITTED TO MAKING HIS INTENTIONS CLEAR ON 29 JANUARY, AND THE ENTIRE WHITE HOUSE STAFF ARE EXPECTING HIM TO RUN. HIS ADVISERS AND CAMPAIGN STAFF WILL TRY TO KEEP HIM TO THAT SCHEDULE, AS THE PRESIDENT IS GOING TO BE NEEDED ON THE CAMPAIGN TRAIL TO STIMULATE GRASS ROOTS SUPPORT IN WHAT THEY EXPECT TO BE AN ELECTORAL CLOSE CALL.

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