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Secretary of State for Trade and Industry

23 September 1985

Sir James Cleminson, MC DL
President
CBI
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Thank you for your note of 11 September and for letting me have copies of your letter of the same date to Malcolm Rifkind and your circular on South Africa to CBI Council Members.

I was particularly pleased to receive the latter and to note that your attitude towards apartheid, sanctions and the role of British business appears broadly in line with the positions we have taken. Our commercial interests in South Africa are considerable and I believe it is important for us to remain aware of the views of industry on the various policy issues which face us.

As regards the EC Code of Conduct, my officials have recently been in correspondence with your Employment Affairs Directorate about ideas which we might put forward when the EC Member States review the Code.

We were grateful for the care and effort which went into the CBI's comments on that occasion and we are taking these fully into account in preparing our position. Like you, we are opposed to a mandatory Code and believe that companies' attention should be increasingly focused on education, training and community development.

I was interested to see that you would like British companies to take more credit for their achievements in the social and other spheres. Traditionally many firms have preferred to maintain a low profile and have sought to deflect attention from their South African activities. But, in the face of current pressures for measures to restrict our relations there is a need for effective presentation of the benefits for the non-white communities of

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Britain's continuing involvement in South Africa. This is a job for business as well as for government and it is good to know that we may count on the CBI's co-operation.

I am copying this letter to the Prime Minister, Geoffrey Howe and Malcolm Rifkind since you sent them copies of your letter on South Africa.

Law,
Len

LEON BRITTAN

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South Africa; Rels

