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File



10 DOWNING STREET

From the Private Secretary

24 September 1985

Dear Colin,

SOUTH AFRICA

The Prime Minister had a talk this evening with Mr. Harry Oppenheimer.

Mr. Oppenheimer said that he thought that the meeting between South African businessmen and the ANC had done no harm and perhaps some good even though only three businessmen had taken part. The ANC had gone to some lengths to show themselves as reasonable and in particular to stress that they were not a Marxist organisation. But on the central issues they had shown themselves entirely unrealistic. The only subject on which they were willing to negotiate was the transfer of power to them. They were not prepared to discuss the sort of South Africa which might be accepted by all groups. Mr. Oppenheimer doubted that the ANC would ever agree to attend a constitutional convention and would probably be able to prevent the UDF from taking part. He did not believe, however, that the ANC had majority support among blacks in South Africa. In his view the right course for the South African Government should be to start a dialogue with such black representatives as would agree to take part, leaving aside the ANC.

Mr. Oppenheimer believes that South Africa's future lies in a federal solution, though he sees a risk that failure to move quickly towards this will leave one man one vote in a unitary state as the accepted goal of all blacks. He thought that President Botha would be prepared to act on common citizenship, the pass laws and influx control. But he was much less certain that he was ready for any real degree of power-sharing.

Mr. Oppenheimer took a very serious view of the current financial crisis. One might regard the South African government as morally distasteful. But it was a legal government and one which had honoured its obligations. He wondered whether they would be able to do so in future. What had happened in the financial markets made economic sanctions irrelevant.

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Mr. Oppenheimer thought that Britain was one of the few countries perhaps at present the only one which was able to exercise a significant influence on the South African government. This is because we had clearly demonstrated that we had views of our own and were not just swept along with the tide of opinion.

*Yours sincerely,  
Charles Powell*

CHARLES POWELL

Colin Budd, Esq.,  
Foreign and Commonwealth Office.



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24 September 1985

I am writing to thank you for arranging for Mr. Harry Oppenheimer's visit here today. He saw the Prime Minister for over an hour and I know that she found the discussion most interesting.

New

**TMh Lord Rothschild GBE, GM, FRS.**

K

*Also*

23 ST. JAMES'S PLACE  
LONDON SW1A 1NH  
01-493 4795

*off*  
*to*  
*ch.*

18th September 1985

*Mrs. Ryder,*

*I hope you feel  
v. ashamed!*

*Dear Mr. Wicks,*

The enclosed letter is self-explanatory.

*NLU  
18-9*

Although it is unnecessary for me to say so, I shall, of course, not be present. There would be no point.

*Yours  
Kotarschuld*

Lord Rothschild



23 ST. JAMES'S PLACE  
LONDON SW1A 1NH  
01-493 4795

18th September 1985

Private & Confidential

Dear Harry,

This is to confirm our telephone conversation, 6.30 pm on Tuesday 24th September at No.10 Downing Street.

Yours  
Victor





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[P.S.]

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OCMIAN 9426  
CONFIDENTIAL  
DD 171300Z CAIRO  
FM FCOLN TO CAIRO  
171115Z SEP  
GRS 105

No 10. (Prime Minister)

x1

CONFIDENTIAL  
FM FCO  
TO DESKBY 171300Z CAIRO  
TELNO 351  
OF 171115Z SEPTEMBER 85

FOLLOWING FOR POWELL, PM'S PARTY, FROM WICKS, NO 10

1. VICTOR ROTHSCHILD HAS WRITTEN TO ME TO SUGGEST THAT THE PRIME MINISTER MIGHT SEE H F OPPENHEIMER, CHAIRMAN OF THE ANGLO-AMERICAN, WHO IS IN LONDON FOR THE NEXT TEN DAYS. I RECOMMEND THAT SHE SHOULD DO SO. POSSIBLE TIMES IN THE PRIME MINISTER'S DIARY ARE EVENING DRINKS ON SUNDAY 22 SEPTEMBER, TUESDAY 24 SEPTEMBER OR WEDNESDAY 25 SEPTEMBER (IF PRINCE SULTAN'S DINNER DOES NOT MATERIALISE). ROTHSCHILD WARNS THAT OPPENHEIMER'S DIARY IS VERY CROWDED SO WE MIGHT HAVE TO ARRANGE ANOTHER TIME.
2. GRATEFUL FOR ADVICE.

HOWE

OCMIAN 9426