

Suspect cc master*bc PC ✓**meeting record*

10 DOWNING STREET

From the Private Secretary

14 July 1986

*Dear Colin,***PRIME MINISTER'S MEETING WITH THE CANADIAN PRIME MINISTER:
SOUTH AFRICA**

I have recorded separately the Prime Minister's discussions with Mr. Mulroney of a number of bilateral and international issues. This letter reports their discussion on South Africa. I should be grateful if it could be given a very limited circulation (3).

Mr. Mulroney opened by saying that the United Kingdom's leadership in the Commonwealth was vital. That leadership would be imperilled, at least in the world of perceptions, by failure to reach agreement at the meeting of seven Commonwealth Heads of Government in London on further action against South Africa. There was no doubt that there would be very strong pressure at that meeting for further measures based on what had been agreed in Nassau. The old Commonwealth countries must be ready to respond. He did not wish to dramatise the situation. He agreed with the Prime Minister's comment that the Commonwealth had come through a lot of difficulties in the past. Nor was Canada's friendship with Britain in doubt. But he had to say that he was very concerned about the August meeting and the consequences of it for the Commonwealth. He wondered how the Prime Minister saw the prospects for the August meeting and for progress from the Foreign Secretary's mission to Southern Africa.

The Prime Minister said that one had to draw a distinction between leadership and followership. She hoped that Mr. Mulroney was not saying that leadership required Britain to fall in with the views of a number of other Commonwealth countries even though we believed they were fundamentally wrong. She had looked very carefully at every argument for and against general economic sanctions. She was convinced that they would not achieve their professed goal. There was no historical precedent for sanctions

CONFIDENTIAL

SM.

persuading a government to change its internal policies. Moreover it was inconsistent to pour aid into Africa to combat famine while simultaneously taking measures which would increase the likelihood of starvation of black people in South Africa. Responsible western governments also had to consider the risk that the South African government would, in retaliation, deny supplies of vital raw materials. We all shared the objective of getting rid of apartheid. But the best prospect of achieving this lay through negotiation. She feared that some African leaders actually wanted violence in South Africa, because their own experience had taught them that this was the quickest way to achieve power. One could not overlook the changes that had taken place in South Africa. The National Party convention in August would show to what extent further significant change could be expected. She did not believe that the South African Government would respond to threats or an ultimatum. Moreover moderate opinion, both black and white, in South Africa was opposed to sanctions. Of course she was alive to the importance of keeping the Commonwealth together, though it was legitimate to wonder what real value those who used their membership as a means of pressure on other governments really attached to the institution. She came back to her starting point: our policy could not be determined by majority opinion in the Commonwealth. The starting point had to be a clear analysis of what course was most likely to bring about the desired aim of dismantling apartheid.

Mr. Mulroney said that, in his view, the principal objective at the London meeting was how to give life to the Nassau Accord. He did not think that it was possible to leave London without sending some further signals to the South African Government. He was not talking about comprehensive sanctions but rather about looking at a list of possible measures against South Africa and seeing what could be done to send a stronger signal to the South African Government. He did not want to get into an argument about the morality of sanctions, though in his own view if you were seeking a noble end sanctions were a justified means. They had anyway been adopted by the West in other situations. As regards raw materials, Canada could supply many of those for which South Africa was currently the main source provided there was sufficient investment. He thought that change in South Africa could only be achieved by stepping up pressure from outside. Canadian and British views on this were clearly at variance.

The Prime Minister said that the difficulty with the course proposed by Mr. Mulroney was that it involved moving further down a slippery slope towards general economic sanctions. It was also based on a misreading of the psychology of the Afrikaners. And it took no account of the

strong likelihood of retaliation by South Africa against neighbouring black African countries, who would no doubt turn to the United Kingdom and Canada for help. She certainly did not want to see dissension at the Commonwealth meeting in August. Her goal would be convergence on a reasonable policy. In her view that meant seeking to bring about the end of apartheid by negotiation. The European Community's mission should be given a reasonable chance to achieve this.

Mr. Mulroney said that it was clear that Canada and the United Kingdom had a strong divergence of opinion on this. This was not a happy situation. Canada wanted to see something positive emerge from the London meeting. The Prime Minister commented that she did not regard sanctions as positive. Mr. Mulroney said that he hoped the two governments could keep in close touch in the period leading up to the Commonwealth meeting. He would be particularly interested in any information on the progress of the Foreign Secretary's mission.

It was agreed that the press should be told that there had been a preliminary discussion between the Prime Minister and Mr. Mulroney of the issues which would arise at the Commonwealth meeting in August. In the event, Mr. Mulroney's public comments clearly went well beyond this.

*yes surely,
Charles Powell*

(CHARLES POWELL)

Colin Budd, Esq.,
Foreign and Commonwealth Office.