

Confidential

CONFIDENTIAL

FM THE HAGUE

TO DESKBY 201900Z FCO

TELNO 403

OF 201710Z JUNE 86

FRAME EXTERNAL

MIPTS: DISCUSSION OF FURTHER POLICIES ON SOUTH AFRICA

1. THIS WAS NEVER GOING TO BE AN EASY MEETING. IT FULLY LIVED UP TO ITS PROMISE. THE PRESIDENCY TRIED TO PLUNGE STRAIGHT INTO DISCUSSION ON A BAN ON FRUIT, VEGETABLES AND WINE, AND ON COAL IRON AND STEEL, WITH THE OBVIOUS INTENTION OF TRYING TO SECURE A RECOMMENDATION ON THESE TO MINISTERS. MOST OF THE TWELVE, INCLUDING THE FRENCH, MERELY HAD INSTRUCTIONS TO AIM FOR A CONSENSUS ON A BAN AT LEAST ON FRUIT, WINE AND VEGETABLES. THE PORTUGUESE WERE THE ONLY OTHER DELEGATION BESIDES OURSELVES WHO SPOKE AGAINST IT. THE GERMANS, WHO HAD SENT THEIR DEPUTY POLITICAL DIRECTOR, REMAINED SILENT VIRTUALLY THROUGHOUT UNDER INSTRUCTIONS FROM GENSCHER.
2. IN THE EVENT, ALTHOUGH WE DID NOT SUCCEED IN KILLING OFF THE IDEA OF A FRUIT, WINE AND VEGETABLE BAN, WE DID SUCCEED IN BRINGING OUT THE SERIOUS IMPACT ON THE BLACK COMMUNITY IN SOUTH AFRICA, AS WELL AS THE PRACTICAL AND LEGAL DIFFICULTIES OF MANY OF THE OTHER PROPOSALS UNDER CONSIDERATION. ON OTHER ISSUES, WE GOT A GOOD DEAL OF SUPPORT FROM VARIOUS PARTNERS. BY THE END OF THE DAY, SOMETHING APPROACHING CAREFUL CONSIDERATION HAD BEEN GIVEN TO ALL THE MEASURES ON THE DUTCH LIST.
3. OVER LUNCH IT EMERGED THAT MOST OF THE TWELVE FELT UNDER HEAVY DOMESTIC PRESSURE FOR SUBSTANTIVE DECISIONS ON RESTRICTIVE MEASURES AT NEXT WEEK'S EUROPEAN COUNCIL. THEIR PUBLIC OPINION WAS CALLING FOR IT. BLACK AFRICAN OPINION WAS CALLING FOR IT. EVEN THE US HOUSE OF REPRESENTATIVES WAS CALLING FOR IT. THE COUNCIL, THEY FELT, WOULD LOSE ALL CREDIBILITY WITH ITS EUROPEAN PUBLIC IF IT FAILED TO MEASURE UP TO THE SITUATION IN SOUTH AFRICA.
4. IN THESE CIRCUMSTANCES IT WAS INEVITABLE THAT THE FRUIT, WINE AND VEGETABLE BAN, AS THE PREFERRED OPTION WITH MOST PARTNERS, WOULD FEATURE ON THE SHORT LIST TO BE RETAINED FOR FURTHER CONSIDERATION. BUT, SUBJECT TO SEEING THE PRESIDENCY PAPER WHEN IT IS CIRCULATED, OUR UNDERSTANDING IS THAT THE SHORT LIST WILL BE NEUTRALLY WORDED.
5. IT WAS HELPFUL THAT ATTENTION FOCUSED EARLY ON THE NEED FOR GREATER EMPHASIS ON POSITIVE MEASURES. THE FRENCH GAVE A STRONG LEAD ON THIS. IT SHOULD ENABLE THE COUNCIL TO BE OFFERED A PACKAGE CONTAINING SOME RESPECTABLE POSITIVE MEASURES, HOWEVER DIFFICULT DISCUSSION OF THE PROPOSED RESTRICTIVE MEASURES MAY BE.

MARGETSON

FRAME EXTERNAL
ECD (E)

(ADVANCED AS REQUESTED)

COPIES TO:
AS PER LIST.**Confidential**

GRS 740
CONFIDENTIAL
FM THE HAGUE
TO IMMEDIATE FCO
TELNO 402

Confidential

OF 201750Z JUNE 86
INFO IMMEDIATE UKREP BRUSSELS, PRETORIA
INFO PRIORITY OTHER EC POSTS

FRAME EXTERNAL

POLITICAL COMMITTEE: 20 JUNE; SOUTH AFRICA

(B) POSITIVE MEASURES

SUMMARY

1. GENERAL REAFFIRMATION OF IMPORTANCE OF POSITIVE MEASURES. PRESIDENCY PUSH FOR INCREASED MONEY FROM EC BUDGET RESISTED. SOME FRENCH DISSATISFACTION WITH EC PROGRAMME AND SUGGESTION FOR NEW FUND.

DETAIL

2. PRESIDENCY (JACOBVITS) SOUGHT GENERAL ENDORSEMENT OF THE THREE POSITIVE MEASURES PROPOSED IN THEIR PAPER WHICH HAD BEEN SUGGESTED BY RAIMOND OVER LUNCH ON 16 JUNE (EXTRA AID TO CROSSROADS VICTIMS, HELP WITH LEGAL COSTS FOR THOSE ARRESTED UNDER THE STATE OF EMERGENCY, AND THE IDEA OF A EUROPEAN FUND FOR VICTIMS OF APARTHEID). THE EUROPEAN PARLIAMENT HAD APPROVED 5 MECU EACH FOR 1986 AND 1987, THOUGH THE COMMISSION HAD NOT YET PUT FORWARD PROPOSALS FOR DISBURSEMENT. INDIVIDUAL MEMBER STATES HAD ALREADY TAKEN SOME MEASURES, EG, UK BLANKETS TO THOSE MADE HOMELESS IN RECENT EVENTS AND NETHERLANDS AID FOR LEGAL COSTS, CHANELLED THROUGH THE INTERNATIONAL DEFENCE AND AID FUND IN LONDON. HE ASKED PARTNERS TO GIVE THE PRESIDENCY MORE DETAILS ON FURTHER NATIONAL ACTION AND SUGGESTED THAT FUNDING FROM THE EC BUDGET SHOULD BE INCREASED.

3. MOREL (FRANCE) ARGUED THAT THE EC HAD NEGLECTED THE POSITIVE MEASURES SIDE AND SHOULD GET OUT OF THE RESTRICTIVE-MEASURES STRAITJACKET. FRANCE SUPPORTED ASSISTANCE TO THE VICTIMS IN CROSSROADS AND WAS PREPARED TO CONSIDER LEGAL ASSISTANCE. AFTER SOME CIRCLING, IT BECAME APPARENT THAT THERE WAS FRENCH DISSATISFACTION WITH THE LACK OF VISIBILITY OF THE EC PROGRAMME. SOME ALTOGETHER MORE STRIKING AND VISIBLE ACTIVITY WAS NEEDED TO SHOW THAT THE TWELVE WERE HELPING THE BLACKS IN SOUTH AFRICA. RAIMOND HAD SUGGESTED A NEW FUND. IT MIGHT BE OPEN TO PRIVATE AS WELL AS GOVERNMENT DONORS. THE AMBASSADORS OF THE TWELVE COULD BE INSTRUCTED TO MEET LEADERS OF THE BLACK COMMUNITY (HE MENTIONED TUTU AND BOESAK) TO PUT ACROSS WHAT HAD ALREADY BEEN DONE.

4. COMMISSION (KRENZLER) REPORTED ON CONTACTS IN SOUTH AFRICA ESPECIALLY WITH THE CHURCHES, IN ORDER TO IDENTIFY CHANNELS TO DISBURSE THE EC AID ALREADY AGREED. PROPOSALS FOR TWO TO THREE PROJECTS HAD BEEN SUBMITTED TO THE COMMISSION FROM INTER ALIA

CHRISTIAN

Confidential

CHRISTIAN AID AND ONE OF THE TRADE UNION ORGANISATIONS. MORE PROJECTS

WHICH WOULD ACCOUNT FOR 4 TO 5 MECU WERE BEING PREPARED BY THE CATHOLIC BISHOPS CONFERENCE AND COUNCIL OF CHURCHES. THE COMMISSION COULD USE THE FUNDS AVAILABLE UNDER ARTICLE 953 TO GIVE ASSISTANCE TO THE VICTIMS OF CROSSROADS. THE PROJECTS BEING PUT FORWARD BY THE TRADE UNION ORGANISATION ALSO INCLUDED THE POSSIBILITY OF LEGAL ASSISTANCE. THE COMMISSION WOULD BE IN A POSITION TO PROPOSE A MEETING OF EXPERTS TO CONSIDER PROJECTS IN THE SECOND OR THIRD WEEK OF JULY. THEY WERE HESITANT HOWEVER, ABOUT THE SUGGESTION OF A NEW FUND, WHICH WAS LIKELY TO UNDERMINE THE COMMUNITY'S CREDIBILITY. WHAT WOULD BE THE CRITERIA AND WHO THE BENEFICIARIES? HOW WOULD IT DIFFER FROM WHAT WAS ALREADY ENVISAGED? THE BUDGETARY IMPLICATIONS OF THE PRESIDENCY PROPOSAL WOULD NEED TECHNICAL STUDY. SPENDING WAS LIKELY TO BE CONCENTRATED IN 1987. WAS THERE NOT A DANGER OF A PARALLEL BUREAUCRACY?

5. THOMAS (UK) SUPPORTED FRANCE IN EMPHASISING THAT POSITIVE MEASURES TO HELP THE BLACK COMMUNITY WERE AN IMPORTANT PART OF THE TWELVE'S APPROACH TO SOUTH AFRICA. PERHAPS THE COMMUNITY HAD NOT GIVEN SUFFICIENT IMPORTANCE TO POSITIVE MEASURES. THEY SHOULD BE EFFECTIVE AND VISIBLE. WE SHOULD HIGHLIGHT WHAT WAS BEING DONE ALSO UNDER THE CODE OF CONDUCT, AID TO TRADE UNIONS, ETC. IT WAS IMPORTANT TO GET THE EC PROGRAMME UNDER WAY AND MAKE IT EFFECTIVE

WE SHOULD SEE IF THE EXISTING FUNDS AT THE COMMISSIONS DISPOSAL COULD BE USED TO GIVE EFFECT TO THE PRESIDENCY'S IDEAS ON AID TO VICTIMS AT CROSSROADS AND LEGAL HELP. BUT TO THINK IN TERMS OF AN INCREASE BEFORE THE EXISTING PROGRAMME HAD TAKEN SHAPE WAS PREMATURE.

6. SPAIN, ITALY, IRELAND, BELGIUM ENDORSED THE IMPORTANCE OF POSITIVE MEASURES AND THE IDEAS IN THE PRESIDENCY PAPER, WITHOUT SUPPORTING ANY INCREASE IN THE FUNDS AVAILABLE.

7. SUMMING UP JACOBOWITZ SUGGESTED THAT THE POLITICAL COMMITTEE IN REPORTING TO MINISTERS SHOULD SET OUT WHAT HAD ALREADY BEEN DONE RESPONDING TO THE RECENT EMERGENCY (HE WOULD BE GRATEFUL IF MEMBER STATES COULD NOTIFY THE PRESIDENCY URGENTLY BY COREU OF THE AID THEY HAD GIVEN) AS WELL AS WHAT WAS PLANNED, INCLUDING ANY PROJECTED INCREASE. IT WAS IMPORTANT TO MAKE THE EC PROGRAMME OF POSITIVE MEASURES EFFECTIVE. THE QUESTION OF AN INCREASE SHOULD BE LEFT OPEN FOR NOW.

COMMENT

8. IN THE LIGHT OF THIS DISCUSSION, IT IS CLEAR THAT OTHER MEMBER STATES WOULD BE RECEPTIVE TO ANY UK INITIATIVE IN THIS GENERAL AREA.

MARGETSON

FRANC EXTERNAL
EED (E)
SAFD

72-
Confidential

GRS 1,420

Confidential

CONFIDENTIAL

FM THE HAGUE

TO DESKBY 201900Z FCO

TELNO 401

OF 201740Z JUNE 86

INFO PRIORITY CAPE TOWN, LUSAKA, DAR ES SALAAM, KINSHASA, KAMPALA

INFO PRIORITY HARARE, LAGOS, ALL EC POSTS, MOSCOW, WASHINGTON

INFO PRIORITY UKDEL NATO, UKMIS NEW YORK, STRASBOURG

INFO SAVING ANKARA, OSLO, TOKYO, WELLINGTON, OTTAWA, MEXICO CITY

INFO SAVING BERNE

FRAME EXTERNAL

EUROPEAN POLITICAL COOPERATION: POLITICAL COMMITTEE:

THE HAGUE, 20 JUNE: SOUTH AFRICA

SUMMARY

1. A DIFFICULT DISCUSSION. DESPITE UK OPPOSITION, BROAD SUPPORT FOR BAN ON IMPORT OF WINE, FRUIT AND VEGETABLES, AND OTHER RESTRICTIVE MEASURES. FRENCH EMPHASIS ON IMPORTANCE OF POSITIVE MEASURES AS MEANS OF POLITICAL INFLUENCE WITH BLACKS. GERMANS SILENT THROUGHOUT. AFTER PROLONGED DISCUSSION IN RESTRICTED SESSION, PRESIDENCY PROPOSED TO CIRCULATE A PAPER ON THEIR OWN RESPONSIBILITY, BASED LARGELY ON THEIR ORIGINAL ELEMENTS AND PROPOSING FOLLOWING RESTRICTIVE MEASURES FOR FURTHER CONSIDERATION BY MINISTERS:

- (I) GOLD COINS SEMI COLON
- (II) WINE, FRUIT AND VEGETABLES SEMI COLON
- (III) COAL SEMI COLON
- (IV) IRON AND STEEL.

OTHER RESTRICTIVE MEASURES TO BE RELEGATED TO AN ANNEX WITH RECOMMENDATION THAT THEY SHOULD NOT BE CONSIDERED FURTHER FOR THE PRESENT.

DETAIL

2. JACOBVITS (PRESIDENCY) DESCRIBED THE MEASURES TAKEN BY OTHER WESTERN COUNTRIES, EG CANADA, JAPAN, THE NORDICS, AND REFERRED TO THE BILL PASSED BY THE HOUSE OF REPRESENTATIVES. HE INVITED COMMENTS ON THE PRESIDENCY'S DISCUSSION PAPER WHICH WAS INTENDED AS THE BASIS FOR A PAPER WHICH HE HOPED COULD BE SUBMITTED TO FOREIGN MINISTERS.

3. THOMAS (UK) EMPHASIZED THE NEED TO THINK COOLLY AND CLEARLY ABOUT THE MEASURES PROPOSED BY THE PRESIDENCY. WE NEEDED TO OFFER /A.

Confidential

A CLEAR PICTURE OF WHAT THEY WOULD ACHIEVE IN PRACTICE, THEIR COST TO MEMBER STATES, THEIR IMPACT IN SOUTH AFRICA, AND WHETHER OTHER COUNTRIES WOULD BE LIKELY TO APPLY THEM. WE SHOULD AVOID DRIVING SOUTH AFRICA INTO A CORNER OR DAMAGING THE SOUTH AFRICAN ECONOMY. OUR PURPOSE WAS NOT TO PUNISH BUT TO SEND A CLEAR POLITICAL SIGNAL. POLITICAL DIRECTORS COULD NOT TAKE DECISIONS BUT SHOULD PREPARE A THOROUGH ANALYSIS IN THE LIGHT OF WHICH MINISTERS COULD DECIDE FOR THEMSELVES ON THE MERITS OF THE PROPOSED MEASURES.

4. DISCUSSION THEN TURNED TO THE THREE SECTIONS OF THE PRESIDENCY PAPER DEALING WITH DIPLOMATIC MEASURES, POSITIVE MEASURES AND RESTRICTIVE MEASURES. THE PRESIDENCY PROPOSED THAT THE SECTION ON DIPLOMATIC MEASURES (RECALL OF AMBASSADORS ETC) SHOULD BE DROPPED. THE MEASURES LISTED IN THIS SECTION WOULD NOT BE ACCEPTABLE TO MOST PARTNERS. THIS WAS AGREED, ALTHOUGH ITALY, WITH UK SUPPORT, ARGUED THAT WE SHOULD KEEP OPEN THE POSSIBILITY THAT OTHER POLITICAL MEASURES MIGHT BE LOOKED AT LATER, GIVEN THAT ECONOMIC MEASURES WERE LIKELY TO PROVE MORE DIFFICULT.

5. FOR DISCUSSION OF POSITIVE MEASURES, SEE MIFT (NOT TO ALL).

6. ON RESTRICTIVE MEASURES, DENMARK BEGAN BY CIRCULATING A LIST OF ADDITIONAL MEASURES WHICH INCLUDED A TOTAL BAN ON TRADE WITH SOUTH AFRICA. THIS WAS GENERALLY REGARDED AS UNHELPFUL. DENMARK AND IRELAND, HOWEVER, INDICATED WILLINGNESS TO IMPLEMENT ALL THE RESTRICTIVE MEASURES ON THE PRESIDENCY'S LIST. THE TWELVE SHOULD GIVE MORE POLITICAL FORCE TO THEIR EFFORTS IN THIS FIELD, AND NOT CONFINE THEMSELVES TO WORKING THROUGH RESTRICTIVE MEASURES. THE FRENCH COULD ACCEPT A BAN ON FRUIT AND VEGETABLES, AND POINTED OUT THAT THEY ALREADY HAD A BAN ON NEW INVESTMENT AND HAD STOPPED COAL IMPORTS. GERMANY DID NOT SPEAK. ITALY, SPAIN AND BELGIUM, GAVE NO CLEAR COMMITMENT ON THE LIST OF RESTRICTIVE MEASURES. PORTUGAL SUPPORTED THE UK LINE AND SAID THAT THE INTERESTS OF THE LARGE PORTUGUESE COMMUNITY IN SOUTH AFRICA WERE A MATTER OF ACUTE POLITICAL SENSITIVITY IN LISBON.

7. SPAIN PROPOSED THAT THE TWELVE SHOULD GIVE GREATER EMPHASIS TO ITS CONTACTS WITH BLACK GROUPS IN SOUTH AFRICA, EG THE UDF, ANC AND OTHERS, AT THE SAME TIME REDUCING OFFICIAL CONTACTS WITH THE SOUTH AFRICAN GOVERNMENT. THERE WAS GENERAL SUPPORT FOR THE FORMER, BUT THOMAS STRONGLY RESISTED THE LATTER AND WAS SUPPORTED BY THE PRESIDENCY.

8. AS FORESHADOWED IN THEIR COREU, THE PRESIDENCY ATTEMPTED TO FOCUS DISCUSSION PARTICULARLY ON WINE, FRUIT, VEGETABLES, COAL, IRON AND STEEL. THOMAS RESISTED THIS, ARGUING THAT POLITICAL DIRECTORS WERE NOT COMPETENT TO SELECT PARTICULAR RESTRICTIVE MEASURES. THE RIGHT COURSE WAS TO WORK THROUGH THE FULL LIST INDICATING THE ADVANTAGES AND DISADVANTAGES OF EACH PARTICULAR MEASURE.

9. ALTHOUGH THE PRESIDENCY CONCEDED THAT SOME EVALUATION OF THE EFFECTS OF EACH RESTRICTIVE MEASURE WAS DESIRABLE, THERE WAS LITTLE SUPPORT FOR THIS FROM OTHER PARTNERS. MOST SHOWED WILLINGNESS IF NOT ENTHUSIASM FOR A BAN ON WINE, FRUIT AND VEGETABLES.

1/10.

Confidential

10. OVER LUNCH, THE DISCUSSION OF RESTRICTIVE MEASURES CONTINUED, WITHOUT NOTE-TAKERS. ON A POSSIBLE BAN ON IMPORTS OF COAL, IT WAS CLEAR THAT SEVERAL MEMBER STATES HAD CONSIDERABLE DIFFICULTIES, NOTABLY THE BELGIANS. THOMAS BROUGHT OUT THE ARGUMENT OF BLACK UNEMPLOYMENT IN THE MINING INDUSTRY. THERE WAS A SIMILAR ARGUMENT ON IMPORTS OF IRON AND STEEL, WHERE THOMAS MADE THE POINT THAT SOUTH AFRICAN EXPORTS ONLY CONSTITUTED 4% OF TOTAL EXPORTS AND OF THIS ONLY 10% WENT TO THE EC. HE POINTED OUT THAT THIS WAS A CLASSIC CASE WHERE ACTION BY THE COMMUNITY WITHOUT OTHER INDUSTRIALISED COUNTRIES WOULD BE SENSELESS. HE ALSO DREW ATTENTION TO THE EFFECT ON IRON AND STEEL EXPORTS FROM THE FLS WHICH PASSED THROUGH SOUTH AFRICA AND WOULD THEREFORE BE DIRECTLY DAMAGED BY SUCH A BAN.

11. SEVERAL POLITICAL DIRECTORS RESPONDED TO THE ARGUMENTS ABOUT BLACK UNEMPLOYMENT BY SAYING THAT THEIR MINISTERS FELT THEY HAD TO RECOGNISE THE FORCE OF BLACK MAJORITY ARGUMENTS IN FAVOUR OF SANCTIONS, EVEN IF THEY CREATED UNEMPLOYMENT IN SOUTH AFRICA. THIS WAS PARTICULARLY STRONGLY ARGUED BY DE SCHOUTHEETE (BELGIUM), AND SHARKEY (IRELAND).

12. A DISCUSSION ON A POSSIBLE BAN ON GOLD AND OTHER PRECIOUS METALS WENT REASONABLY SUCCESSFULLY. THE SILLINESS OF THIS PROPOSAL QUICKLY BECAME APPARENT AND POLITICAL DIRECTORS SAW THE FORCE OF SETTLING FOR A BAN ON GOLD COINS ORIGINATING IN SOUTH AFRICA

IT WAS AGREED TO REVISE THE PROPOSAL ON THESE LINES AND RETAIN IT FOR FURTHER CONSIDERATION BY MINISTERS.

13. DISCUSSION OF THE BAN ON NEW INVESTMENTS WAS MORE DIFFICULT. THE FRENCH (WHO MAKE NONE) WERE PRESSING STRONGLY FOR SUPPORT FOR IT. THOMAS ASKED FOR A TOUR DE TABLE ON HOW MANY COUNTRIES COULD IMPOSE SUCH A BAN WITHOUT NEW LEGISLATION. IT TURNED OUT THAT VERY FEW WERE ABLE TO DO SO. THOMAS ALSO POINTED OUT THE PERVERSE EFFECTS OF SUCH A BAN IN THE NEAR-CERTAIN EVENT THAT SOUTH AFRICA RETALIATED BY PREVENTING REPATRIATION OF PROFITS. THIS DISCUSSION FINALLY PROVOKED THE FRG REPRESENTATIVE (WHO WAS UNDER INSTRUCTIONS FROM GENSCHER TO CONFINE HIMSELF TO LISTENING AND REPORTING) INTO MAKING A CLEAR AND HELPFUL INTERVENTION WHICH FINALLY PUNCTURED THE IDEA FOR THE TIME BEING. IT WAS NEVERTHELESS FELT BY SOME THAT HOWEVER LIMITED IN REAL EFFECT, THIS WOULD BE A USEFUL POLITICAL SIGNAL TO SEND.

14. PROPOSALS ON EXPORT CREDITS, SOUTH AFRICAN BANK ACCOUNTS, DOUBLE TAXATION AGREEMENTS, AIR LINKS, GOVERNMENT PROCUREMENT AND PROMOTION OF TOURISM WERE GENERALLY FELT TO BE EMPTY, DANGEROUS OR IMPRACTICABLE.

15. JACOBOVITS, AT THE END OF THIS DISCUSSION, SUGGESTED THAT THE PRESIDENCY SHOULD CIRCULATE A REVISED REPORT TO MINISTERS IN THE LIGHT OF TODAY'S DISCUSSION ON THE FOLLOWING LINES:

- (A) BRIEF DESCRIPTION OF THE PRESENT SITUATION SEMI COLON
- (B) SUMMARY OF THE TWELVE'S OBJECTIVES SEMI COLON
- (C) ANALYSIS OF THINKING ON POLITICAL MEASURES AND POSITIVE

Confidential³¹

Measures

Confidential

MEASURES ON THE LINES OF PARAGRAPH 4 ABOVE AND MY TELNO
402

(D) REVIEW OF LIST OF POSITIVE AND RESTRICTIVE MEASURES
(DETAILS IN SEPARATE ANNEX, CONTAINING A SUMMARY OF THE
ARGUMENTS WHICH HAD BEEN USED IN RELATION TO EACH PROPOSAL).

(E) LIST OF FOUR POSSIBLE MEASURES RETAINED FOR FURTHER
CONSIDERATION BY MINISTERS VIZ BANS ON-

(I) IMPORTS OF GOLD COINS ORIGINATING IN SOUTH AFRICA
SEMI COLON

(II) IMPORTS OF FRUIT, VEGETABLES AND WINE SEMI COLON

(III) IMPORTS OF COAL SEMI COLON

(IV) IMPORTS OF IRON AND STEEL.

THE PRESIDENCY AGREED THAT UNDER EACH OF THESE HEADINGS WOULD BE
A BRIEF STATEMENT OF THE VOLUME OF TRADE INVESTMENT AND THE
COUNTRIES CONCERNED. THOMAS ARGUED THAT MINISTERIAL DISCUSSION
WOULD BE GREATLY HELPED BY A CLEAR EXPOSITION OF THE LIKELY
IMPACT OF THE FIRST THREE MEASURES ON EMPLOYMENT IN SOUTH AFRICA.
THE PRESIDENCY RESISTED THIS STRONGLY ON THE GROUNDS THAT IT WAS A
MATTER ON WHICH EACH DELEGATION WOULD BRIEF ITS MINISTER.

(F) A PARAGRAPH REFERRING TO THE EFFECT OF THE SOUTH AFRICAN
GOVERNMENT'S POLICIES ON THE CLIMATE FOR INVESTMENT, TOURISM,
CREDITS, AND TRADE MISSIONS TO SOUTH AFRICA. THE PURPOSE OF
THIS WOULD BE, RATHER THAN CALLING FOR RESTRAINT ON ANY OF
THESE ACTIVITIES, TO BRING HOME TO SOUTH AFRICAN OPINION
THAT CURRENT POLICIES WERE PRODUCING THESE EFFECTS WITHOUT
ANY ACTION FROM WESTERN GOVERNMENTS.

16. JACOBOVITS MADE CLEAR AT THE END OF THE MEETING THAT THE
PRESIDENCY'S PAPER WOULD BE CIRCULATED ON ITS OWN RESPONSIBILITY.
HE NOTED THE CAUTIOUS POSITIONS TAKEN, PARTICULARLY BY THE UK AND
ACCEPTED THAT ANY FURTHER DISCUSSION OF RESTRICTIVE MEASURES
WAS ENTIRELY WITHOUT COMMITMENT.

17. PLEASE SEE MY SECOND IFT FOR COMMENT.

MARGETSON

FRAME EXTERNAL
ECD (E)
SAFD

4-
Confidential

CONFIDENTIAL

AMENDED DISTRIBUTION
2016 W.B.

CONFIDENTIAL

FM THE HAGUE

TO IMMEDIATE FCO

TELNO 393

OF 200855Z JUNE 86

INFO IMMEDIATE UKREP BRUSSELS

FRAME GENERAL

EUROPEAN COUNCIL MEETING IN THE HAGUE, 26-27 JUNE

SUMMARY

1. VAN DEN BROEK COMMENTS ON THE SUBJECTS HE EXPECTS TO FEATURE IN THE EUROPEAN COUNCIL MEETING. IN A PRIVATE CONVERSATION WITH ME ON SOUTH AFRICA HE EMPHASISED THAT THE NETHERLANDS STRONGLY OPPOSED A POLICY AIMED AT DESTROYING THE ECONOMY OF SOUTH AFRICA AND CREATING CHAOS THERE. BUT HE THOUGHT IT IMPORTANT TO SEND A FURTHER SIGNAL TO SOUTH AFRICA: AND ASKED WHAT PEACEFUL MEANS WERE AVAILABLE FOR THIS OTHER THAN SELECTIVE ECONOMIC MEASURES.

DETAIL

2. YOU WILL FIND LUBBERS AND VAN DEN BROEK IN EXCELLENT FORM, STILL ELATED BY THEIR ELECTION VICTORY, NOT WORRIED BY THE PROBLEMS OF COALITION FORMATION AND, IN THE CASE OF VAN DEN BROEK, APPARENTLY UNAFFECTED BY HIS PUNISHING TRAVEL PROGRAMME DURING THE DUTCH PRESIDENCY.

3. AT LUNCH WITH COMMUNITY AMBASSADORS TODAY, VAN DEN BROEK, AN THROUGH THE LIST OF SUBJECTS FOR THE EUROPEAN COUNCIL MEETING, REMARKING THAT IN EC MATTERS THIS WOULD BE THE FIRST EUROPEAN COUNCIL FOR SOME TIME AT WHICH NO DEEP-ROOTED DIFFERENCES NEEDED TO BE BRIDGED AND AT WHICH IT WOULD THEREFORE BE POSSIBLE TO LOOK MORE TO THE FUTURE. ON SOCIO-ECONOMIC QUESTIONS, HE HOPED IT WOULD BE POSSIBLE TO AVOID REPORTS ON NATIONAL SITUATIONS AND TO CONCENTRATE ON GIVING AN IMPULSE TO COMMUNITY WORK ON EMPLOYMENT, FLEXIBILITY OF THE LABOUR MARKET, DE-REGULATION AND MEASURES TO HELP SMALL AND MEDIUM-SIZED FIRMS. IT WOULD BE NECESSARY TO HAVE A PROGRESS REPORT ON THE WORK ON THE INTERNAL MARKET AND TRANSPORT AND ON THE PEOPLE'S EUROPE. HE HOPED THAT DISCUSSION ON AGRICULTURE COULD CONCENTRATE ON INTERNATIONAL ASPECTS WHICH HAD FEATURED AT THE HEEMSKERK INFORMAL WEEKEND, SUCH AS THE PROBLEMS OF OVER-PRODUCTION IN DEVELOPED COUNTRIES AND ITS EFFECT ON THIRD WORLD AGRICULTURE. HE SAW NO DIFFICULTIES ARISING OVER POST-CHERNOBYL NUCLEAR MATTERS. POLITICAL COOPERATION SUBJECTS WOULD INCLUDE SOUTH AFRICA, EAST/WEST RELATIONS AND HUMAN RIGHTS POLICY OF THE TWELVE. HE THOUGHT THAT DISCUSSION ON DRUGS SHOULD BE AIMED AT 'SENSITIZING THE COUNCIL' TO THIS LARGE AND DIFFICULT PROBLEM WITH A VIEW TO WORK WHICH THE BRITISH PRESIDENCY MIGHT WISH TO UNDERTAKE. THERE WAS NO INTENTION TO GO INTO THE SUBJECT IN ANY DETAIL AT THIS STAGE, BUT MERELY SIGNAL THAT THE TWELVE WOULD BE WORKING TOGETHER ON THE SUBJECT PARTICULARLY IN CONNECTION WITH THE UN CONFERENCE IN JUNE 1987. ASKED WHETHER

CONFIDENTIAL

CONFIDENTIAL

THERE WOULD BE DISCUSSION ON EUROPEAN/AMERICAN RELATIONS, VAN DEN BROEK SAID THAT HE DID NOT EXCLUDE THIS, ALTHOUGH IT WAS DIFFICULT TO GET ANY WAY INTO THE SUBJECT WITHOUT TOUCHING ON ARMS CONTROL. THIS MADE THE SUBJECT MORE SUITABLE FOR DISCUSSION AT DINNER RATHER THAN AT A FORMAL SESSION.

4. EARLIER IN THE DAY I HAD A PRIVATE TALK WITH VAN DEN BROEK ON SOUTH AFRICA. HE WAS AT PAINS TO EMPHASISE TO ME THAT THE NETHERLANDS STRONGLY OPPOSED A POLICY AIMED AT DESTROYING THE ECONOMY OF SOUTH AFRICA AND CREATING CHAOS THERE. HE SAID THAT HE DID NOT TALK OF COMPREHENSIVE SANCTIONS, ONLY OF SELECTIVE ECONOMIC MEASURES. HIS THINKING WAS VERY SIMILAR TO THAT IN THE EPG REPORT AND HE SHARED ITS PESSIMISTIC ANALYSIS. IT WAS IMPORTANT NOW TO SEND A FURTHER SIGNAL TO SOUTH AFRICA TO MAKE AN IMPRESSION BEFORE THE SITUATION WORSENEED. WHAT PEACEFUL MEANS WERE AVAILABLE OTHER THAN SELECTIVE ECONOMIC MEASURES WHICH COULD SIGNAL CLEARLY AND UNMISTAKEABLY TO SOUTH AFRICA THAT CHANGE WAS NECESSARY?

5. DIRECTOR FOR AFRICA, HORAK, WHOM I ALSO SAW TODAY, MADE SIMILAR POINTS. HE ADDED THAT THE BAN ON THE IMPORT OF VEGETABLES, FRUIT AND WINE SEEMED TO BE THE MOST APPROPRIATE MEASURE TO ADOPT NOW. SIGNIFICANTLY, HE DROPPED COAL, IRON AND STEEL, WHICH WERE INCLUDED IN THE COREU CIRCULATED FOR TODAY'S MEETING OF POLITICAL DIRECTORS.

MARGETSON

FRAME GENERAL
ECD (1)

⁻²⁻
CONFIDENTIAL