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FM PRETORIA

TO DESKBY 141500Z FCO

TELNO 391

OF 141215Z OCTOBER 95

INFO SAVING JOHANNESBURG, CAPETOWN (CONSULATE), DURBAN

SOUTH AFRICA ON THE EVE OF CHOGM

SUMMARY

1. INTERNAL SITUATION REMAINS SUBSTANTIALLY UNALTERED. GOVERNMENT'S WORST HANDICAP IS A VIRTUAL LOSS OF CREDIBILITY AMONG BLACKS. HARD TO SEE HOW THEY CAN REGAIN THIS. FURTHER EXTERNAL PRESSURE ON GOVERNMENT ALONE UNLIKELY TO FORCE THEIR HAND.

DETAIL

2. I SHOULD LIKE TO BE ABLE TO REPORT SOME CHINKS OF LIGHT BUT CANNOT HONESTLY DO SO. THE VIOLENCE AND UNREST CONTINUE. ALTHOUGH THE GOVERNMENT ARE COMMITTED TO REFORM AND DIALOGUE, IN MY VIEW GENUINELY, FEW BLACKS NOW BELIEVE THEM AND NONE ARE PREPARED TO SAY SO PUBLICLY OR TO NEGOTIATE ON THE GOVERNMENT'S TERMS. THE PRESIDENT'S DURBAN SPEECH HAD A DISASTROUS EFFECT NOT JUST ABROAD BUT AT HOME. REGARDLESS OF CONTENT, ITS STYLE AND TONE WERE SO UTTERLY MISCALCULATED THAT IT ONLY PROVED HOW FAR THE GOVERNMENT (OR AT LEAST THE PRESIDENT HIMSELF) WERE FROM UNDERSTANDING THE MOOD AMONG BLACKS.

3. NOTHING HAS GONE RIGHT SINCE THEN. GOVERNMENT SUPPORTERS ARE LEFT UNCERTAIN HOW THE CRISIS CAN BE DEFUSED. A SURPRISING NUMBER OF THEM SEEM READY TO ACCEPT CHANGE: INTEGRATED HOUSING AND SCHOOLING EXCEPTED. THE GOVERNMENT THEMSELVES APPEAR HESITANT. EVEN RESPONSIBLE BLACKS ARE CAUGHT UP IN A VIEW PREVALENT IN THE TOWNSHIPS THAT THE GOVERNMENT ARE UNDER SUCH INTERNAL AND EXTERNAL PRESSURE THAT "ONE MORE HEAVE" SHOULD BRING THEM DOWN WITHIN THE NEXT YEAR OR SO. THIS SHOWS THE EXTENT OF THE GOVERNMENT'S CREDIBILITY GAP. IT ALSO SUGGESTS A SERIOUS MISREADING OF AFRIKANER RESOLVE BY THE BLACKS IF THEY THINK THE GOVERNMENT CAN BE FORCED TO CAPITULATE.

4. I BELIEVE IT IS STILL NOT TOO LATE FOR THE GOVERNMENT TO RETRIEVE THE SITUATION, ALTHOUGH THEIR IMMEDIATE SIGHTS ARE SET ON FIVE WHITE BY-ELECTIONS AT THE END OF OCTOBER. THEY HAVE ALSO CALLED A SPECIAL MEETING OF THEIR PARLIAMENTARY PARTY ON 19 NOVEMBER, WHICH WE ARE TOLD IS INTENDED TO PREPARE FOR IMPORTANT CHANGES IN THE NEXT SESSION OF PARLIAMENT.

5. THE GOVERNMENT COULD TAKE CERTAIN STEPS IF THEY WISHED TO IMPROVE THE PROSPECTS FOR DIALOGUE. FOR INSTANCE THEY COULD BEGIN TO WITHDRAW POLICE AND ARMY FROM TOWNSHIPS, WHICH IS NOW A PRIMARY BLACK DEMAND ALTHOUGH THOSE BLACKS LINKED TO GOVERNMENT BEG THEM NOT TO FOR FEAR OF THEIR LIVES. THEY COULD ANNOUNCE ABOLITION OF THE PASS LAWS AS RECOMMENDED IN A RECENT REPORT. THE GOVERNMENT WILL ONE DAY HAVE TO TALK TO THE ANC WITHOUT PRE-CONDITIONS AS THE LEADER OF THE OPPOSITION HAS NOW DONE. THIS WOULD HOWEVER CONSTITUTE A MAJOR U-TURN AND MAY NOT OCCUR UNTIL PRESIDENT BOTHA HIMSELF STEPS DOWN - A DECISION WHICH WHEN IT COMES, AND DEPENDING ON HIS SUCCESSOR, COULD BE THE BIGGEST SIGNAL YET FOR A NEW APPROACH. **CONFIDENTIAL**

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6. HOW DOES CONTINUED EXTERNAL PRESSURE FIT INTO THIS PICTURE? ONE CANNOT BE CERTAIN HOW FAR MEASURES BY FOREIGN GOVERNMENTS HAVE SPEEDED UP THE COURSE OF REFORM. THE MOST ONE CAN SAY IS THAT SUCH MEASURES MAY HAVE HELPED IN CASES LIKE KWA NGEMA AND HAVE ADDED TO OTHER GENERAL PRESSURES ON THE SOUTH AFRICAN GOVERNMENT. EXTERNALLY THE DRYING UP OF FOREIGN CREDIT IS THE OBVIOUS EXAMPLE OF A MOVE REALLY FELT HERE. I SUSPECT THAT TRADE UNION BLACKING OF SOUTH AFRICAN CARGOES MIGHT BECOME ANOTHER. A NET OUTFLOW OF CAPITAL COUPLED WITH LOSS OF EXPORTS WOULD SERIOUSLY DAMAGE AN ECONOMY ALREADY UNDER SEVERE INTERNAL STRAIN AND WOULD LIMIT GOVERNMENT SPENDING ON HOUSING, UNEMPLOYMENT ETC, ALL OF WHICH THE GOVERNMENT WILL STRIVE HARD TO AVOID.

7. AS REGARDS FURTHER ACTIONS BY GOVERNMENTS AGAINST SOUTH AFRICA WE HAVE ALMOST REACHED THE STAGE WHERE THESE WOULD MERELY MAKE THE SOUTH AFRICANS DIG THEIR TOES IN. TAKEN BEYOND A CERTAIN POINT THIS REACTION WOULD BE A RECIPE FOR TOTAL DISASTER. PRESIDENT BOTHA'S PLEAS TO THE REST OF THE WORLD IS 'LEAVE US IN PEACE'. BY THEIR LIGHTS THEY HAVE TAKEN RISKS IN INTRODUCING OR ANNOUNCING CHANGE, YET FIND THEMSELVES SCORNEED BY BLACKS AND FOREIGNERS ALIKE. THEIR EXPERIMENT IN CONTROLLED REFORM THREATENS TO RUN OUT OF CONTROL. IN THEIR VIEW MORE AND MORE PRESSURE FROM ABROAD NOW SERVES TO STIFFEN EXTREME BLACK DEMANDS.

8. I AM INCREASINGLY INCLINED TO THINK WE SHOULD DIRECT OUR OWN HOPES FOR DIALOGUE AND PEACEFUL CHANGE TO BLACKS AS WELL AS TO THE GOVERNMENT. PRIMARY RESPONSIBILITY RESTS WITH THE GOVERNMENT. PRESSURE ON THEM SHOULD THEREFORE BE MAINTAINED. THE GOVERNMENT STILL HAVE TO OFFER MORE, PARTICULARLY ON POLITICAL RIGHTS. BUT IN THE FINAL ANALYSIS IT TAKES TWO TO COMPROMISE. THERE MAY COME A TIME WHEN BLACKS WHETHER INSIDE OR OUTSIDE SOUTH AFRICA WILL ALSO HAVE TO SHOW A GREATER SENSE OF REALISM, HARD AS IT WOULD BE FOR US OR ANYONE ELSE TO PUT SUCH A MESSAGE ACROSS IN PRESENT CIRCUMSTANCES.

CCN:- PARA 5 LINE 7 HAVE TO TALK TO THE ANC
MOBERLY

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