

VISIT OF PRESIDENT DE KLERK

You have talks with President de Klerk at Chequers tomorrow, followed by a lunch in his honour.

The President will arrive by car at 1100, accompanied only by the South African Ambassador. There will be separate talks between Foreign Ministers in London, after which they will helicopter to Chequers arriving at 1230. Mrs. de Klerk, Mrs. Botha and other wives will also arrive at about 1230. The photograph will be done then, followed by lunch. Departure is set for 1500/1530.

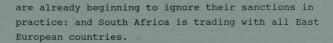
The visit to Britain is part of an 8 nation tour of Europe, which has been proceeding successfully and has earned de Klerk considerable praise. He has every cause to be grateful to you, since it was your initiative to invite him to Chequers which launched the whole business. He is going to Washington in June.

Meanwhile the Commonwealth Group of Foreign Ministers has been meeting with Mandela in Nigeria, and has despatched emissaries (including the Canadian and Australian Foreign Ministers) to various European capitals to urge that sanctions be maintained. De Klerk himself is playing the <u>sanctions issue</u> in a low key, making clear that he will not bargain for lifting of them. He is obviously pinning his hopes on their steady erosion in practice—and that <u>is</u> happening—rather than some dramatic decision to lift them. The idea is to present sanctions as yesterday's issue. What he wants is active support and encouragement for the course which he is pursuing. This is all right up to a point: but we want to be sure that a fair share of the credit for the changes in South Africa, and the changed international climate surrounding South Africa, comes to you—as is fully deserved.



You had to be pretty tough on de Klerk at your first meeting and it worked. He has done virtually everything you asked of him then. This time you can afford to be much nicer to him. You will want to start by congratulating de Klerk on the enormous progress made since your last meeting. Thereafter the main issues which you will want to cover in your talk are:

- the remaining <u>obstacles to negotiation</u> (state of emergency, release of political prisoners, armed struggle) and how he intends to surmount or circumvent them
- how he sees the <u>structure</u> of <u>future negotiations</u>: in particular how Buthelezi and non-ANC black South Africans will be involved
- his ideas on a <u>future constitution</u>. You will recall that you had an interesting discussion with Viljoen about this (one Chamber elected by one man, one vote: another with entrenched minority representation: a white President and a black Prime Minister). You will urge not to harp too much on avoiding crude majority rule, and concentrate on the <u>objective</u> of <u>real</u> <u>democracy</u> (ie. multi-party system, bill of rights, free press);
- his intentions on getting rid of remaining <u>apartheid</u> <u>legislation</u>
- how seriously he regards the dangers of a <u>white back-lash</u>
- how he thinks the <u>sanctions issue</u> should be played. We intend to make a further push at the Dublin European Council to get the EC to start lifting measures. Will he have lifted the state of emergency by then? You will be aware that several European countries



- he is likely to raise the question of economic help. We shall maintain our expanding programme of aid for black South Africans. But the key will be to restore South Africa's access to IMF and World Bank lending.
- South African signature of the <u>nuclear non-</u> proliferation Treaty.
- he will renew the invitation to you to <u>visit South</u>
 <u>Africa</u>. You will want to accept but not set a date
 yet.

The outcome which we want from the meeting, and the message which
we want to get over to the media afterwards is:

- de Klerk has done almost everything which you asked of him at your last meeting.
- you are confident as a result of your talks that there will be further substantial progress on all fronts in the near future.
- Britain has been the prime mover in achieving this.
 Our policy has worked.
- sanctions belong to the past. We gave a lead in lifting them and it is clear that others will now follow, either openly or by simply turning a blind eye. But that is their problem.
- the task now is to help South Africa create the wealth and have access to the international finance necessary to create a successful post-apartheid society.

You will find in the folder a fuller note by the FCO, telegrams from Sir Robin Renwick, reports on de Klerk's visits to Paris and Athens, a letter from Julian Amery and the note of your last meeting.

CDT

C. D. POWELL

18 May 1990

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Foreign and Commonwealth Office

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London SW1A 2AH

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17 May 1990

Dea Chouls.

Visit of President F W de Klerk

State President F W de Klerk will have talks followed by lunch with the Prime Minister at Chequers on 19 May.

Mr Pik Botha will have parallel talks in London with the Foreign Secretary. President de Klerk is making a working visit to Britain from 17-20 May as part of a wider European tour; I enclose a copy of his full programme in this country, together with reporting telegrams from our posts in Paris and Athens on his visits to France and Greece. Mr de Klerk last called on the Prime Minister in June 1989, before his election as President: record enclosed.

Our objectives in these talks are:-

- (a) to encourage President de Klerk to carry forward the process of negotiated constitutional change, and to learn how he plans to do this. In particular:
- (b) to encourage him to find a way of lifting the State of Emergency;
- (c) to explore how he plans to reconcile a constitution based on one-person one-vote with protection of minority rights;
- (d) to encourage him to press on with moves to repeal apartheid legislation;
- (e) to encourage his efforts to begin to redress economic imbalances;
- (f) to press for South Africa's accession to the Non-Proliferation Treaty;

Sir Robin Renwick has set out the background to Mr de Klerk's visit, the state of progress towards negotiations and Mr de Klerk's likely current concerns in Cape Town telno 314, enclosed. I also enclose Sir Robin's telno 313, describing Dr Viljoen's account of recent progress in resolving obstacles to full negotiations, and his thoughts on possible elements of the future democratic South African constitution.



Obstacles to Negotiations

The principal remaining problems which must be resolved before negotiations can take place are: - the continuing State of Emergency. The South African Government's hopes that this might be lifted at an early stage have been thwarted by the increased communal violence which followed the unbanning of the ANC and PAC. The situation has now improved somewhat and it may prove possible to lift the Emergency, except in Natal where violence between supporters of Inkatha and the ANC remains serious.

- the release of political prisoners, where the ANC's definition of a "political" offence is far wider than that of the government.
- the ANC's continued reluctance to abandon the rhetoric of " ${\tt armed\ struggle}$ ".

These issues are being addressed by a working group set up following talks between the ANC and South African Government on 2-4 May, which appear to have established a good atmosphere of trust between the two sides. The working group is expected to report on 21 May.

The Prime Minister may wish to:

- (a) congratulate Mr de Klerk on the progress made so far in talks with the ANC and welcome the close personal relationship he has clearly established with Mr Mandela;
- (b) ask about prospects for further progress in resolving the remaining obstacles. In particular does Mr de Klerk envisage being able to lift the State of Emergency when it expires in June? Will special arrangements be needed to control violence in Natal?
- (c) seek Mr de Klerk's views on the likelihood of the ANC suspending their public support for armed struggle. In our own contacts with the ANC we will continue to press this point. (At the 2-4 May talks, the ANC offered a commitment to a peaceful negotiated solution, and said they would be reviewing their policy; since then Mr Mandela has dropped his own public references to continuation of the armed struggle.)
- (d) ask Mr de Klerk how he proposes to deal with the increasing militancy of right-wing extremists.

Structure of Negotiations

The ANC seem now to accept that they cannot exclude all other parties from the negotiating table with the South African Government (although they may still hope that the negotiations in practice will be a two-sided affair). In



particular Chief Buthelezi will remain an important factor. But it remains unclear how black representatives will be chosen (the ANC has proposed elections). The Prime Minister may wish to sound out Mr de Klerk on this point, and assure him of our continued view that all parties enjoying real support should have the opportunity to join in negotiations.

The Future Constitution

While assuring Mr de Klerk that we regard the shape of South Africa's future constitution as a matter for South Africans to determine free from outside interference, the Prime Minister may wish to ask him to outline his views on how the requirements of genuine democracy can be reconciled with his stated objective of avoiding majority "domination".

The Prime Minister might stress that the issue of one person, one vote must be addressed directly in any constitutional arrangement, but add that we recognise the importance for future stability of providing checks and balances and genuine protection for minorities. How might such protection be achieved?

The Prime Minister might emphasize the importance internationally of presenting the objective not as a rejection of majority rule, but as support for real democracy in South Africa (ie for a lasting multi-party system, a free press, independent judiciary, bill of rights etc) as opposed to a "winner-takes-all" arrangement.

Apartheid Legislation

The Separate Amenities Act, which controls access to public amenities on a racial basis, will be repealed in the present session of a Parliament. The Land Acts and the Group Areas Act could also be abolished, if in slower time. (The Population Registration Act, which classifies all South Africans by race, is an integral component of the present constitution. President de Klerk has said it can only go once a new constitution is in place.) The Prime Minister may wish to remind President de Klerk of our hope that this legislation can be repealed at an early date, and ask how he would expect to deal with its removal in an orderly way. Would any replacement legislation be required?

Sanctions

Mr de Klerk is grateful for the support we demonstrated for his reform moves by lifting our voluntary ban on new investment in February. He would undoubtedly welcome further moves of this kind. But he is unlikely to make a major pitch for the lifting of more sanctions. If the subject is raised, the Prime Minister may like to point to moves by other European countries to follow our lead, as evidence that



sanctions are crumbling. The favourable impression made by President de Klerk's other visits to European capitals is likely to accelerate this process. We shall certainly return to the charge in the EC next month, by which time we hope that the South African Government will have made further progress with the ANC on removing the remaining obstacles to negotiations. However, the Prime Minister might also make clear that we consider sanctions to be yesterday's issue. The real challenge now will be to mobilise resources to help underpin South Africa's transition to a post-apartheid society.

Economic Issues

Mr de Klerk may take up this last point and ask what resources Britain would be willing to contribute. In reply, the Prime Minister might say that the international community will be prepared to do what is necessary to make an eventual agreement between the South African parties stick. An important factor would be the renewed availability in such circumstances of funds from the international financial institutions. We have already been encouraging the World Bank and IMF to consider how they might respond.

The main burden of reducing imbalances will fall on South Africans themselves. President de Klerk has set about addressing the great disparities in the distribution of wealth in South Africa by means of a number of imaginative social programmes, notably the new fund to be administered by Jan Steyn (whom the Prime Minister received on 2 May). The Prime Minister may wish to tell him of our support for his efforts, and hope that more can be done. Such measures are an important demonstration to black South Africans that their economic aspirations can be addressed by means other than simple nationalisation. The Prime Minister might assure Mr de Klerk that our own substantial (and expanding) programme of aid for black South Africans will be maintained. concentrates on education (1,000 students this year) and community development (250 projects). We believe it will be most effective if it remains separate from the South African Government's own initiatives.

Non-Proliferation Treaty

The South Africans informed the Depositary Powers of the NPT (UK, US and the Soviet Union) in March that they were going to place all their nuclear facilities under International Atomic Energy Agency (IAEA) safeguards. They also said that they would accede to the NPT, provided the Front Line States (FLS) not parties to the Treaty made a commitment to do likewise. The Depositaries approached the FLS with this proposition. The FLS reaction was positive, but none of them were prepared to make the firm and public commitment to accede which the South Africans require.



Without such commitments, the South Africans do not believe that a decision to accede can be defended domestically. This point seems more important to them than whether they will be granted full Article IV benefits (nuclear collaboration). We are lobbying FLS governments again to persuade them to be more forthcoming. In speaking to President de Klerk, the Prime Minister might say:

- We are glad to hear of the South African intention to place all nuclear facilities under safeguards from next year. This was an important step forward. But it is not a substitute for accession to the NPT.

- We are pressing neighbouring African states also to accede.
We know that this will make South Africa's decision easier.

- We hope South Africa will be able to accede to the NPT before 20 August, so that she will be able to participate fully in the Treaty Review Conference which opens in Geneva on that date.

If Mr de Klerk asks about Article IV, the Prime Minister might say that if South Africa accedes to the Treaty and concludes a safeguards agreement, Article IV will apply between the UK and South Africa as between the UK and other parties.

(J S Wall)

Pushe Low

Private Secretary

C D Powell Esq 10 Downing Street







Foreign and Commonwealth Office

London SW1A 2AH

18 May 1990

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South Africa: Visit of President de Klerk

You may like to have the enclosed, namely

a summary of President de Klerk's European tour so far;

a note on the response so far by other EC member states to reform in South Africa.

(J S Wall)

Private Secretary

C D Powell Esa 10 Downing Street



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DE KLERK'S EUROPEAN TOUR: RECEPTION BY EC PARTNERS

France (9-10 May)

"Red Carpet" treatment. Mitterand described de Klerk as "clear and determined". Told de Klerk that there could be no change in France's position on sanctions before Dublin Summit (but he recognises need for positive gesture by Twelve). Mitterand referred to possibility of visit by a French rugby team and increasing bilateral trade. Rocard said obstacles to relaxing measures were State of Emergency and political prisoners.

Greece (11-13 May)

Working visit. De Klerk made "a good impression". Met Karamanlis and Mitsotakis. Mitsotakis said publicly that EC should re-examine its policy towards South Africa. Greek officials say Greece will support relaxation of EC measures.

Portugal (14-15 May

Official visit. Met Soares and Cavaco Silva. Cavaco Silva reportedly told de Klerk that Portugal had advocated the lifting of sanctions in the EC. He has said publicly that sanctions against South Africa should be lifted and that Portugal should take lead in EC. But Soares said Portugal would respect views of EC Partners.

Brussels (16-17 May)

Meeting with Collins who described de Klerk as "a man of great courage and great conviction". Collins told de Klerk EC would discous South Africa on 18 June. Review of measures could take place when State of Emergency had been lifted and all political prisoners released. Addressing a private seminar, Pik Botha asked for EC financial support for the resettlement of exiles (but said he would deny this in public).

After London, de Klerk will visit Bonn (21 May), Berne (22-3 May), Madrid (24 May) and Rome (25 May).

RESPONSE BY EC PARTNERS TO REFORM IN SOUTH AFRICA

COUNTRY	PUBLICLY AVOWED ACTION	CONTEMPLATED ACTION (IN CONFIDENCE)
Belgium	None. De Klerk/Brussels (16-17 May).	Will not take action without EC consensus.
Denmark	Re-opening Embassy in South Africa.	Considering lifting visa restrictions.
FRG	None. De Klerk/Bonn (21 May)	
France	Before 20 Feb EPC Dumas favoured lifting "symbolic" sanction. Rocard opposed. Willing expand cultural and scientific links. De Klerk/Paris (9-10 May).	Considering lifting coal ban. Considering possible tour by a French Rugby xv. No change on sanctions before Dublin Summit.
Greece	De Klerk/Athens (11-13 May).	Favour review. Support lifting sanctions.
Ireland	None. Collins met de Klerk in Brussels (16 May). Announced review of EC policy at 18 June FAC.	Delicate sources suggest Irish may be considering restoring diplomatic relations.
Italy	Voluntary ban on new investment lapsed in October 1989. De Klerk/Rome (25 May).	Italians will work for progressive easing of sanctions. Favours review at June FAC.
Luxembourg	None.	
Netherlands	Relaxed visa policy. Stopped action on legislation to formalize investment ban.	Circulated proposals (possibly agreed with Italy) for staged easing of sanctions.
Portugal	De Klerk/Lisbon (14-15 May).	Favours relaxation of EC measures.

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Spain

COLIMEDA

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services.

Possibility of further move on passenger

Lifted restrictions on air cargo

and sporting contacts.

De Klerk/Madrid (24 May).

From: The Rt. Hon. JULIAN AMEF

112, EATON SQUARE,

LONDON SWIW 9AE

Tel: 071- 235 1543

URGENT

17th May, 1990

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De hungant,

I was in Cape Town at the end of the Easter recess and saw a few old friends.

I enclose a note of my impressions which you may like to glance at in advance of your meetings with the South African President.

I don't think it says anything new but the perspective may be a little different. There is a tendency over here and among the whites in South Africa to see President de Klerk's initiative as a Pauline conversion to anti-apartheid pressure including sanctions. The reality is different.

Already as Defence Minister, P.W. Botha and his close colleagues recognised the need for a power sharing and wealth sharing arrangment. They could not, however, attempt it in the face of a Soviet backed radical offensive. It was only when, thanks to Reagan and yourself, Gorbachev realised that he was in a "no-win" situation that the ANC were forced to come to the negotiating table and that there is now a prospect of some constructive agreement.

Julian Amery

P.S. I have marked this urgent in the hope you may have a chance to see it before your talks with the South Africans.

The Rt. Hon. Mrs. Margaret Thatcher, M.P.

The South African regime has won the Southern African war. Can it win the peace?

First the war. A major aim of President Breschnev's strategy was to deny the resources of Southern Africa to the West and, if possible bring them under Soviet control.

The headquarters of the operation was established in Zambia soon after its independence. But the campaign only got under way after the Portugese revolution.

The Soviets then tried to establish a Communist regime in Angola backed by a Cuban expeditionary force and a Soviet command structure.

They tried to do the same in Mozambique but judged (wrongly as it proved) that only a few hundred Soviet and other 'bloc advisors would be required.

From Zambia and Mozambique they launched a guerrilla campaign against the Rhodesian Government, successfully concluded at Lancaster House.

From Angola they launched the SWAPO campaign into Namibia.

In Angola and Zambia they trained and equipped the ANC to attempt an insurrection in South Africa itself.

The South African regime prevented the consolidation of Soviet power in these countries for nearly a decade. They sustained UNITA in Angola with their own troops. They destabilised the regime in Mozambique by building up RENAMO. They exercised powerful economic pressures on Zimbabawe. They contained SWAPO in the northern border Ovambo province of Namibia. They raided into Zambia when necessary. They successfully suppressed the insurrection in South Africa itself. All this was achieved virtually unaided and in the teeth of oppositioni from the West as well as the Soviets and the Commonwealth.

When, eventually, the Reagan Administration reversed the Clark Amendment and decided to support Savimbi and press for the withdrawal of the Cuban forces, President Gorbachev recognised that he was in a "no win" situation and decided to abandon Breschnev's forward strategy in Africa.

The radical Southern African offensive has, in fact been defeated throughout the area. South Africa's victory is signalled by the increase in its diplomatic and economic ties with its neighbours. The ANC has agreed to talk to Pretoria precisely because they can see no prospect of securing Soviet support for a renewed insurrection.

What then are the prospects for peace?

The South African regime is determined not to transfer power to the ANC or to accept a 'socialist' economy.

Howfar they can go in the direction of power sharing and wealth sharing will mainly depend on what they judge they can sell to their own existing electorates - white, Asian and Coloureds - all of whom have to be consulted.

The ANC, for their part, are playing their hand from weakness. They cannot seriously hope to revive the insurrection without external support. They can no doubt attempt to crush any black rivals in the townships by "black on black" violence but this is a two-edged weapon as the troubles in Natal show. The South African police can always load the dice against the radical side.

In the end the ANC will have to choose between cooperating in a power sharing and wealth sharing administration or rejecting the regime's proposals and constituting themselves as a more or less loyal opposition.

Oddly enough the Afrikaners adopted the latter course after the Boer War. From 1902-10 they refused to co-operate with the system. After 1910 they agreed to co-operate in the Act of Union and became an increasing equal partner with the British. After 1948 they became, with Dr. Malan's victory, the dominant political element in the country. They had the sense, however, to give the mainly English-speaking business community enough leeway to lay the necessary 'golden eggs'.

OUT TELEGRAM

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feeling. Mandela had to keep all these factions on board. So far he was succeeding, though he faced a particular problem with Joe Slovo. Most of the black SACP members could be regarded as opportunist marxists. Slovo was a true believer.

3. The next steps would be the Report on 21 May of the Joint Working Group set up to deal with obstacles to negotiation.

De Klerk was confident that amicable solutions could be found.

Van Heerden stressed the need to press ahead quickly to resolve the outstanding issues over, eg political prisoners. The longer white South Africans were left in a state of uncertainty, the more the risk of violence provoked by extremists. The ANC shared this desire for speed, but they were facing unexpected difficulties in re-establishing themselves in South Africa.

Some ANC leaders had expected black support to fall into their laps. Now they found that they had to work for it. The turnout at recent ANC rallies had fallen off markedly. The SAG did not believe the ANC would be ready for full constitutional negotiations for some time.

SANCTIONS/DE KLERK'S EUROPEAN TOUR

4. Van Heerden said that de Klerk's current exposure to international opinion was proving very valuable. De Klerk was being sensitised to the fact that the EC had its own timetable, and that the SAG could take advantage of this. (We pointed out that EC discussions on 18 June would follow immediately after the State of Emergency fell due for renewal). Tomkys said that the UK had hitherto been fighting a lone crusade over sanctions, but others in Europe were beginning to move. It would be best if we could leave some of our partners to make the running for a while. Van Heerden agreed: in his European discussions de Klerk had been careful to deal with the sanctions issue on its own merits. He did not want to appear to be pleading the UK's case. The thrust of his argument was to point out that sanctions inhibited the ability of his government to underpin political

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change with new social programmes for blacks. De Klerk's interlocuters had seemed receptive: even Collins had defended continued sanctions not on their merits/ But in terms of the time needed to educate European public opinion that South Africa was changing.

- 5. Tomkys commented that the EC would agree that a political settlement would need economic support. But the crucial factors would be attraction of private investment and access to international financial institutions. The SAG should not expect a quick fix in the form of a massive quote marshall plan unquote.
- 6. On de Klerk's European tour so far, Van Heerden said only that the talks with Mitterand and Delors had been the high spots. De Klerk had established an excellent personal rapport with Mitterand in particular.

MOZAMBIQUE

- 7. Van Heerden thought that Chissano had lost faith in mediation: he did not trust Moi, and Mugabe had proved difficult to work with. Chissano now wanted direct talks with Dhlakama, and looked to the SAG to provide the channel. The South Africans had been initially cautious, but were expecting a high level meeting between the two sides before long. Talks about talks had been planned to take place in Malawi last week, but the new FRELIMO offensive in Gorongosa had forced Dhlakama to pull out. Van Heerden said the South Africans had tried to persuade Chissano to cancel the offensive, but he had claimed to be unable to stop his military commanders, who had invested long planning in the operation.
- 8. Fairweather commented that unless Chissano showed more determination to open direct talks soon, we might have to put stronger pressure on him. Van Heerden suggested that the South Africans might time their own pressure accordingly.
- 9. Meanwhile, the SAG were committed to giving Chissano every

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assistance they could. There was steady progress on rehabilitation of the Cabora Bassa Scheme. If successful, it could make both FRELIMO and RENAMO realise that peace could bring dividends.

10. On Mozambican refugees, Van Heerden reiterated the SAG's opposition to UNHCR involvement. Formal UN refugee camps and feeding centres would simply risk attracting more migrants from Mozambique to South Africa. The existing problem was manageable.

ANGOLA

- 11. Van Heerden said Angola was a less optimistic prospect than Mozambique, primarily because of the personalities involved.

 Dos Santos seemed to be operating several channels

 simultaneously, via Portugal and South Africa. Perhaps this was deliberate, intended to keep his own colleagues off-balance.

 The Portugese hoped that the last low-level contact between the parties in Lisbon might lead to more meetings. Meanwhile,

 Savimbi had sent a message to Dos Santos through the SAG offering direct talks. A similar message had gone via Lisbon. Mobutu renamed the mediator on paper: but had been cut out by both sides.
- 12. Van Heerden said he was cautious of believing military claims by either side in Angola. But the FAPLA offensive seemed to have halted on a Cuito Cuanavale Mavinga Axis. UNITA seemed to have scored a victory: Savimbi claimed that he had put FAPLA to flight, but had not pursued them as a conciliatory gesture to Dos Santos.
- 13. Fairweather commented that the solutions in Mozambique and Angola were linked: one settlement would probably be quickly followed by another. Van Heerden agreed, adding that the moves in favour of multi-party democracy elsewhere in Africa had not been lost on Chissano and Dos Santos.

NAMIBIA

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14. Van Heerden said relations were developing quite well. Most issues were being resolved satisfactorily (eg bushmen, pensions, Koeroet): Nujoma showed sensitivity to South African feelings. There might be a few visible ministerial meetings (perhaps even between de Klerk and Nujoma) in the coming months. The Namibian Minister of Finance was making a big play over the inherited debt, but this looked like an attempt to get maximum international sympathy before next month's pledging conference. It was politically very difficult for South Africa to write off 800 million Rand, particularly when there were a number of other quote handouts unquote that the SAG would want to make to Namibia in the future.

15. It was important to keep Walvis Bay on a back burner for the moment. So far, Namibian independence had had remarkably little impact on South African public opinion: de Klerk did not want to give the right-wing a gift by making another concession now.

Meanwhile, the SAG recognised Namibia's need of Walvis Bay:

Namibians were promised free access to the Port, and there was an offer to involve Namibians in Port management.

NON-PROLIFERATION TREATY (NPT)

16. Van Heerden said the US leak of South African willingness to sign the NPT had been very unhelpful. At a time when de Klerk was facing criticism for making concessions on so many internal issues, he was reluctant to move on the NPT unless he could show some positive benefit to South Africa. The SAG accepted that firm guarantees of cooperation under article IV would be impossible. Hence the political need for the FLS also to make a move. If enough of them did so, the SAG could present it domestically as a de facto nuclear-free zone in Southern Africa.

17. Sir R Renwick pointed to the value of accession before the August Review Conference. He stressed the need to strike the right note if the subject was raised at de Klerk's press conference on 19 May. It was important not to create an

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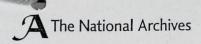
impression of impasse.

ZIMBABWE

18. Van Heerden said that the se were modest signs of improvement in relations. He had visited Zimbabwe in early May for talks with Shamuyarira, but was concerned that this should not become known. (Please protect).

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VISIT OF PRESIDENT DE KLERK TO ATHENS, 11-13 MAY

- 1. PRESIDENT DE KLERK AND PIK BOTHA VISITED ATHENS FOR TALKS ON 11 MAY. IT WAS THE SECOND DESTINATION OF HIS 8 NATION EUROPEAN TOUR. THIS WAS AS OFFICIAL VISIT, THE FIRST TO GREECE BY A SOUTH AFRICAN PRESIDENT: HE CALLED ON PRESIDENT KARAMANLIS AS WELL AS SEEING MITSOTAKIS. THE SOUTH AFRICAN PARTY LEFT THIS MORNING FOR LISBON, AFTER A QUIET WEEKEND.
- 2. THE SOUTH AFRICAN LINE HERE SEEMS TO HAVE BEEN SIMILAR TO THE ONE DESCRIBED IN PARIS TELNO 553. DE KLERK DESCRIBED THE PROCESS OF CHANGE IN SOUTH AFRICA AS IRREVERSIBLE. IN HIS PUBLIC COMMENTS. MITSOTAKIS RESTATED GREECE'S OPPOSITION TO APARTHEID AND WELCOMED THE POSITIVE STEPS TAKEN BY THE SOUTH AFRICAN GOVERNMENT. HE ADDED THAT THE EUROPEAN COMMUNITY WOULD BE RE-EXAMINING POLICY TOWARDS SOUTH AFRICA (BUT DID NOT EXPLAIN HOW AND WHEN). THE TALKS ALSO COVERED THE SIZEABLE GREEK COMMUNITY IN SOUTH AFRICA, WHICH HAS SO LONG BEEN AN IMPORTANT FACTOR IN DETERMINING GREEK POLICY IN THIS AREA.
- 3. POLITICAL REACTION IN GREECE HAS BEEN MUTED, ALTHOUGH PASOK DID CALL FOR MORE RADICAL REFORMS IMMEDIATELY FROM THE SOUTH AFRICAN GOVERNMENT AND ARGUED FOR A CONTINUATION OF SANCTIONS. ANARCHISTS ORGANISED A SMALL DEMONSTRATION IN CENTRAL ATHENS, BUT IT WAS DISPERSED WITHOUT REAL INCIDENT.
- 4. ACCORDING TO THE CANADIAN EMBASSY (PLEASE PROTECT) THERE WAS SOME CONTACT OVER THE WEEKEND BETWEEN THE SOUTH AFRICAN VISITORS AND THE CANADIAN FOREIGN MINISTER, WHO IS HERE ON OTHER BUSINESS.
- 5. WE SHALL REPORT FURTHER WHEN THE MFA GIVE THEIR PROMISED COMMUNITY BRIEFING.

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VISIT OF PRESIDENT DE KLERK TO PARIS, 9-10 MAY

SUMMARY

1. APPARENTLY SUCCESSFUL VISIT. DE KLERK IMPRESSES MITTERRAND AS A SERIOUS AND SINCERE INTERLOCUTOR. HINT FROM MITTERRAND THAT FRANCE IS FAVOURABLY DISPOSED TO REEXAMINING SOUTH AFRICA SANCTIONS AT THE JUNE DUBLIN SUMMIT. POSSIBLE FRENCH RELAXATION OF BAN ON SPORTING LINKS EG A VISIT BY A FRENCH RUGBY TEAM TO SOUTH AFRICA.

DETAIL

- 2. DE KLERK LEFT PARIS FOR ATHENS THIS MORNING AFTER A TWO-DAY VISIT WHICH INCLUDED TALKS WITH MITTERRAND AND ROCARD AND A LUNCH WITH LEADING FRENCH INDUSTRIALISTS (ALSTHOM, CGE, SOCIETE GENERALE AND AIR LIQUIDE). VIDAL (ONE OF MITTERRAND'S AFRICA ADVISERS) AND THE SOUTH AFRICAN EMBASSY HAVE GIVEN US THE FOLLOWING READ-OUT.
- 3. ALTHOUGH THE VISIT WAS BILLED AS PRIVATE, DE KLERK RECEIVED A CERTAIN AMOUNT OF RED-CARPET TREATMENT, BOTH AT THE AIRPORT AND AT THE ELYSEE WHERE HE WAS GREETED PERSONALLY BY MITTERRAND ON THE ELYSEE STEPS (AN HONOUR NOT ACCORDED, INCIDENTALLY, TO AN EARLIER VISITOR TO PARIS THIS WEEK, VICE-PRESIDENT QUAYLE). BOTH THE SOUTH AFRICAN EMBASSY AND THE ELYSEE SAID THAT THE ATMOSPHERE OF THE TALKS WAS POSITIVE AND CONSTRUCTIVE. (THIS IS ECHOED IN FRENCH PRESS COVERAGE.) VIDAL SAID THAT MITTERRAND WAS IMPRESSED WITH DE KLERK AND DESCRIBED HIM AFTERWARDS AS QUOTE CLEAR AND DETERMINED UNQUOTE. THE TALKS AT THE ELYSEE WHICH LASTED AN HOUR CONCENTRATED ON THE INTERNAL SITUATION IN SOUTH AFRICA. DE KLERK SAID THAT HE HOPED FOR PROGRESS TOWARDS A RELAXATION OF THE STATE OF EMERGENCY:
 THE MAIN CONSTRAINT AT PRESENT WAS THE NEED TO CONTROL THE UPSURGE
- 4. ON SANCTIONS, SOUTH AFRICAN EMBASSY STRESSED THAT DE KLERK DID NOT COME TO PARIS ON BENDED KNEE TO ASK FOR SPECIFIC MEASURES TO BE

PAGE 1 CONFIDENTIAL LIFTED. HE ARGUED, HOWEVER, THAT THE EXISTING MEASURES AFFECTED BLACKS MORE THAN THE WHITE COMMUNITY. HE FLOATED THE POSSIBILITY OF THE FRENCH ADOPTING A MORE OPEN ATTITUDE TOWARDS CULTURAL AND SPORTING LINKS. THIS STRUCK A CHORD WITH MITTERRAND WHO REFERRED TO THE POSSIBILITY OF A VISIT BY A RUGBY TEAM TO SOUTH AFRICA WITHOUT SAYING WHETHER THIS WOULD BE THE FRENCH NATIONAL XV. HE ALSO REFERRED - AGAIN IMPRECISELY - TO THE POSSIBILITY OF INCREASING BILATERAL TRADE. AS FAR AS THE EC MEASURES WERE CONCERNED, MITTERRAND MADE IT CLEAR THAT THERE COULD BE NO CHANGE IN THE FRENCH POSITION BEFORE THE DUBLIN SUMMIT. MEANWHILE FRANCE WOULD STUDY THE QUESTION. (VIDAL INTERPRETED THIS AS A FAVOURABLE HINT AND SAID THAT HE THOUGHT MITTERRAND WAS POSITIVELY INCLINED TOWARDS THE ARGUMENT THAT POLITICAL REFORMS IN SOUTH AFRICA SHOULD BE MATCHED BY POSITIVE GESTURES FROM THE TWELVE.)

5. ACCORDING TO THE SOUTH AFRICAN EMBASSY, THE LINE ADOPTED BY ROCARD ON SANCTIONS WAS SLIGHTLY LESS FORTHCOMING. HE SAID THERE WERE THE TWO MAIN OBSTACLES TO RELAXING THE CURRENT MEASURES: POLITICAL PRISONERS AND THE STATE OF EMERGENCY. WHILST INFORMED CIRCLES IN FRANCE ACCEPTED THAT THERE HAD BEEN FUNDAMENTAL CHANGE IN SOUTH AFRICA, PUBLIC OPINION IN FRANCE WAS LAGGING BEHIND. (THE SOUTH AFRICAN EMBASSY INTERPRETED THIS AS A HINT THAT ROCARD WAS CONCERNED ABOUT NOT GETTING TOO FAR AHEAD OF THE SOCIALIST PARTY RANK AND FILE.) ROCARD ADDED, HOWEVER, THAT SOME RELAXATION OF SANCTIONS COULD BE CONSIDERED IN THE NOT TOO DISTANT FUTURE. IN ANSWER TO ROCARD'S QUESTION ABOUT THE INFLUENCE OF RIGHT-WING EXTREMISTS, DE KLERK DESCRIBED THEM AS A VOCIFEROUS BUT FISSIPAROUS MOVEMENT. THEY WERE ADEPT AT PLAYING ON WHITE EMOTIONAL SUSCEPTIBILITIES AND WOULD NO DOUBT POINT TO THE LACK OF ANY EC REACTION TO DE KLERK'S REFORM PROGRAMME IN ORDER TO UNDERMINE IT. THE EC THEREFORE NEEDED TO RESPOND WITH CONCRETE GESTURES TOWARDS SOUTH AFRICA.

COMMENT

6. THE FEELING OF MOST POLITICAL COMMENTATORS HERE IS THAT DE KLERK'S VISIT TO PARIS HAS BEEN A SUCCESS. HE CLEARLY IMPRESSED MITTERRAND AS A SINCERE AND SERIOUS INTERLOCUTOR. THERE HAS BEEN VERY LITTLE ADVERSE REACTION TO DE KLERK ON THE STREETS. THE ANC ORGANISED A PROTEST OUTSIDE THE SOUTH AFRICAN EMBASSY BUT ONLY FIFTY OR SO PEOPLE TURNED UP AND WERE CONSIDERABLY OUTNUMBERED BY THE SECURITY FORCES. TO THE EMBARRASSMENT OF THE ANC REPRESENTATIVE, THIS DEMONSTRATION TOOK PLACE SHORTLY AFTER THE PRESS REPORTED THAT MANDELA HAD NO OBJECTION TO MITTERRAND'S

PAGE 2 CONFIDENTIAL DECISION TO RECEIVE DE KLERK FOR A VISIT HERE.

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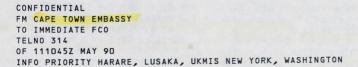
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MIPT: DE KLERK'S VISIT

- 1. DE KLERK SET OFF FOR HIS TALKS WITH EUROPEAN GOVERNMENTS ON A WAVE OF OPTIMISM GENERATED BY THE SUCCESSFUL OUTCOME OF THE TALKS LAST WEEK WITH THE ANC. THE GOVERNMENT IS LIKELY TO AGREE TO RELEASE A LOT MORE PRISONERS AND TO LIFT THE STATE OF EMERGENCY, EXCEPT POSSIBLY IN NATAL. THE ANC AGREED ON A "COMMON COMMITMENT TOWARDS THE RESOLUTION OF THE EXISTING CLIMATE OF VIOLENCE ... AND TO A PEACEFUL PROCESS OF NEGOTIATIONS" AND UNDERTOOK TO RE-CONSIDER THEIR COMMITMENT TO THE ARMED STRUGGLE. DE KLERK AND MANDELA GAVE A FURTHER PUBLIC DISPLAY OF THEIR CLOSE PERSONAL RELATIONSHIP. DE KLERK HAS ESTABLISHED AN EQUALLY GOOD RELATIONSHIP WITH BUTHELEZI. THERE COULD STILL BE DIFFERENCES OVER THE DEFINITION OF "POLITICAL" PRISONERS AND THE LEVEL OF VIOLENCE IN THE COUNTRY, PARTICULARLY IN NATAL, IS STILL TOO HIGH. THE ANC WILL CONTINUE TO EQUIVOCATE OVER THE "ARMED STRUGGLE". NEVERTHELESS, A REAL BREAKTHROUGH WAS MADE IN TACKLING THESE OBSTACLES TO NEGOTIATIONS.
- 2. ONCE THAT IS DONE, THE GOVERNMENT WILL SET UP A NEGOTIATING FORUM IN WHICH ALL THE POLITICAL PARTIES WILL BE INVITED TO PARTICIPATE TO WORK OUT A NEW CONSTITUTION. BUTHELEZI WILL HAVE AN IMPORTANT ROLE. THE OTHER HOMELAND LEADERS ARE ALL NOW INCREASINGLY DEFERRING TO THE ANC. THE GOVERNMENT WILL NOT AGREE TO ANC DEMANDS FOR A CONSTITUENT ASSEMBLY OR TRANSITIONAL GOVERNMENT, THOUGH IF THE NEGOTIATING PROCESS SUCCEEDS, SOMETHING OF THE KIND MAY EVENTUALLY EMERGE FROM IT. IF THE ANC SEEK TO INSIST ON THOSE DEMANDS FROM THE OUTSET, THE PROCESS WILL GET STUCK. IN THE NAMIBIAN CASE, FREQUENTLY CITED BY THE ANC, CONSTITUEN ASSEMBLY ELECTIONS WERE HELD AFTER AGREEMENT ON THE MAIN ELEMENTS OF THE CONSTITUTION ALREADY HAD BEEN REACHED.
- 3. THE GOVERNMENT IS HAVING TO CONTEND WITH A POTENTIALLY VIOLENT RIGHT-WING BACK-LASH. TREURNICHT AND CO ARGUE THAT DE KLERK HAS NO MANDATE FOR THE ACTIONS HE HAS TAKEN. THERE ARE REAL ANXIETTES IN THE WHITE COMMUNITY AS TO WHERE THIS PROCESS WILL LEAD (REFLECTED, FOR INSTANCE, IN AN INCREASE IN THE NUMBER OF PASSPORT APPLICATIONS WE HAVE BEEN RECEIVING OURSELVES). THERE HAS BEEN SOME SLIPPAGE OF

PAGE 1 CONFIDENTIAL SUPPORT FROM THE NATIONAL PARTY TO THE RIGHT BUT THE GOVERNMENT PROBABLY HAS GAINED A GOOD MANY OF THE VOTES WHICH WERE CAST FOR THE DEMOCRATIC PARTY. DE KLERK IS A TOUGH AND RESILIENT CHARACTER WELL IN COMMAND OF HIS GOVERNMENT AND PARTY. HE IS SHOWING NO GREAT CONCERN ABOUT THE DEFECTION OF P W BOTHA. BUT THE THREAT OF RIGHT WING VIOLENCE IS BEING TAKEN VERY SERIOUSLY. ON THE EXTREME LEFT, THE PAN AFRICANIST CONGRESS ARE CONTINUING TO OPPOSE ANY NEGOTIATIONS AT ALL AND TRYING TO OUT-BID THE ANC FOR TOWNSHIP SUPPORT.

- 4. THE PRIME MINISTER WILL WANT TO ASK DE KLERK IF HE IS NOW (CONFIDENT THAT ALL THE PRE-NEGOTIATION OBSTACLES CAN BE CLEARED AWAY AND HOW HE ENVISAGES RECONCILING ONE PERSON, ONE VOTE WITH EFFECTIVE PROTECTION FOR MINORITY RIGHTS. THERE IS LIKELY TO BE GENERAL AGREEMENT ON ENTRENCHMENT OF AN INDEPENDENT JUDICIARY AND A JUSTICIABLE BILL OF RIGHTS. THE ANC SAY THAT THEY ARE COMMITTED TO A MULTI-PARTY SYSTEM AND A FREE PRESS. SO THE MAIN ARGUMENT WILL TURN ON HOW THE CHECKS AND BALANCES CAN BE INCORPORATED: ON WHAT FORM MINORITY REPRESENTATION SHOULD TAKE: ON THE EXTENT TO WHICH EXISTING PROPERTY RIGHTS SHOULD BE PROTECTED: AND ON THE DEGREE OF FEDERALISM IN THE FUTURE CONSTITUTION. THE ENC WILL GO ON DEMANDING STRAIGHT-FORWARD MAJORITY RULE AND NO WHITE VETO, WHILE THE GOVERNMENT WILL CONTINUE TO INSIST ON EFFECTIVE PROTECTION FOR MINORITIES AND A CONSTITUTION WHICH CANNOT BE TORN UP OR DISREGARDED LIKE THOSE IN MOST OF THE REST OF AFRICA. ALL THESE ISSUES ARE GDING TO BE EXTREMELY DIFFICULT TO RESOLVE.
- 5. DE KLERK WILL HAVE TO CARRY A MAJORITY OF THE WHITES WITH HIM IN A FUTURE REFERENDUM ON WHATEVER IS AGREED. MANDELA AND THE OTHER BLACK LEADERS WILL ALSO HAVE TO BE ABLE TO SELL THE RESULTS TO THEIR SUPPORTERS. A SUCCESSFUL OUTCOME CAN ONLY BE ACHIEVED ON THE BASIS OF POWER-SHARING AND A GRADUAL RATHER THAN AN ABRUPT TRANSFER OF POWER. THAT, FURTHERMORE, OFFERS THE ONLY HOPE FOR A STABLE SITUATION AND A PROSPEROUS ECONOMY IN A POST-APARTHEID SOUTH AFRICA. WHILE BUTHELEZI WILL ACCEPT THIS, THE ANC ARE GOING TO FIND IT VERY HARD TO COMPROMISE TO THE EXTENT WHICH WILL BE NECESSARY TO ACHIEVE THAT RESULT.
- 6. IN HIS RECENT INTERVIEW WITH DE KLERK, BRIAN WALDEN POINTED OUT THAT THE GAP BETWEEN DE KLERK'S BOTTOM LINE AND THE ANC'S MINIMUM DEMANDS WAS VERY WIDE AND APPARENTLY NOT BRIDGEABLE. IF NEGOTIATIONS BROKE DOWN, WHAT WOULD DE KLERK DO THEN? DE KLERK REPLIED THAT IF THERE WAS A DEADLOCK, IN DUE COURSE NEGOTIATIONS WOULD HAVE TO BE RESUMED, BECAUSE THERE IS NO OTHER WAY. UNLIKE HIS PREDECESSOR DE KLERK ACCEPTS THAT REPRESSION CANNOT SUCCEED AND HAS NO INTENTION TO

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RELYING ON IT ANYWAY. BUT NOR HAS HE ANY INTENTION OF COMMITTING SUICIDE. HE WILL NOT AGREE TO AN OUTCOME HE DOES NOT BELIEVE HE CAN SELL TO THE WHITE ELECTORATE. BOTH HE AND THE NATIONAL PARTY INTEND TO BE IN THE NEXT GOVERNMENT AS WELL AS IN THIS ONE.

7. LEGISLATIVE APARTHEID IS BEING DISMANTLED. THE SEPARATE
AMENITIES ACT IS ABOUT TO BE REPELLED. THE LAND ACTS AND THE GROUP
AREAS ACT ARE DUE TO BE REPLACED NEXT YEAR. THE POPULATION
REGISTRATION ACT WILL DISAPPEAR WITH AGREEMENT ON A NEW CONSTITUTION.

IM EVEN THAT WILL NOT REMOVE ALL FEATURES OF APARTHEID. THE STATE SCHOOL SYSTEM REMAINS SEGREGATED THOUGH THE GOVERNMENT HAS NOW AGREED THAT WHITE SCHOOLS CAN BE OPENED TO ALL RACES PROVIDED A LARGE MAJORITY OF PARENTS AGREE. THIS IS A STEP FORWARD BUT IT WILL HAVE ONLY A VERY GRADUAL EFFECT. MOST PRIVATE SCHOOLS ALREADY ARE OPEN. THE FOUR ''INDEPENDENT'' HOMELANDS ALSO REMAIN IN PLACE, WITH THREE OF THEM NOW UNDER MILITARY RULE. THEIR LEADERS ARE LIKELY TO BE PRESENT AT THE NEGOTIATIONS AS OBSERVERS. IF THERE IS AGREEMENT ON A NEW CONSTITUTION, THE ''INDEPENDENT'' HOMELANDS OF TRANSKEI, CISKEI AND VENDA ARE LIKELY TO VOTE THEMSELVES OUT OF EXISTENCE. IN BOPHUTHATSWANA MANGOPE STILL CLINGS TO ''INDEPENDENCE'' BUT HE NO LONGER HAS MUCH POPULAR SUPPORT.

9. DE KLERK HAS SAID THAT DURING HIS EUROPEAN TRIP HE WILL NOT BARGAIN FOR THE LIFTING OF SANCTIONS AND WILL NOT ACCEPT INTERFERENCE IN THE CONSTITUTIONAL NEGOTIATIONS, WHICH WILL TAKE PLACE BETWEEN SOUTH AFRICANS. BUT HE WILL BE LOOKING FOR ENCOURAGEMENT FOR THE PROCESS HE HAS INITIATED. HE IS GRATEFUL FOR THE ACTION WE TOOK DIVER NEW INVESTMENT AND THERE IS NOW A GRADUAL CRUMBLING OF INTERNATIONAL SANCTIONS. THE SPANIARDS HAVE JUST ANNOUNCED THE RESUMPTION OF IBERIA CARGO FLIGHTS TO SOUTH AFRICA AND ARE CONSIDERING REINSTATING PASSENGER FLIGHTS AS WELL. THERE IS NOW A POLISH TRADE OFFICE IN JOHANNESBURG AND THE HEAD OF THE POLISH CHAMBER OF COMMERCE HAS JUST VISITED SOUTH AFRICA. THERE IS A SOUTH AFRICAN MISSION IN BUDAPEST AND INCREASINGLY CLOSE RELATIONS WITH THE NEW HUNGARIAN GOVERNMENT. A ROMANIAN MISSION IS HERE AT PRESENT. THE DANES ARE OPENING AN EMBASSY HERE. THE DUTCH ARE PROPOSING A STAGED EASING OF EC SANCTIONS. TWO EUROPEAN COMPANIES (ONE BRITISH, ONE GERMAN) ARE SETTING UP CATALYTIC CONVERTOR PLANTS IN SOUTH AFRICA. DE KLERK HAS ESTABLISHED GOOD RELATIONS WITH MANY OF THE AFRICAN PRESIDENTS. THE SOUTH AFRICANS ARE TRYING TO HELP RESOLVE THE CONFLICTS IN ANGOLA AND MOZAMBIQUE. THE ANC HAVE GIVEN UP CALL FOR THE INTENSIFICATION OF SANCTIONS THOUGH THEY WILL CONTINUE TO PRESS FOR THE MAINTENANCE OF EXISTING SANCTIONS WHILE NEGOTIATIONS TAKE PLACE.

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- 10. THE MAIN ECONOMIC PROBLEM REMAINS THE LACK OF ACCESS TO EXTERNAL CAPITAL AND, PARTICULARLY, TO IMF AND WORLD BANK FACILITIES. THE GOVERNMENT HAS TAKEN THE TOUGH DECISIONS NECESSARY TO COOL DOWN THE ECONOMY TO ABOUT ONE PER CENT REAL GROWTH IN GDP THIS YEAR TO ENABLE SOUTH AFRICA TO RUN A SUFFICIENTLY LARGE TRADE SURPLUS (US DOLLARS SIX BILLION) TO BE ABLE TO COVER DEBT REPAYMENTS AND OTHER CAPITAL OUT-FLOWS. THE FINANCE MINISTER HAS PUSHED THROUGH A TOUGH BUDGET IMPOSING FOR THE FIRST TIME SUBSTANTIAL REAL CUTS IN DEFENCE SPENDING AND ALLOCATING RAND THREE BILLION TO HELP REDRESS CIO-ECONOMIC DISADVANTAGES OF BLACK SOUTH AFRICANS (RAND TWO BILLION OF WHICH IS BEING ADMINISTERED BY JAN STEYN). THE PRIVATE SECTOR ARE LIKELY TO CONTRIBUTE A FURTHER RAND 500 MILLION TO THESE INITIATIVES. WE SHOULD NOT CHANNEL OUR FUNDS THROUGH SOUTH AFRICAN MECHANISMS BUT ARE INCREASING OUR OWN SUPPORT FOR BLACK EDUCATION AND COMMUNITY PROJECTS. THE ODA ARE LOOKING AT THE POSSIBILITY OF FURTHER SUBSTANTIAL ASSISTANCE NEXT YEAR TO OPERATION HUNGER (IN THE RURAL AREAS), PROMAT (FOR TEACHER TRAINING) AND THROUGH THE URBAN FOUNDATION IN THE SQUATTER SETTLEMENTS.
- 11. STATE SOCIALIST IDEAS REMAIN DEEPLY INGRAINED IN THE ANC. BUT THEY HAVE STARTED BACK-TRACKING ON NATIONALISATION. BY THE TIME THE CONSTITUTIONAL NEGOTIATIONS REACH ANY KIND OF CONCLUSION, THE PROCESS OF EDUCATING MANDELA AND OTHERS IN THESE ISSUES WILL BE MUCH FURTHER ADVANCED. DE KLERK UNDERSTANDS THAT THESE ARGUMENTS WILL NOT GET THROUGH UNLESS THERE CLEARLY IS AN INTENTION TO REDRESS THE IMBALANCES IN THE DISTRIBUTION OF WEALTH BETWEEN BLACK AND WHITE SOUTH AFRICANS. HE WILL ARGUE THAT THIS CAN ONLY BE DONE THROUGH AN EXPANDING ECONOMY WHICH NEEDS ACCESS TO THE INTERNATIONAL FINANCIAL INSTITUTIONS. THE SOUTH AFRICANS KNOW THAT THEY CANNOT GET ACCESS TO THE IMF UNTIL THERE IS A SHIFT IN THE AMERICAN POSITION. THIS WILL BE A MAIN SUBJECT FOR DISCUSSION WHEN DE KLERK MEETS PRESIDENT BUSH IN WASHINGTON ON 18 JUNE.
- 12. AS WILL BE OBVIOUS, THERE ARE ENORMOUSLY DIFFICULT PROBLEMS TO BE FACED HERE AND MUCH THAT COULD GO WRONG. SO FAR AS DE KLERK'S DWN PERFORMANCE IS CONCERNED, HOWEVER, HE HAS HARDLY PUT A FOOT WRONG SINCE BECOMING PRESIDENT AND, ASTOUNDING HIS CRITICS, HE HAS SUCCEEDED IN TRANSFORMING THE SITUATION IN SOUTH AFRICA. ALTHOUGH THE DIFFICULTIES AHEAD ARE FORMIDABLE AND THE GAP BETWEEN THE NATIONAL PARTY AND THE ANC ON A FUTURE CONSTITUTION CERTAINLY WILL APPEAR FOR A LONG TIME AS UNBRIDGEABLE, DE KLERK IS DETERMINED TO FIND POLITICAL SOLUTIONS TO SOUTH AFRICA'S PROBLEMS. HAVING PLAYED AMAJOR PART IN PUSHING THE SOUTH AFRICAN GOVERNMENT INTO THE DECISIONS

PAGE 4 CONFIDENTIAL THEY HAVE NOW TAKEN, WE SHOULD BE CAREFUL NOT TO APPEAR TO BE INVOLVING OURSELVES DIRECTLY IN THE CONSTITUTIONAL NEGOTIATIONS BUT RATHER TO DRAW DE KLERK OUT ON HIS OWN INTENTIONS. VILJOEN WILL, I AM SURE, CONTINUE TO CONSULT US PRIVATELY ABOUT THE APPROACH TO NEGOTIATIONS.

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SOUTH AFRICA: NEGOTIATIONS

- 1. I HAD A TALK YESTERDAY WITH DR GERRIT VILJOEN, WHO IS ACTING
 PRESIDENT IN DE KLERK'S ABSENCE. DR VILJOEN ASKED FOR HIS REGARDS TO
 BE PASSED TO THE PRIME MINISTER. HE HAD GREATLY ENJOYED HIS MEETING
 WITH HER.
- 2. I CONGRATULATED VILJOEN ON THE SUCCESSFUL OUTCOME OF THE TALKS
 LAST WEEK WITH THE ANC. VILJOEN SAID THAT THE ATMOSPHERE OF THE
 TALKS AND THE RESULT HAD BEEN VERY ENCOURAGING. I ASKED ABOUT THE
 PROSPECTS FOR LIFTING THE STATE OF EMERGENCY. VILJOEN SAID THAT THE
 EMERGENCY REGULATIONS FALL TO BE RECONSIDERED IN JUNE. THE
 GOVERNMENT WOULD DO SO IN THE LIGHT OF WHAT HAPPENED OVER THE NEXT
 MONTH AND THE ANC'S RESPONSE IN TERMS OF GETTING AWAY FROM THE
 RHETORIC ABOUT THE ''ARMED STRUGGLE''. VILJOEN HOPED THAT IT WOULD
 BE POSSIBLE TO END THE STATE OF EMERGENCY, EXCEPT QUITE POSSIBLY IN
 NATAL. THE ANC THEMSELVES ACCEPTED THAT THERE WAS A GENUINE
 EMERGENCY IN THE NATAL TOWNSHIPS AND HAD MADE NO FUSS WHATEVER ABOUT
 THE SOUTH AFRICAN DEFENCE FORCE PRESENCE THERE, WHICH THEY PREFERRED
 TO THE POLICE.
- 3. VILJOEN SAID THAT THE MOST IMPORTANT ISSUE IN THIS PHASE WAS THAT OF THE POLITICAL PRISONERS. THE JOINT WORKING GROUP WOULD BE RECOMMENDING BY 21 MAY WHAT SHOULD BE DONE. VILJOEN WAS OPTIMISTIC THAT IT SHOULD BE POSSIBLE TO RELEASE CONSIDERABLE NUMBERS OF PRISONERS BUT THERE WERE DIFFERENT CATEGORIES OF CRIMES TO BE CONSIDERED AND THE HARDEST CASES WOULD HAVE TO BE DEALT WITH AT THE END OF THE PROCESS, AND NOT AT THE BEGINNING. THE GOVERNMENT WOULD DO WHAT WAS NECESSARY TO FACILITATE THE RETURN OF THE EXILES.
- 4. ON THE ''ARMED STRUGGLE'', VILJOEN SAID THAT IT HAD BEEN AN IMPORTANT BREAKTHROUGH TO GET THE COMMITMENT FROM THE ANC TO HELP END VIOLENCE AND TO PEACEFUL NEGOTIATIONS. THEY WERE IN A STATE OF TRANSITION AND HAD PRETTY WELL ADMITTED THEIR INTERNAL DIFFICULTIES OVER FORMALLY ABANDONING THE ''ARMED STRUGGLE''. IT WAS NOT IN REALITY CONTINUING IN ANY VERY SIGNIFICANT FORM BUT THERE WAS A LOT

PAGE 1 CONFIDENTIAL OF UNCONTROLLED VIOLENCE AND INTIMIDATION. THE ANC HAD PROBLEMS INDISCIPLINING SOME OF THEIR OWN SUPPORTERS BUT SEEMED TO BE TRYING TO MAKE A GREATER EFFORT TO DO SO. THE GOVERNMENT WANTED THE ANC TO STOP THE RHETORIC ABOUT THE ''ARMED STRUGGLE'' BECAUSE OF THE EFFECT IT HAD ON UNCONTROLLED TOWNSHIP YOUTH.

- 5. VILJOEN SAID THAT THE GOVERNMENT HAD AGREED THAT THE INTERNAL SECURITY LEGISLATION SHOULD BE REVIEWED. SOME OF THE PROVISIONS OF THE INTERNAL SECURITY ACT WERE NO LONGER UTILISED AND SOME OF THE TERMINOLOGY SHOULD BE CHANGED. BUT THE GOVERNMENT HAD MADE CLEAR THAT THERE HAD TO BE PUBLIC SECURITY LEGISLATION AND THE NECESSARY LEGISLATIVE CHANGES COULD ONLY BE MADE IN THE NEXT PARLIAMENTARY SESSION (IE NEXT YEAR). THE ANC HAD ACCEPTED THIS.
- 6. I ASKED VILJOEN HOW LONG HE THOUGHT IT WOULD TAKE TO GET THROUGH THE PRE-NEGOTIATION OBSTACLES AND INTO DISCUSSION OF A NEW CONSTITUTION. VILJOEN SAID THAT HE FOUND THIS DIFFICULT TO JUDGE. IT OBVIOUSLY WOULD TAKE SOME TIME FINALLY TO CLEAR THESE HURDLES BUT THE GOVERNMENT WERE DETERMINED THAT ANY DELAY SHOULD NOT BE ATTRIBUTED TO THEM. THEY WANTED TO PRESS ON.
- 7. I ASKED ABOUT THE ANC'S CONTINUING DEMANDS FOR A CONSTITUENT ASSEMBLY AND AN INTERIM GOVERNMENT. VILJOEN SAID THAT THE SOUTH AFRICAN GOVERNMENT WERE GRATEFUL FOR THE ACTION WE HAD TAKEN TO ENSURE THAT THESE DID NOT FEATURE IN THE UN GENERAL ASSEMBLY RESOLUTION. THE GOVERNMENT WOULD NOT AGREE TO A CONSTITUENT ASSEMBLY WHICH AMOUNTED TO A DEMAND FOR MAJORITY RULE BEFORE NEGOTIATIONS TAKE PLACE. ONCE THE NEGOTIATIONS HAD REACHED CONCLUSIONS, DE KLERK HAD MADE CLEAR THAT THEY MUST BE LEGITIMISED WHETHER THROUGH A REFERENDUM OR BY ELECTIONS IN WHICH EVERYONE MUST PARTICIPATE. THE GOVERNMENT WOULD REMAIN IN OFFICE UNTIL A NEW CONSTITUTION WAS AGREED AND NEW FIRCTIONS WERE HELD. THEY WOULD NOT ACCEPT AN INTERIM GOVERNMENT BUT THEY WERE TRYING TO INVOLVE THE ANC IN A MEASURE OF CO-RESPONSIBILITY FOR WHAT HAPPENED IN THE COUNTRY. ONCE A NEGOTIATING BODY WAS SET UP, AN ARRANGEMENT MIGHT BE MADE TO ENABLE THE PARTICIPANTS TO RAISE ISSUES WITH AND ADVISE THE GOVERNMENT, WHICH WOULD HAVE TO MANAGE THE DAY TO DAY RUNNING OF THE COUNTRY WHILE THE NEGOTIATIONS TOOK PLACE. MEANWHILE MORE EFFECTIVE MECHANISMS HAD BEEN SET UP TO ENABLE THE GOVERNMENT AND THE ANC TO COMMUNICATE IMMEDIATELY WITH ONE ANOTHER ABOUT MATTERS OF CONCERN TO EITHER SIDE.
- 8. ON THE NEGOTIATING BODY, VILJOEN SAID THAT THIS WOULD BE COMPOSED OF REPRESENTATIVES OF THE POLITICAL PARTIES. THE GOVERNMENT WOULD NOT BE REPRESENTED AS SUCH BUT THE NATIONAL PARTY DELEGATION WOULD BE

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LED BY MINISTERS (IN PRACTICE, NO DOUBT, VILJOEN). THE BODY SHOULD ELECT ITS OWN CHAIRMAN OR AGREE ON A ROTATING CHAIRMANSHIP. THE GOVERNMENT WOULD NOT TRY TO IMPOSE ITS NOMINEE. THE BODY MIGHT BE DESCRIBED AS A CONSTITUTIONAL CONFERENCE OR CONVENTION BUT WOULD NOT HAVE THE POWER ITSELF TO ENACT THE NEW CONSTITUTION. DE KLERK WAS DETERMINED TO GET APPROVAL FROM THE EXISTING LEGISLATURE AND THE WHITE ELECTORATE FOR WHAT EVENTUALLY WAS AGREED: AND IT WOULD OF COURSE HAVE TO BE APPROVED BY THE TOTAL ELECTORATE ALSO.

- 9. ON THE LAND ACTS, VILJOEN SAID THAT THE GOVERNMENT WAS COMMITTED TO REPEALING THESE IN THE NEXT SESSION. I SAID THAT I HOPED THIS WOULD BE ACCOMPANIED BY SOME AFFIRMATIVE ACTION OF THE KIND ENVISAGED BY THE HEAD OF THE DEVELOPMENT BANK OF SOUTHERN AFRICA, WHO HAD STRESSED THE NEED ACTIVELY TO HELP BLACK COMMERCIAL FARMERS GAIN ACCESS TO WORTHWHILE AGRICULTURAL LAND. WHAT WAS REQUIRED WAS THE KIND OF ASSISTANCE THE LAND BANK HAD GIVEN TO POOR AFRIKANER FARMERS. VILJOEN AGREED WITH THIS. NON-DISCRIMINATORY LEGISLATION WOULD BE REQUIRED TO REPLACE THE LAND ACTS IN ORDER, AMONG OTHER THINGS, TO PROTECT TRADITIONAL SYSTEMS OF LAND TENURE.
- 10. ON THE GROUP AREAS ACT, VILJOEN SAID THAT THIS TOO WOULD HAVE TO BE REPLACED AND THE GOVERNMENT DID NOT INTEND TO AWAIT THE OUTCOME OF NEGOTIATIONS BEFORE DOING SO. THAT WOULD SIMPLY CLUTTER UP THE NEGOTIATIONS. I SAID THAT ANY NEW ARRANGEMENTS TO REPLACE THE GROUP AREAS, EG TO MAINTAIN HEALTH AND OTHER STANDARDS AND AVOID OVER-CROWDING, WOULD NEED TO BE GENUINELY NON-DISCRIMINATORY. OTHERWISE THEY WOULD DO MORE HARM THAN GOOD. VILJOEN AGREED. THE GROUP AREAS WOULD HAVE TO GO, THOUGH THERE MIGHT HAVE TO BE A PHASING OUT PERIOD. I SAID THAT CAPE TOWN HAD APPLIED FOR THE MUNICIPALITY TO GO ''OPEN'' WITH ELECTIONS BY ALL RESIDENTS WITHIN THE MUNICIPAL AREA ON A NON-RACIAL BASIS. I HOPED THAT THE GOVERNMENT WOULD PERMIT THIS TO HAPPEN. VILJOEN THOUGHT THAT THIS SORT OF THING COULD HAPPEN AS THE LEGISLATION WAS REPLACED IN THE NEXT PARLIAMENTARY SESSION.
- 11. ON THE SHAPE OF THE FUTURE CONSTITUTION, I SAID THAT WE HAD BEEN ENCOURAGED BY VILJOEN'S AND NOW DE KLERK'S REFERENCES TO THE IDEA OF A BI-CAMERAL PARLIAMENT WITH A LOWER HOUSE ELECTED WITH ONE PERSON, ONE VOTE, WITH PROPORTIONAL REPRESENTATION. VILJOEN SAID THAT THIS WAS HIS PREFERRED APPROACH AND DE KLERK COULD SEE ITS MERITS, THOUGH AT THIS STAGE HE WANTED TO KEEP OPTIONS OPEN. IN THAT EVENT THERE WOULD HAVE TO BE AN UPPER HOUSE WITH REAL POWERS AS PART OF A GENERAL SYSTEM TO ENSURE EFFECTIVE CHECKS AND BALANCES. THE MOST DIFFICULT TASK IN THE NEGOTIATIONS WAS GOING TO BE TO REACH AN ACCEPTABLE DEFINITION OF WHAT CONSTITUTED A GROUP OR MINORITY. THE GOVERNMENT

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WOULD BASE THEIR APPROACH ON FREEDOM OF ASSOCIATION. VILJOEN
PERSONALLY BELIEVED THAT MANY OF THE RIGHTS AND INTERESTS OF
MINORITIES COULD BE DEALT WITH IN A HEAVILY ENTRENCHED BILL OF RIGHTS
AND OTHER FEATURES OF THE CONSTITUTION WHICH MIGHT BE AMENDABLE ONLY
BY A VERY LARGE MAJORITY. I SAID THAT RATHER THAN SEEKING TO
ENTRENCH BLOCKING MINORITIES IT MIGHT IN THE END TURN OUT TO BE
EASIER TO GET IT AGREED THAT BASIC PROVISIONS OF THE CONSTITUTION
E.G. THE BILL OF RIGHTS, SHOULD BE AMENDABLE ONLY BY UNANIMITY.

- 12. AS VILJOEN EXPLAINED TO THE PRIME MINISTER, THE GOVERNMENT ENVISAGED A SEPARATION OF POWERS AND A PRESIDENT WHO AMONG OTHER THINGS WOULD ACT AS GUARANTOR OF THE CONSTITUTION WITH A PRIME MINISTER DEALING WITH THE GENERAL RUNNING OF THE GOVERNMENT. VILJOEN SAID THAT THE GOVERNMENT ALSO WERE CONCERNED TO SEE THE GREATEST POSSIBLE DEVOLUTION OF POWER. THIS AT PRESENT WAS STRONGLY RESISTED BY THE ANC BUT THEY WOULD HAVE TO AGREE TO EFFECTIVE SYSTEMS OF REGIONAL SELF-GOVERNMENT IN THE END.
- 13. I MENTIONED DE KLERK'S REFERENCES TO NO ''SIMPLISTIC MAJORITY RULE''. I SAID THAT WE UNDERSTOOD WHAT DE KLERK MEANT BUT THIS KIND OF TERMINOLOGY WAS LIABLE TO BE MISREPRESENTED (EG BY MR HAWKE). I HOPED THAT THE GOVERNMENT WOULD INSTEAD MAKE CLEAR THAT WHAT THEY WERE OPPOSED TO WAS A ''WINNER TAKES ALL'' SYSTEM: AND THAT THE OBJECT MUST BE TO ACHIEVE A GENUTNE DEMOCRACY HERE, WITH A MULTI-PARTY SYSTEM THAT WILL ENDURE A GENUTNELY FREE PRESS AND INDEPENDENT JUDICIARY, JUSTICIABLE BILL OF RIGHTS AND RESPECT FOR THE RULE OF LAW. VILJOEN SAID THAT HE TOOK THE POINT AND HAD HIMSELF TRIED TO PUT THE GOVERNMENT'S CASE IN THESE SORT OF TERMS IN A DEBATE IN PARLIAMENT LAST NIGHT. ''MAJORITY RULE'' AS IT EXISTED ELSEWHERE IN AFRICA HAD NOT UNFORTUNATELY BROUGHT GENUINE FREEDOM OR DEMOCRACY. (IN HIS SPEECH VILJOEN STATED THAT THE PURPOSE OF PROTECTING MINORITY RIGHTS WAS NOT TO FRUSTRATE MAJORITY GOVERNMENT, BUT TO MODERATE IT).
- 14. VILJOEN SAID THAT ANOTHER MAIN DIFFICULTY WAS GOING TO BE TO GET GUARANTEES IN THE CONSTITUTION THAT A FREE MARKET ECONOMY WAS GOING TO BE MAINTAINED. THIS WAS OF FUNDAMENTAL IMPORTANCE FOR THE FUTURE. I SAID THAT THE ANC ALREADY WERE UNDER GREAT PRESSURE ON THE ISSUE OF NATIONALISATION AND MANDELA HAD BEEN DOING SOME BACK-TRACKING. ECONOMIC POLICY ISSUES COULD NOT BE DEALT WITH IN THE CONSTITUTION. BUT THE ANC CLAIMED TO BE COMMITTED TO A MIXED ECONOMY AND PROTECTION FOR PROPERTY RIGHTS EXISTED IN ALMOST ALL OTHER CONSTITUTIONS (INCLUDING THE PROVISION THAT PROPERTY COULD ONLY BE TAKEN OVER WITH DUE COMPENSATION). THE BLACK LEADERS WOULD ONLY AGREE TO RESPECT PROPERTY RIGHTS IF IT WERE CLEAR THAT AFFIRMATIVE ACTION WAS BEING

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I SAID THAT WE HAD NEVER UNDER-ESTIMATED THE ENORMOUS DIFFICULTIES AHEAD. NOR HAD WE BEEN SURPRISED BY THOSE WHICH HAD ARISEN ALREADY. BUT AS A RESULT OF DE KLERK'S INITIATIVES WE WERE MUCH MORE OPTIMISTIC ABOUT THE CHANCES OF SOUTH AFRICA FINDING A POLITICAL SOLUTION TO ITS PROBLEMS. VILJOEN SAID THAT THE ALTERNATIVES WERE TO NEGOTIATE NOW: OR TO NEGOTIATE LATER. OBVIOUSLY WAS BETTER TO NEGOTIATE NOW. IF THE NEGOTIATIONS GOT STUCK BECAUSE OF APPARENTLY UNBRIDGEABLE DIFFERENCES BETWEEN THE TWO SIDES. THEY WOULD SIMPLY HAVE TO BE RESUMED LATER BECAUSE REPRESSION COULD NOT SUCCEED AND NOR COULD THE ''LIBERATION MOVEMENTS'' OVERTHROW THE GOVERNMENT. THE GOVERNMENT'S APPROACH WAS TO SEEK TO NORMALISE POLITICAL LIFE IN SOUTH AFRICA AND TO DRAW THE ANC AND OTHERS INTO ACTING AS POLITICAL PARTIES AND ACCEPTING RESPONSIBILITY FOR HELPING TO RESOLVE SOUTH AFRICA'S PROBLEMS. THERE WAS A STRONG AND POTENTIALLY VERY DANGEROUS RIGHT-WING REACTION BUT THE GOVERNMENT ALSO WAS GETTING PLENTY OF SUPPORT FOR THE COURSE ON WHICH IT HAD EMBARKED. THEY WERE VERY GRATEFUL FOR THE SUPPORT THEY HAD RECEIVED FROM US.

16. PLEASE SEE MIFT.

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