

Prime Minister

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push hard

Foreign and Commonwealth Office

SECRET

London SW1A 2AH

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18 December 1989

Dear Charles, of course

South Africa

Dear

Thank you for your letter of 15 November asking about contingency planning for a possible response to the early release of Mandela and other reform moves by the South African Government.

We cannot be sure that the release of Mandela will take place as soon [redacted]. The South African Government clearly do want to work towards the release of Mandela and, eventually, lifting the State of Emergency. But Sir Robin Renwick reports that a decision to release Mandela has not yet been taken, and that there is a divergence of views among South African Ministers. Sir Robin has made clear to them our view that Mandela's release must be unconditional and there does now seem greater acceptance of that point. Action to ease the State of Emergency is likely to take place piecemeal and will depend on developments.

All the signs are that Mandela himself is not looking for very early release. It seems pretty clear that he is engaged in fairly substantive discussion with the South African Government. We think that both he and they are probably trying to set in place the framework for negotiations before he comes out of jail. There are obvious advantages for both parties: the South Africans could hope to marginalise some of the more extreme elements of the ANC. Mandela himself would avoid being released into a political vacuum. It would also be easier for him to deal with extremists if he has some sort of constitutional plan which he is ready to run with on his release.

The Foreign Secretary thinks our basic text should remain the note agreed between the Prime Minister and Chancellor Kohl, a copy of which was given to Mr De Klerk in June. This links the lifting of sanctions to fulfilment by the South Africans of their part of the EPG negotiating concept.

We also need to consider more specific incentives to De Klerk. We have got a surprising measure of agreement (in the Commonwealth, in the European Community and in the UN) that the international community will consider relaxing pressures on South Africa when there is evidence of clear and irreversible change. The Commonwealth also asked the IMF to examine how its resources might be mobilised. Jim Baker indicated, when he was here last week, that the Americans wanted to consider with us what help could be provided to

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South Africa in the international financial institutions. That is clearly the key, though there will be limits on what we can do. The Americans are bound by their legislation. For our part, we cannot on the one hand advocate the operation of market forces and then instruct those same market forces to decide that the time has come to change their judgement. But it would obviously be possible to find ways through that problem.

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We should also consider relaxing the so-called voluntary bans on new investment and the promotion of tourism. These are the least consistent with our policy of encouraging change from within and through contacts. The ban on investment derives from a decision of the EC Council of Ministers. This creates a potential legal obstacle which needs further study. We believe, however, that these difficulties are not insuperable and further legal advice is being sought. Other possible areas for action include the decision to discourage cultural and scientific contacts.

We are continuing meanwhile our discussions with other governments of the circumstances in which existing measures might be relaxed, making clear that in our view fulfilment by the South African Government of the EPG conditions should be the trigger for doing so. Many other Western governments are reluctant to face up to the need to relax measures even in those circumstances. The German and American attitudes will be crucial.

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The Foreign Secretary thinks we should also consider using ministerial visits as a lever for change. A visit by the Prime Minister would be the major prize for the South Africans. Timing would be crucial and would depend very much on the circumstances of Mandela's release and the nature of any negotiations that got underway. It would be a pity to have a visit by the Prime Minister which was only a reward for Mandela's release. It would be better if a visit could be deployed to give some critical impetus to the negotiating process.

Namibia is due to have its independence at the beginning of April. The Foreign Secretary thinks it would be a good idea if he went to those celebrations. That could be an opportunity to make a brief sideways visit to South Africa. This is something he and the Prime Minister might discuss at a forthcoming bilateral. The Foreign Secretary will also have an opportunity to go over the ground with Sir Robin Renwick when he is in London in early January.

Jans,
Stephen Wall
(J S Wall)
Private Secretary

C D Powell Esq
10 Downing Street

SECRET AND PERSONAL

AGREED UK-FRG RESPONSE TO POSSIBLE RELEASE OF
NELSON MANDELA

- We believe that Mandela's release is in South Africa's own interests.
- In our assessment it would create a new and improved climate of benefit to South Africa internally and in her relations with the outside world.
- It would also reinforce our joint stand against sanctions and other restrictive measures.
- And it would make it easier for us to play a helpful role over the problems facing South Africa in its dealings with the banks over bearer bonds.
- Looked at realistically it would not on its own lead to the dismantling of any sanctions.
- But if the South African Government were to build on Mandela's release to launch a dialogue between all political groups in South Africa, we would then see what could be done to meet South Africa's concerns on sanctions (although we could not give advance assurances affecting others).

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10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

19 December 1989

See steps.

SOUTH AFRICA

Thank you for your letter of 18 December responding to mine about our reaction to the possible early release of Nelson Mandela and other reform moves by the South African government.

The Prime Minister thinks we need to be ready to react swiftly and in a way which gives a lead to others, in the event of Mandela's release. We shall need a good and prompt statement, and there would be no harm in having a draft on the stocks. She is inclined to think that the paper which we gave De Klerk in June is now rather out of date. We have had considerable success since then in getting others to face up to the notion of relaxing pressures against South Africa, and now need to relate this to specific measures. She agrees that the ban on new investment and on promotion of tourism are prime candidates for early action, as is the present policy of discouraging cultural and scientific contacts. She would like to see a list of possible steps in rough order of priority, so that we are well ahead with contingency planning.

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I note that the Foreign Secretary will discuss the question of visits at a future bilateral.

Your sincerely,

C. D. POWELL

Stephen Wall, Esq.
Foreign and Commonwealth Office

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