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Procerujase) CONFIDENTIAL MDHOAN 2849 Subject: CC HOSTER'S PRIME MINISTER'S CONFIDENTIAL -FM:FCO TO DESKBY 101900Z PARIS PERSONAL MESSAGE TELNO 81 OF 101705Z FEBRUARY 90 AND TO DESKBY 101900Z THE HAGUE, LISBON, ROME SERIAL NO. T27 790 South Africa: FROM RESIDENT CLERK Relations Pt 21 SOUTH AFRICA: RELEASE OF MANDELA 1. FOLLOWING THE SOUTH AFRICAN ANNOUNCEMENT OF THE INTENDED RELEASE OF MANDELA, GRATEFUL IF YOU COULD ARRANGE FOR THE FOLLOWING MESSAGE TO BE PASSED AS SOON AS POSSIBLE FROM THE PRIME MINISTER TO PRESIDENT MITTERRAND/PRME MINISTER LUBBERS/PRIME MINISTER CAVACO SILVA/PRIME MINISTER ANDREOTTI. BEGINS I AM SURE YOU ARE AS ENCOURAGED AS I AM BY DEVELOPMENTS IN SOUTH AFRICA. PRESIDENT DE KLERK'S SPEECH ON 2 FEBRUARY REPRESENTS A BREAKTHROUGH, PAVING THE WAY FOR NEGOTIATIONS ON A NEW CONSTITUTION. AS AN IMMEDIATE POSITIVE SIGNAL OF SUPPORT FOR WHAT HE HAS DONE, I HAVE INVITED HIM TO VISIT LONDON AND MADE KNOWN THAT IN FUTURE WE WILL ENCOURAGE ACADEMIC, SCIENTIFIC AND CULTURAL CONTACTS WITH SOUTH AFRICA. I SHALL INVITE MR MANDELA TO LONDON WHEN HE IS FREE. PRESIDENT DE KLERK HAS TAKEN CONSIDERABLE POLITICAL RISKS.HE HAS MOVED FURTHER AND FASTER THAN HIS PROPOSALS COULD HAVE IMAGINED. THE PACE OF FUTURE DEVELOPMENTS DOES NOT REST SOLELY IN HIS HANDS. I SHALL BE URGING THOSE WHO HAVE THE MOST INFLUENCE WITH THE ANC AND THE OTHER OPPOSITION GROUPS TO PERSUADE THEM TO TAKE UP THE OFFER OF NEGOTIATIONS AND TO SUSPEND VIOLENCE. I HOPE YOU WILL DO THE SAME. I BELIEVE IT IMPORTANT THAT PRESIDENT DE KLERK SHOULD BE ABLE TO DEMONSTRATE TO HIS PEOPLE THAT THE BOLD INITIATIVE HE HAS NOW TAKEN IS BEING REWARDED BY THE INTERNATIONAL COMMUNITY, WITH THE PROMISE OF MORE TO FOLLOW WHEN SERIOUS NEGOTIATIONS BEGIN. AS YOU WILL KNOW, WE HAVE PROPOSED THAT SOUTH AFRICA SHOULD BE ON THE AGENDA OF THE EUROPEAN POLITICAL COOPERATION MEETING IN DUBLIN ON 20 FEBRUARY. ASSUMING THAT BY THEN MANDELA IS FREE AND PAGE 1 CONFIDENTIAL

IF IT IS CLEAR THAT THE REMAINING EMERGENCY RESTRICTIONS WILL BE \*LIPTED, DE KLERK WILL INDEED HAVE CREATED THE CONDITIONS FOR DIALOGUE FOR WHICH WE HAVE LONG APPEALED. WE SHOULD THEREFORE RESPOND BY LIFTING THE BANS IMPOSED IN 1986 ON NEW INVESTMENT, IRON AND STEEL AND KRUGERRANDS. AS A FIRST STEP, I PROPOSE THAT WE LIFT THE BAN ON INVESTMENT, WHICH IN OUR CASE WAS VOLUNTARY. IN DOING SO, I AM CONSCIOUS THAT THE LIFTING OF THE BAN IN ITSELF WILL NOT ACT AS A STIMULUS TO NEW INVESTMENT IN SOUTH AFRICA. THE JUDGEMENT OF THE MARKET WILL DETERMINE WHETHER NEW INVESTMENT IS FORTHCOMING. THAT IS A GOOD INCENTIVE TO FURTHER PROGRESS IN SOUTH AFRICA.

I BELIEVE WE SHOULD ALSO SEE WHAT CAN BE DONE TO GIVE SOUTH AFRICA ACCESS TO THE INTERNATIONAL FINANCIAL INSTITUTIONS. ONCE TALKS BEGIN ON A NEW CONSTITUTION, SOUTH AFRICA SHOULD HAVE ACCESS TO THE IMF AND IBRD. IT WILL NEED ALL THE HELP IT CAN GET FROM THE INTERNATIONAL COMMUNITY IN OVERCOMING THE DISTORTIONS OF APARTHEID AND THE MEETING OF THE NEEDS OF THE POORER MEMBERS OF THE POPULATION.

I MOST EARNESTLY HOPE THAT YOU WILL TAKE A SIMILAR VIEW IN THE FORTHCOMING DISCUSSION WITH OUR COMMUNITY PARTNERS.

ENDS

2. THERE WILL BE NO SIGNED ORIGINAL.

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