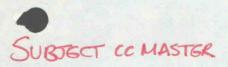
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10 DOWNING STREET

From the Private Secretary

12 June 1986

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PRIME MINISTER'S MEETING WITH THE CO-CHAIRMEN OF THE COMMONWEALTH EMINENT PERSONS GROUP ON SOUTH AFRICA

The Prime Minister had a meeting this evening with the two co-Chairmen of the Commonwealth Eminent Persons Group. Mr. Fraser and General Obasanjo were accompanied by Lord Barber. The Foreign Secretary was also present for the greater part of the meeting.

The Prime Minister thanked the two co-Chairmen for the way in which they carried out their mission. It was a tragedy that the situation had deteoriated in a way which had made it impossible for them to reach a successful conclusion. She had noted that their report did not recommend any specific action by Commonwealth Governments. It was up to each Government to reach its own decision in the light of the report.

General Obasanjo recalled that, at the beginning of the Group's mission, the Prime Minister had encouraged them to leave no stone unturned. They had heeded this advice and made a tremendous effort to achieve success. Despite a number of obvious provocations by the South African Government, the Group had worked doggedly on. They had wanted to be sure that every chance of a settlement should be fully explored. There had been a point, shortly before the Group's second visit to South Africa, when he had estimated the chances of success at just over 50 per cent. But then something had snapped and the South African Government had backed away from the concept of negotiations. Their meeting with eight South African ministers on the day of the South African raids on three neighbouring countries had, in retrospect, been the turning point. At that meeting, the South African Government had gone back on what the Group believed they had previously accepted. They had insisted not just on suspension of violence but on a renunciation of violence by the ANC before any move on their part at all. The Group had reluctantly come to the conclusion that no further progress could be made. This was

not for lack of trying. The Group had been as saddened as they knew the Prime Minister would be. But in his view, the South African Government had been 'softened' enough to take the necessary decision.

General Obasanjo continued that there were a number of points which he wanted to highlight. First the Group's report had been unanimous. He knew that Lord Barber had held a number of reservations. But he had agreed to compromise formulations for the sake of unanimity. Secondly, although the Group had not used the word 'sanctions' in their report but had spoken of 'measures' (which was the word used in the Nassau agreement), it was sanctions which they had in mind. They were clear that further measures would have to be taken to persuade South Africa in the direction of negotiation. Thirdly, the Group had tried to bring out in their report what they believed would happen in South Africa in the absence of a negotiated settlement. It was a grim prospect. Lastly, the Group had been careful not to make any detailed prescription of what sanctions should be applied. That was for Commonwealth Heads of Government to decide among themselves. His own view was that, while wholesale trade and economic sanctions might be effective, they would not be easy to administer. Measures were needed which would send the South African Government the right sort of message. As he had said at his last meeting with the Prime Minister, only an insane person would want to see the South African economy destroyed. The aim should be to bring the South African Government to its senses, without lasting damage to the country. He recognised that imposition of measures was not an easy decision for the United Kingdom. But he hoped that the British Government would, in reaching its own conclusions, show a sense of history in relation to the Commonwealth. The Commonwealth's record of finding solutions to its problems was a good one.

Mr. Fraser said that the Group could not have pressed the case for negotiations harder. They had gone out of their way to make the possible negotiating concept as easy as possible for the South African Government to accept. They had deliberately refrained from presenting it to the ANC for some eight weeks, to give the South African Government plenty of time to consider it and suggest possible modifications. He agreed with General Obasanjo that something had made the South African Government change their mind about negotiations. In his own view, it was the realisation that the release of Mandela would lead to the creation of a united black leadership. Mandela and Buthelezi were ready to work together and this meant in effect a unification of all the black groups. This prospect had frightened the South African Government. At the same time, it had been evident to the Group that the South African Government's commitment to reform was not sincere. Their concept was one in which rights could be exercised only through racial groups, not on the basis of the individual.

Fraser said that the outlook for South Africa was now a gloomy one. He believed that young blacks would conclude that their aims could be achieved only by violence and that they would be ready to die rather than go on suffering the indignities of apartheid. This would lead to an Asian-style guerilla warfare, with attacks against soft targets in the white community which would be met by collective punishment. The blacks would win in the end by weight of numbers. But the leaders who would emerge would not be moderates like Mandela: they would be radicals owing allegiance to the Soviet Union and determined to take over and nationalise western economic interests. This prospect could be avoided only if moderate blacks were given some hope of western support, in the shape of effective measures against South Africa. Moreover such measures would galvanise white opinion and persuade it to bring pressure on the South African Government to take the necessary decisions.

General Obasanjo said that he wished to add one point. Despite the steps which it was taking towards reform, the South African Government was not really moving to dismantle apartheid, only to give it a new and more acceptable face. Mr. Fraser agreed. Many of the reforms would affect only a tiny minority of people. Black leaders were utterly sceptical of the South African Government's intentions.

The Prime Minister said that, in the end there had to be negotiations in South Africa between the Government and blacks. (General Obasanjo assented vigorously). She believed from what the co-Chairmen had said that Mandela held the key. But there must be a risk that his release would provoke further violence, even if this was not what he himself would wish. She also wondered to what extent Mandela would be able to control the ANC, let alone young blacks in the townships. But in the absence of any other way forward, she thought that his release must be the focus of further efforts with the South African Government, although the latter would be justified in seeking clear understandings about what would happen after his release. She agreed with the Group that white opinion in general was ahead of the South African Government. This too was an incentive to negotiations. Mr. Fraser said that the release of Mandela and adoption of the Group's possible negotiating concept would no longer be enough to achieve a peaceful solution against the background of the most recent measures taken by the South African Government. In his view there would be no further prospect for negotiations until the country had been exhausted by several years of guerilla warfare. General Obasanjo appeared to dissent from this and to feel that the release of Mandela could still open the way to a solution, though some further concessions beyond those proposed in the Group's possible negotiating concept would probably be needed. This might be repeal of the Population Registration Act or of the Group Areas Act (which would have little practical significance for whites for many years).

The Prime Minister said that she did not follow the reasoning which suggested that measures against South Africa

would prevent violence rather than aggravate it. The assumption of those who proposed sanctions appeared to be that because what had been done so far had not worked, there was nothing for it but to try sanctions. Mr. Fraser said that the South African Government employed sanctions as an instrument of policy. He believed that the South African Government was fearful of the imposition of sanctions by the country's major trading partners. The theory that sanctions would simply drive South Africa further into the laager was, in his view, masterly disinformation. He believed that the Boer responded only to pressure.

The Prime Minister said that it was difficult to judge what could be done next to affect the situation in South Africa. She wondered what the effect of the Group's report would be on the South African Government. It could have a considerable impact. It could for instance lead white opinion to exert pressure on the Government to release Mandela. There was much to be said for focusing attention on a single person and a single event - that is upon Mandela and his release - as offering a way forward. General Obasanjo doubted whether this alone would be enough. Mandela's release would have to be accompanied by the release of other ANC political prisoners and an end to the ban on political activity. He agreed with the Prime Minister that Mandela was the key: but he must be able to exercise his authority and leadership. The Prime Minsiter repeated that it would be necessary to pre-negotiate with Mandela on what would happen after his release and agree on specific steps.

The Prime Minister concluded by thanking the co-Chairmen once again for the Group's work and for coming to see her to discuss the report. It was necessary to think very carefully about what to do next. That is why she refused to be drawn in the House of Commons. We would talk to other European Governments, the United States and Commonwealth countries.

On leaving Downing Street both General Obasanjo and Mr. Fraser declined to give the press any details of the meeting with the Prime Minister but both commented publicly that it had been a very good meeting.

I am copying this letter on a personal basis to Joan MacNaughton (Lord President's Office), Rachel Lomax (H M Treasury), John Mogg (Department of Trade and Industry), Andrew Lansley (Chancellor of the Duchy of Lancaster's Office) and Michael Stark (Cabinet Office).

Colin Budd, Esq., Foreign and Commonwealth Office

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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

13 June 1986

I am afraid there was an error in my letter to you of 12 June about the Prime Minister's meeting with the Co-Chairmen of the Commonwealth Eminent Persons Group.

Line 3 of page 2 should read "South African Government had <u>not</u> been 'softened' enough to take".

I am copying this letter to Joan MacNaughton (Lord President's Office), Rachel Lomax (H.M. Treasury), John Mogg (Department of Trade and Industry), Andrew Lansley (Chancellor of the Duchy of Lancaster's Office) and Michael Stark (Cabinet Office).

(Charles Powell)

Colin Budd, Esq., Foreign and Commonwealth Office.