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16th June 1986

*Prime Minister
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16/6*

The Rt. Hon. Margaret Thatcher, MP
10 Downing Street,
London SW1.

Dear Prime Minister,

Thank you for your hospitality today - a stimulating occasion.

Thank you too for responding on South Africa so sympathetically, firmly and constructively. We are, as you say, in a unique position and South Africa needs all the help possible (however frustrated one may feel by some of the Government actions and with some of the minority views).

I take the liberty of enclosing a draft of the statement which the British Industry Committee on South Africa will be putting to its members on Wednesday 18th. I hope very much that this will receive firm and full support so that we can make some contribution to better understanding.

Yours sincerely,

A.B. Marshall

South Africa - The British Business View

DRAFT STATEMENT BY THE CHAIRMAN OF BICSA - SIR LESLIE SMITH

(16.6.82)

The business community in South Africa, which includes the subsidiaries and associates of British companies, has become progressively more public in its calls upon government to hasten and extend a process of political and social change. Business has been active since the 1960's in seeking change from an apartheid system which is a constraint on economic growth, a change so necessary for the future prosperity of all South Africans. The disturbing events of the past two years have caused business to press for change in spheres well beyond its customary preserves.

BICSA, representing the majority of UK business interests in South Africa, supports the initiatives taken by South Africa's business leaders. Great strides have been made by British and other companies in overcoming the apartheid system at the place of work, although its influence cannot be totally eradicated whilst apartheid continues to affect the everyday lives of people in the communities where they live.

At one time it seemed that human rights and political rights were matters to be tackled separately. However, it has now become clear that without the will to bring the majority black population fully into the political system, it is not possible to deal adequately with these issues. BICSA believes that the South African Government must take the steps that are urgently needed including the unconditional release of Mr. Nelson Mandela, in order to begin a political dialogue with the genuine representatives of the black community in the context of a suspension of violence on all sides.

The Business Charter published earlier this year by the Federated Chamber of Industries in South Africa, whose membership includes subsidiaries and associates of British companies, incorporates the elements of a Bill of Rights for an equal society and calls for a government elected by universal suffrage, with a regard for the position of minorities.

BICSA members condemn the apartheid system and will continue to seek to contribute to a climate conducive to discussion and negotiation between those for whom the future of South Africa is all important - South Africans. BICSA urges all companies to continue to help in the promotion of training and welfare of their black workforce, and to lend full support to the revised EC Code of Conduct.

A strong economy is required in South Africa to meet the cost of change; whatever further economic measures may be found necessary, it needs to be understood that full economic sanctions or disinvestment will seriously damage the economy and thus diminish rather than improve the process of change.

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