

PRIME MINISTER

SOUTH AFRICA: MEETING WITH MR. HERZOV

I saw Mr. Herzov on your behalf this morning. He is a substantial industrialist of moderate views who seems to play a prominent role in public life in South Africa through membership of the South Africa Foundation and the Urban Foundation. He appears to have good connections with the Government and meets President Botha occasionally.

The main message to come out of our talk was precisely the point which Laurens van der Post was making to you last night, namely the danger of a moderate backlash. Mr. Herzov represented strongly that, unless moderate South Africans were given some encouragement, they would conclude that all concessions by the South African Government were simply pocketed by world opinion with a request for more. The likelihood of this would be greatly increased were economic sanctions to be introduced. Such sanctions would hit hard at the business community who were doing what they could to encourage reform and undermine their influence. The South African Government would represent sanctions as an attack on South Africa and use it to bring pressure to bear on liberals to toe the line. Criticism of the government would be represented as unpatriotic. Mr. Herzov suggested that, under the pressure of sanctions, it was not to be excluded that in the last resort the present South African Government would move towards one party government as existed elsewhere in Africa.

Mr. Herzov was clear that sanctions, far from speeding up the pace of reform, were more likely to deter the South African Government from pursuing the course on which they had with some hesitation embarked. He thought that the Eminent Persons Group had been less than fair in portraying the reforms which had been made as only a charade. However reluctantly, the Government had embarked upon reform and left to their own devices would see it through.

Mr. Herzog asked me what message he should convey back to his government contacts in South Africa. I said that I thought you would wish to acknowledge the significance of the reforms already carried through and encourage the government to continue down that path. You would want him to point out the difficulties which the collapse of the Eminent Persons Group initiative had caused for South Africa internationally and your hope that some clear and positive signal of the South African Government's determination to press ahead nonetheless with a dialogue with black representatives would emerge before the Commonwealth Heads of Government meeting in early August. Ending the present state of emergency and the release of Nelson Mandela would have the greatest single effect. It would also be helpful to hear more statements of opposition to sanctions from moderate black leaders.

I think that you would find it worthwhile to have a talk with Mr. Herzog. I asked him to get in touch before his next visit to London.

CDP

CDP

23 June 1986

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REGISTERED OFFICE:
295 REGENT STREET,
LONDON, W1R 8ST

TEL. NOS. 01-6 37 2234 (3 LINES)
TEL. ADD. ANGLOVAAL, LONDON W1
CABLES. ANGLOVAAL, LONDON W1
TELEX. 21742

23 June 1986

Charles G. Powell, Esq.,
Prime Minister's Private Secretary
on Foreign Affairs,
10 Downing Street,
Whitehall,
London. S.W.1.

Dear Charles,

Just a note to thank you for the time you gave me this morning from your very busy schedule and for the opportunity of exchanging ideas. I do hope I may be able to produce something constructive on my return home which will relieve some of the stress in the current situation. If there is any way in which I can be of help please do not hesitate to contact me either while I am in London, until 3 July, or thereafter at home in South Africa. I do hope ~~that you~~^{to} have an opportunity of meeting with the Prime Minister in the future but quite understand the difficulty of that at the moment.

Kindest regards,

Sincerely,
Basil

BASIL E. HERSOV

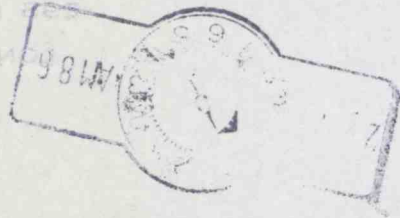
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PRIME MINISTER

MR. HERZOV

I have spoken to Mr. Herzov -

have arranged to meet him next Monday for
a talk. He was more than happy with this
arrangement. I said that we would try to
arrange a call on you either in early July
if he was still here or on his next visit
to the United Kingdom.

C.D.P.

C. D. POWELL

19 June 1986

PRIME MINISTER

I really do not think you should feel obliged to find the time to see Mr. Herzov. You already have good contacts with members of the South African business community, and your diary for the next few days is very crowded.

N.h.W.

NLW

18 June 1986