

These file (South Africa)

"Prime Minister

You and I agree on sanctions.

Do not underestimate the damage to you and the Government if we are seen

1. Not to lead in Europe
2. Not to influence the Commonwealth
3. To appear as sympathetic to the Boers in South Africa
4. To be putting our trade interests above all else.

You must make an initiative - if it fails we can conclude from our observations in South Africa that we are right not to create an even harder line - supported by the military in South Africa - but we can do this after illustrating our efforts to negotiate an improvement.

Willie, Norman, Quintin, the Chief Whip and I all have expressed our political judgment that we must be seen as positive in our desire to negotiate.

If we get this one wrong the electoral effect could be considerable.

Do keep to your view that we must not be seen to be afraid of trying to make further progress without sanctions.

Peter"

MR POWELL - to see

FILE

PRIME MINISTER

Herewith is a translation of Peter Walker's
manuscript note which is attached.

N.L. Wicks

24 June 1986