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From  
Sir James Cleminson MC DL



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

30th June 1986

*mb*

*Prime Minister  
A useful but fairly  
depressing account.  
CDP  
30/6.*

Message from Sir James Cleminson

I promised to let you have my views - now enclosed.

You will see from paragraph 14 that I raised in various quarters the possibility of some gesture which would help you. I am afraid none will be forthcoming.

The black power struggle is frightening and the unions are a tool in it.

The business world in South Africa is very grateful to you for your views and would give you full support.

Sorry I cannot be more helpful - but good luck - I totally support your stand.

*pp James Cleminson  
Beatrice Gilson*

[Dictated by Sir James Cleminson  
on return to London before leaving  
for Greece and signed in his absence]

The following are very brief comments on my week's visit to South Africa and should be treated as an overview.

1. The Situation. Although the Reckitt & Colman business in South Africa is forging ahead with significant volume increases of between 10 and 20% according to the division, this is by no means the generality of the situation. I was surprised when I met the Council of Sabrita to find the pessimism that was universal amongst the membership. This was not purely on account of the political situation but because, for most of them, business is in a very severe downturn. I believe the distinction is strictly between those who are in the consumer industries and those who are closer to the higher cost articles such as motor cars and white goods and the capital goods industries on the other hand. Because people are not buying the more expensive items there is money available in the supermarkets for common type goods, even though overall retail sales are down. The very pessimistic economic view of the Council of Sabrita combined with the political situation makes it very difficult to receive a message that does not represent over-reaction in one direction or the other.
2. The whole of this needs to be seen in the light of Black Power. I visited Soweto at the end of the school holiday and everything superficially gives the appearance of remarkable economic improvement over the last few years, considerable development including some excellent private housing as well as good quality housing developments undertaken by the 'Urban Foundation'. The supermarket which I visited in Soweto was doing very good business. However underneath this undoubted economic prosperity is a terrifying black backlash. Even in Soweto which is relatively prosperous I saw one school where children had broken every window in the school and it was clearly unusable.
3. The position in Soweto and particularly in other townships is that gangs of black comrades dominate the young in the schools and terrify both teachers and parents quite regardless of life and death. There appears to have been some return to order amongst the coloured community but this does not seem to be so amongst the blacks. These young comrades belong to various political factions seeking power, the chief of which is of course the ANC but there are many others. But nevertheless the gangs do not necessarily feel responsible to them and many act out of sheer criminal intent. This means that over the last 12 months teaching in the schools has become almost impossible; there is also a high risk in certain areas for salesmen and people representing middle-class organisations of any colour but particularly white, going into some of the townships. One of our senior sales supervisors was last week attacked on coming out of a store and threatened with necklacing but fortunately escaped with only the loss of his money and severe shock.

4. The trade unions are becoming increasingly political in that this is the only overt way in which blacks can represent their position. They use strike action for political purposes regardless of the effect on either employer or employees and do not hesitate to use threats to their members in order to enforce their decisions. Reckitt & Colman has so far only been effected by this in the chemical workers' union in Johannesburg. It is not without interest that one of the chief organisers in this union was sent out from the TUC in England. Her name is Ms Chris Bonner and she can only be described as similar to Scargill.
5. The situation is very much better in Durban but there is a potential conflict between the trades unions controlled by the ANC and the trades union now being set up by Buthlesi. This could lead to serious problems as between coloureds and blacks and between one trades union and another. The trades union position in Cape Town appears to be relatively peaceful, certainly so far as we are concerned.
6. The position of the blacks is therefore clearly of black against black seeking personal power and regardless of its effect on those who want to work.
7. It is not surprising that all of this leaves the Afrikaner white population deeply divided between those who believe that the Government has already gone far too far and wish to put the clock back and those who believe that it is necessary to carry on with reform in a controlled manner. There seems no doubt that if there were an election at the present time there would be a very strong white backlash against the reforms introduced by Botha and that he would lose many seats to the right.
8. The other parties are, as previously, ineffective and Government does not want to be preached at by them or even by the business population.
9. Business whether Afrikaner or of British origin continues to be outspoken in seeking reform but the cabinet is deeply divided and seems to take little notice.
10. Possible Government actions. Legislation is now being introduced which will give the government power to exercise authoritarian control without the powers conferred by the emergency. It seems therefore possible that if the next two weeks pass relatively quietly the emergency restrictions may be withdrawn. Under the emergency regulations it is impossible to know how many people have been put in prison and are making use of strike action particularly amongst retail outlets to try to get them released. The government must see that the emergency is extremely unpopular in most quarters. Nevertheless it does appear to have resulted in a reduction in black in-fighting because some of the gang leaders have been locked up.

Admitted

1. A National Party congress has been called for August which is not a normal part of the constitution and it is believed that the cabinet will put forward recommendations for reform of the present tri-camara representation with some view to involving appointed blacks in discussions about black involvement in government. It is anybody's guess as to how far this will get. Government has been recalled for later in August with a view to bringing in any legislation which might be approved by the national Congress. It goes without saying that such involvement would not include the ANC.
12. Reaction to the threat of new measures. In that the government do not welcome the outspoken views of the business community in its own country, it needs to be clearly understood that current views being expressed by the rest of the western world are regarded as particularly objectionable. Any idea that sanctions can be enforced is derisory and the probable effect would be that the present government would retreat further into the laager; as in the case of UDI in Rhodesia the business community would have to make more for themselves instead of being able to import.
13. It seems totally illogical to the Government that, at a time when they have taken more steps forward than at any previous period in the National Party's history, the rest of the world should be trying to penalise them; it is only through a strong economy that proper black education can be provided and work provided for a fast increasing population. With the powers available to government sanctions could only lead to an escalation of violence and a more formidable clamp-down on those seeking black power.
14. It seems to me most improbable that the government will do anything, in the very short period of July available, to make a gesture which would make any impression on the western world or help those who wish to avoid sanctions. I put this point specifically to Kent Dun, the Minister for Industry and Finance, who is in the middle of the road in the cabinet and suggested that gesture such as the release of Mandela or talking to the ANC would be of immense help in overcoming the demand for sanctions. He himself, who is I repeat a moderate, would not even consider such a step and regards any discussion with the ANC as direct dialogue with Moscow. Whereas undoubtedly there are many members of the ANC who are in direct contact with Moscow, this clearly does not apply to all. I personally therefore rule out any possibility of a substantial gesture, even though moderate members of government readily recognise that some gesture would help.
15. It is difficult to foresee what the government reaction to countries applying measures would be but there is undoubted recognition of the important part at present being played by the UK. I doubt if specific action would be taken against British companies operating in South Africa. Obviously however the whole of South African business would be effected as a whole by the reaction to sanctions.

If pressed to the full the Government would in all probability lash back by applying severe sanctions and possible military action against its Southern African neighbours.

17. Despite the intransigence and intolerance of the present government I therefore still believe sanctions to be wholly bad.
18. BICSA There is a welcome by South African business that British business has at long last spoken out and the hope that it will be active in doing so particularly in the next few weeks. There is a fear however that it is too little and too late. There is every readiness to support the initiative particularly from Sabrita and they believe it is important that there should be a fast information channel provided by an organisation such as Sabrita to Bicsa so that Bicsa can react firmly and fast to any action or statement made in South Africa.





10 DOWNING STREET

Charles *CM*

Sir James Chenison  
is going to South Africa  
on Saturday. The PN  
offered to send him a  
copy of the EPG's  
report on Thursday,  
and Sir James asked  
if the PN would let  
him have any thoughts  
on what he should say.  
The PN made no promises.

*DCY*  
10/6