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Prime Minister

FOLLOWING FROM PRIVATE SECRETARY

WASHINGTON TELNO 1868: US/UK CONSULTATIONS ON SOUTH AFRICA;
SECRETARY OF STATE'S MEETINGS WITH SHULTZ AND LUGAR

SUMMARY

1. SOUTH AFRICA DISCUSSED WITH SHULTZ AND LUGAR. BOTH SUGGEST NO CONGRESSIONAL MEASURES TILL SEPTEMBER, BUT IN ABSENCE OF PROGRESS HEAVY PRESSURE THEN. BAN ON LANDING RIGHTS ATTRACTIVE TO US. PRESIDENT STILL UNDECIDED WHETHER TO SPEAK ON SUBJECT NEXT WEEK. SECRETARY OF STATE BRIEFED ON PROGRESS OF HIS MISSION SO FAR AND PROSPECTS AS WE SAW THEM.

DETAIL

2. THE SECRETARY OF STATE DISCUSSED SOUTH AFRICA WITH SHULTZ AND LUGAR ON 17 JULY.

3. THE SECRETARY OF STATE, BRIEFING SHULTZ ON HIS 9-11 JULY VISIT TO SOUTHERN AFRICA, SAID THAT HE HAD NO ILLUSIONS ABOUT THE TASK HE HAD BEEN SET. A DECISIVE CHANGE IN THE THINKING OF THE SAG WOULD PROBABLY BE A LONG TIME COMING. BUT IT WAS ESSENTIAL, MEANWHILE, TO KEEP IN CONTACT WITH THE SAG, AND THUS TO RETAIN THE CAPACITY FOR HAVING A POSITIVE INFLUENCE, DESPITE THE WIDESPREAD PRESSURE TO EXCOMMUNICATE THEM. WE NEEDED ALSO TO BRING HOME TO THEM THE EXTENT OF THE PRESSURE DEVELOPING IN THE WEST TO TAKE SANCTIONS. THE EC, FRUSTRATED BY THE EPG'S ABILITY TO GO SO FAR BUT NO FURTHER, HAD DECIDED TO MAKE ONE MORE EFFORT AT PERSUASION. SHULTZ WONDERED IF THE EPG COULD BE RESURRECTED; THE SECRETARY OF STATE THOUGHT NOT.

4. THE SECRETARY OF STATE ARGUED THAT, IF THE SAG FAILED TO GO FAR ENOUGH TO ENABLE US TO HOLD THE LINE AGAINST FURTHER MEASURES, IT WOULD BE IMPORTANT TO MOVE SLOWLY, TO CONSULT CLOSELY, AND TO CONTINUE TO CONCENTRATE ON THOSE STEPS MOST LIKELY TO INJECT REASON INTO SAG THINKING. WE NEEDED TO KEEP OUR TIMESCALE IN LINE WITH THAT OF OTHER INDUSTRIALISED COUNTRIES, IN PARTICULAR THE US. THERE WAS NO PROSPECT OF ONE CONCERTED PUSH BRINGING AN OVERNIGHT CHANGE OF SAG-POLICY. FOR OUR PART, WE WERE NOW FACED BY THE COMMONWEALTH MEETING AND THE EC MEETING, IN THE KNOWLEDGE THAT WHATEVER INFLUENCE WE HAD COULD BE DESTROYED BY FURTHER EXCESSES ON THE PART OF THE SAG AND IN THE EXPECTATION THAT THE SAG WERE UNLIKELY TO DELIVER ON MANDELA OR THE ANC.

5. SHULTZ SUGGESTED THAT, OBJECTIVELY, THE SITUATION WAS DETERIORATING FAST. THE PROSPECTS FOR DIALOGUE LOOKED BLEAK.

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THE CONCEPT OF QUOTE POLITICAL UNQUOTE SANCTIONS WAS BECOMING IRRELEVANT. CONGRESS WAS ALREADY CONSIDERING PROPOSALS FOR A TOTAL US WITHDRAWAL FROM SOUTH AFRICA. THERE WAS IN ANY CASE NO NEW INVESTMENT UNDER WAY, AND FROM HIS RECENT CONTACTS WITH GENERAL MOTORS, IBM AND JOHNSON AND JOHNSON (BELLWEATHERS FOR US INDUSTRY) HE KNEW THAT A WINDING DOWN PROCESS WAS ALL BUT UNDERWAY. THE ONLY MEASURE WHICH HE THOUGHT MIGHT HAVE SOME EFFECT IN PRACTICE WOULD BE A BAN ON LANDING AND OVERFLYING RIGHTS. THE SAG WAS BEING GIVEN A CLEAR MESSAGE FROM THE MARKET PLACE, REGARDLESS OF WHAT GOVERNMENTS DECIDED TO DO. IN THE US VIEW, SOUTH AFRICA COULD INDEED SURVIVE THIS PROCESS - WHETHER OR NOT SUPPLEMENTED BY SANCTIONS - ALBEIT WITH A REDUCED STANDARD OF LIVING. THE FLS, MEANWHILE, SHOWED NO SIGNS OF REALISM ABOUT THE EFFECT OF SANCTIONS ON THEIR ECONOMIES. IF THE PRESENT PRESSURE HAD THE RESULTS THEY WERE SEEKING, THEIR COUNTRIES COULD VERGE ON THE UNGOVERNABLE. THE ADMINISTRATION WOULD THEREFORE BE TRYING TO PERSUADE THE ADVOCATES OF SANCTIONS TO CONSIDER THE CONSEQUENCES, BUT THE OUTLOOK WAS DEPRESSING. TO THE AMERICANS, IT LOOKED AS THOUGH IT WAS ALREADY TEN MINUTES TO MIDNIGHT.

6. THE SECRETARY OF STATE SAID THAT NOTWITHSTANDING THE PRIVATE DOUBTS ABOUT SANCTIONS EXPRESSED BY BOTSWANA, LESOTHO AND MOZAMBIQUE, THEY WERE UNLIKELY TO ARGUE THE CASE IN PUBLIC. IT SEEMED LIKELY THAT WE WOULD HAVE TO GIVE MORE THOUGHT TO HELPING TO SUSTAIN THE ECONOMIC INFRASTRUCTURE OF THE FLS BY PROVIDING ALTERNATIVE TRANSPORT LINKS. SHULTZ SAID THAT THE BEIRA CORRIDOR PROJECT HELD SOME ATTRACTIONS FOR THE US; THE SECRETARY OF STATE CONFIRMED THAT WE WERE WILLING TO GIVE SUPPORT TO IT.

7. SHULTZ VOLUNTEERED THAT PRESSURE FROM THE HILL FOR ACTION AGAINST SOUTH AFRICA WAS UNDIMINISHED. BUT HE HOPED THAT THERE WOULD BE NO NEW SENATE INITIATIVES BEFORE HIS 23 JULY TESTIMONY TO THE SENATE FOREIGN RELATIONS COMMITTEE. THERE WAS THEN AT LEAST A CHANCE THAT THE SENATE WOULD TAKE NO MAJOR LEGISLATIVE STEPS UNTIL THEY RETURNED FROM RECESS IN SEPTEMBER. BUT THEY WOULD THEN WISH TO VOTE ON SOMETHING (AND THE PRESIDENT WOULD HAVE TO RENEW OR AMEND HIS OWN 1985 EXECUTIVE ORDER BY 8 SEPTEMBER). IT WAS STILL NOT CERTAIN WHETHER THE PRESIDENT WOULD MAKE A SPEECH ON SOUTH AFRICA EARLY NEXT WEEK; HE WANTED TO BE HELPFUL, BUT WOULD ONLY SPEAK OUT IF HE THOUGHT IT COULD IMPROVE THE PROSPECTS IN SOUTH AFRICA. (SHULTZ WONDERED OUT LOUD WHETHER STATE COULD FIND A WAY OF TESTING OUT ON US ANY LANGUAGE IN HIS OR THE PRESIDENT'S STATEMENTS WHICH MIGHT SEEM TO US PARTICULARLY SENSITIVE; AND WE HAVE SINCE AGREED WITH CROCKER THAT IF TIME PERMITS HE WILL TRY OUT ON US ANY LANGUAGE ABOUT WHICH HE IS DOUBTFUL).

8. THE SECRETARY OF STATE AND SHULTZ AGREED THAT WE WERE ALL HOSTAGE TO DEVELOPMENTS IN SOUTH AFRICA. SHULTZ SAID THAT IF P W BOTHA REPEATED HIS AUGUST 1985 PERFORMANCE NEXT MONTH, DISENGAGEMENT LEGISLATION WAS LIKELY TO SAIL THROUGH (CROCKER SAID THAT STATE'S CALCULATIONS WERE THAT LEGISLATION WOULD HAVE TO BE

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PASSED

PASSED IN THE SENATE BY 23 SEPTEMBER IF THE PRESIDENT WAS TO BE FORCED TO CONSIDER A VETO). SIMILARLY, THE OUTCOME OF THE COMMONWEALTH MEETING WAS BOUND TO HAVE A CONSIDERABLE CONGRESSIONAL IMPACT - PARTICULARLY WITH SO MANY SENATORS THINKING ABOUT THE BLACK VOTE IN THE NOVEMBER ELECTIONS. THE SECRETARY OF STATE SAID THAT THE FURTHER ANY NEW US MEASURES COULD BE PUSHED TOWARDS LATE SEPTEMBER, AND THE MORE THEIR SCOPE COULD BE CONTAINED, THE BETTER FOR US. A BAN ON LANDING RIGHTS, WHICH WOULD BE COST-FREE TO THE AMERICANS, WOULD BE VERY DIFFICULT FOR US AND SOME OTHER COUNTRIES, AND HE HOPED THE US COULD AVOID IT. SHULTZ TOOK NOTE, BUT SAID THAT THE ADMINISTRATION ALSO NEEDED TO BE ABLE TO POINT TO MOVEMENT OF SOME KIND. THE SECRETARY OF STATE SAID THAT HE HAD STATED IN PARLIAMENT THAT IF HIS MISSION FAILED TO PRODUCE TANGIBLE AND SUBSTANTIAL PROGRESS, FURTHER MEASURES WOULD BE LIKELY TO BE NECESSARY. THAT SAID, HE HAD NOT SPELT OUT WHEN HE WOULD BE REGARDING HIS CURRENT MISSION AS OVER. IF THERE WAS A REAL PROSPECT OF CHANGE IN SOUTH AFRICA, THE EC MEASURES MIGHT BE HELD IN CHECK. BUT IT SEEMED UNLIKELY THAT THE COMMONWEALTH COULD BE RESTRAINED. THE BEST FORSEEABLE OUTCOME TO THE COMMONWEALTH MEETING SEEMED TO BE ONE IN WHICH WE WOULD WITHOLD A DECISION ACTUALLY TO IMPLEMENT ANY FURTHER MEASURES UNTIL THE END OF THE EC THREE MONTH PERIOD.

9. SHULTZ SUMMARISED BY SAYING THAT WE SEEMED TO BE AGREEING THAT THE PROSPECTS FOR PROGRESS WERE BLEAK, BUT THAT WE STILL HAD TO DO ALL WE COULD TO MAXIMISE THE CHANCE OF A DIALOGUE: THIS WAS NOT AN EASY MESSAGE TO SELL, OTHER THAN BY SPELLING OUT HOW BIG THE REWARDS WOULD BE (AND HOW FEW REALISTIC ALTERNATIVES WERE ON OFFER). BUT HE WAS WORRIED LEST, IN SIX OR EIGHT MONTHS TIME, WE COULD BE CONFRONTED BY A SITUATION IN WHICH FURTHER MEASURES WERE IN PLACE AND VIOLENCE WAS STILL RISING. A PARALLEL WITH LEBANON WAS NOT INCONCEIVABLE, WITH FIGHTING FUELLED BY THE RUSSIANS: THEN WHAT WOULD THE WEST DO? HISTORICALLY, AMERICANS MOST PREOCCUPIED WITH EAST/WEST ISSUES HAD ALWAYS TAKEN THE SIDE OF THE SAG - BUT DOUBTS WERE INCREASING. THE SECRETARY OF STATE AGREED THAT THE LONGER THE SAG TOOK TO CHANGE, THE MORE HOSTILE AND MARXIST BOTH A FUTURE SOUTH AFRICA AND ITS NEIGHBOURS RISKED BECOMING. THIS WAS A POINT TO PUT TO P W BOTHA - BUT IT WOULD REQUIRE ENORMOUS COURAGE FOR HIM TO ACT UPON IT.

10. SHULTZ SAID THAT, ALTHOUGH PRESSURE WAS A CRUCIAL PART OF ANY NEGOTIATIONS, TIMING WAS CRITICAL IF THERE WAS TO BE ANY PROSPECT OF THE WEST PLAYING A SUCCESSFUL MEDIATION ROLE - YET WE WERE CONFRONTED BY IMMEDIATE POLITICAL PRESSURES. HE WONDERED WHETHER THERE MIGHT BE SOME ADVANTAGE IN LAYING DOWN A BROADER POLITICAL FRAMEWORK FOR SOUTH AFRICA (ALONG THE LINES OF THE PRESIDENT'S MIDDLE EAST INITIATIVE) WHICH COULD SERVE AS A REFERENCE POINT FOR LONGER TERM EFFORTS TO ENCOURAGE CHANGE. ALTHOUGH THE WEST COULD NOT OFFER A PRESCRIPTION FOR A POST-APARTHEID SOUTH AFRICA, THERE WERE SURELY CONSTRUCTIVE POINTS WE COULD MAKE WHICH MIGHT HINT AT A POSSIBLE WAY AHEAD. THE SECRETARY OF STATE REPLIED THAT, GIVEN THE UNCERTAINTY ON

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THE GROUND AND THE RISK THAT ANY OUTSIDE ATTEMPT TO ARRIVE AT A FORMULA FOR SOUTH AFRICA WOULD BE MISCONCEIVED BY BLACK SOUTH AFRICANS, THE EC HAD COME DOWN IN FAVOUR OF MORE TANGIBLE OBJECTIVES THE RELEASE OF MANDELA AND THE UNBANNING OF THE ANC.

11. SENATOR LUGAR, WHOM THE SECRETARY OF STATE SAW IMMEDIATELY AFTER SHULTZ, THOUGHT IT DIFFICULT TO PREDICT THE LIKELY OUTCOME IN CONGRESS. MUCH WOULD DEPEND ON THE LEADERSHIP SHOWN BY THE PRESIDENT. IF THE PRESIDENT'S PROPOSED MESSAGE AND SHULTZ'S TESTIMONY TO THE SENATE FOREIGN RELATIONS COMMITTEE NEXT WEEK WERE NOT PERCEIVED AS INDICATING A SUFFICIENT DEGREE OF CHANGE, VARIOUS LEGISLATIVE PROPOSALS WOULD COME FORWARD IN THE SENATE. NOTHING FINAL WAS LIKELY TO EMERGE BEFORE THE MID-AUGUST BREAK. BUT BY SEPTEMBER THE SENATE LEADERSHIP WOULD HAVE TO TAKE A DECISION. LUGAR THOUGHT THAT US PUBLIC OPINION WAS 3:1 IN FAVOUR OF MORE CONGRESSIONAL ACTION. HOUSE MEMBERS WERE ALREADY GAINING POLITICAL CREDIT FOR THEIR VOTE ON THE HOUSE BILL. WITH THE ELECTIONS COMING UP, IT WAS LIKELY THAT THE SENATE WOULD HAVE TO ACT TOO. THE SECRETARY OF STATE STRESSED THE IMPORTANCE OF US ACTION NOT GETTING OUT OF LINE WITH WHAT THE EUROPEANS WERE DOING. ASKED BY LUGAR WHAT SORT OF US ACTION WOULD BE LEAST UNWELCOME IN EUROPE, THE SECRETARY OF STATE MADE CLEAR THAT THE UK WERE VERY ANXIOUS TO AVOID A BAN ON LANDING RIGHTS. IF THERE HAD TO BE FURTHER MEASURES, IT WOULD BE PREFERABLE TO GO FOR MEASURES SUCH AS THOSE ALREADY CURTAILMENT PLUGGED BY THE EC, FOR EXAMPLE OF IMPORTS (EG COAL, IRON AND STEEL) RATHER THAN BANS ON EXPORTS. LUGAR MADE THE POINT THAT A NUMBER OF SMALLER US BUSINESSES WERE ALREADY PULLING OUT OF SOUTH AFRICA BECAUSE THEY WERE LOSING MONEY. THE POSITION OF THE MAJOR US CORPORATIONS (IBM, XEROX AND GENERAL MOTORS) WAS CRITICAL. IF THEY TOO WERE TO PULL OUT, THIS COULD RENDER ANY CONGRESSIONAL ACTION IRRELEVANT.

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