Prime Minister

CONFIDENTIAL

FM WASHINGTON

TO IMMEDIATE FCO

TELNO 1902

OF 182045Z JULY 86

INFO IMMEDIATE PRETORIA MOSCOW

INFO ROUTINE HARARE LUSAKA

MS

YOUR MEETING WITH PRESIDENT REAGAN

- 1. PRESIDENT REAGAN INVITED THE SECRETARY OF STATE TO SEE HIM AT SHORT NOTICE THIS MORNING.
- 2. THE PRESIDENT BEGAN BY SAYING THAT HE HAD BEEN GLAD TO BE ABLE TO PASS THE NEWS ABOUT THE EXTRADITION TREATY TO THE PRIME MINISTER LAST NIGHT. EVEN THOUGH HE HAD HAD TO TRACK HER DOWN AT A DINNER PARTY. YOU EXPRESSED YOUR APPRECIATION TO THE PRESIDENT. SECRETARY SHULTZ AND THE WHOLE ADMINISTRATION. 3. ON SOUTH AFRICA, THE PRESIDENT MADE CLEAR HIS OPPOSITION TO PUNITIVE SANCTIONS BUT STRESSED THE NEED TO FIND A WAY TO PRODUCE CHANGE. HE THOUGHT THE WHITE SOUTH AFRICANS MIGHT SEE VALUE IN SOME CANTONAL ARRANGEMENT: IT WAS UNREASONABLE TO EXPECT THEM TO GO IMMEDIATELY TO THE ALTERNATIVE OF DNE MAN ONE VOTE. CLEARLY THINKING OUT LOUD. THE PRESIDENT WONDERED WHETHER THE US. THE COMMONWEALTH AND THE EC TOGETHER COULD PLAY A PART IN SECURING CHANGE BY OFFERING TO BE INTERMEDIARIES . YOU CONFIRMED THAT THE COMMONWEALTH WAS ALREADY ENGAGED IN THE SEARCH FOR THE BEST MEANS OF SECURING CHANGE, YOUR OWN MISSION ON BEHALF OF THE EC HAD THE SAME OBJECTIVE. IT WOULD BE MOST USEFUL IF IN ADDITION THE PRESIDENT COULD MAKE PLAIN IN PUBLIC THAT THE EC MISSION ENJOYED HIS SUPPORT AND AUTHORISE YOU TO SAY SO IN PRETORIA. YOU POINTED OUT THAT BLACKS COULD SOMETIMES GET A MESSAGE ACROSS TO FELLOW BLACKS WHICH WOULD NOT BE ACCEPTED IF IT CAME FROM WHITES. BUT THE TIME WAS NOT RIGHT NOW FOR A DIFFERENT INITIATIVE.
- 4. SHULTZ COMMENTED THAT HE WAS WORKING HARD TO GET RIGHT HIS TESTIMONY TO THE SENATE FOREIGN RELATIONS COMMITTEE ON 23 JULY. IT WAS IMPORTANT TO GIVE A MESSAGE THAT WOULD BE HELPFUL TO THE EC MISSION. HE WOULD DESCRIBE THE ADMINISTRATION'S POSITION AS FOR POSITIVE CHANGE BUT AGAINST SANCTIONS, THOUGH HE RECOGNISED THAT CONGRESS WAS LIKELY TO WANT TO GO FURTHER ON THIS ISSUE. THE PRESIDENT SAID THAT IT WAS IMPORTANT FOR P W BOTHA TO UNDERSTAND THAT IF THE SOUTH AFRICANS UNDERTOOK FURTHER CROSS-BORDER RAIDS THE EFFECT WOULD BE VERY DETRIMENTAL INDEED TO THEIR INTERESTS IN THE US. IT WOULD MAKE IT IMPOSSIBLE FOR HIM TO SUSTAIN A VETO OF SANCTIONS LEGISLATION. THE PRESIDENT HOPED THAT THE SECRETARY OF STATE WOULD BE ABLE TO GET THIS MESSAGE ACROSS IN SOUTH AFRICA.

## Conflictation

5. THE PRESIDENT EXPRESSED CONCERN ABOUT COMMUNIST PENETRATION OF THE ANC. AND PRODUCED ANECDOTAL EVIDENCE OF COMMUNIST INFLUENCE ON THE CAMPUSES WHEN HE WAS GOVERNOR OF CALIFORNIA. BUT HE DID NOT EXCLUDE THE POSSIBILITY OF A DIALOGUE WITH THEM. HE THOUGHT IT WAS USEFUL THAT THERE WERE BLACK LEADERS WITH WHOM DIALOGUE WAS POSSIBLE (HE MENTIONED BUTHELEZI). 6. THE PRESIDENT SAID THAT HE HAD RECENTLY SPOKE TO PRIME MINISTER MULRONEY ABOUT SOUTH AFRICA, AND EXPRESSED THE HOPE THAT HE WOULD STOP SHORT OF FULL ECONOMIC SANCTIONS. 7. ON EAST/WEST, THE SECRETARY OF STATE DESCRIBED BRIEFLY HIS IMPRESSIONS OF SHEVARDHADZE'S VISIT TO LONDON. THE PRESIDENT COMMENTED THAT THE US HAD THE IMPRESSION THAT GORBACHEV STILL DID NOT HAVE AN ENTIRELY FREE HAND. HE WANTED TO DO WHAT HE COULD TO UNDERMINE THE HARDLINERS IN MOSCOW. AND THEREFORE UNDERSTOOD GORBACHEV'S CONCERN THAT THE NEXT SUMMIT SHOULD REACH SUBSTANTIVE RESULTS.

8. WHILE YOUR TALK WITH THE PRESIDENT WAS VALUABLE ON THE SUBSTANTIVE ISSUES, I THINK THE SYMBOLISM OF IT WAS EVEN MORE STRIKING. HIS INVITATION TO YOU TO THE WHITE HOUSE WAS CLEARLY INTENDED TO UNDERLINE THE CLOSENESS OF THE RELATIONSHIP BETWEEN BRITAIN AND AMERICA AND THE SOLIDARITY BETWEEN US AT A TIME OF EXCEPTIONAL IMPORTANCE ON THE INTERNATIONAL SCENE.

WRIGHT

LIMITED

SAFD

NAD

SOV D

NEWS D

INFO D

RETURNING STAFF

RS

PS | LADY YOUNG

PS | MRS CHALLER.

PS | PUS.

MR DETER THOMAS.

MR FELGUSSON.

MR REEVE.

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