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PRIME MINISTER

OD: SOUTH AFRICA

The folder contains the Foreign Secretary's paper for OD and a note recounting his mission. You need not read the latter since he gave you the main points.

No paper is being circulated to Cabinet. You will report the conclusions of OD.

Neither the Lord President nor the Lord Chancellor can be at OD.

OD Paper

The OD paper is designed to make your colleagues' flesh creep by describing the Dreadful Consequences should there be no agreement at the Commonwealth Meeting. But apart from that it is not too bad. It suggests:

- (a) that any decisions - including provisional ones - about further measures should be accompanied by a renewed commitment to get dialogue going;
- (b) that we go for the post-dated cheque solution, that is the one in my note (readiness to take further measures in agreement with EC partners by end September if the South Africans have not moved, and other industrialised countries do likewise. You will want to underline that this is not automatic.)
- (c) if necessary, some very limited selective measures now (the Annex is missing, but includes visas and a ban on the promotion of tourism.)

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You might point out that the paper makes no reference at all to domestic political aspects, which are actually quite important!

Tactics

You will want to aim for a low-key discussion which leaves you the maximum flexibility for handling the Commonwealth meeting. I should keep off controversial themes which are bound to lead to argument with the Foreign Secretary, because (a) they will provoke the Chancellor and the Home Secretary into supporting him, and (b) it will be damaging to have stories of Cabinet/OD disunity. Anyway, the fact is that you will have the microphone at the Commonwealth Meeting and say what is necessary, so the most important thing is to avoid being tied down.

CDP

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30 July, 1986.

JD3APB