

PRIME MINISTER

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SOUTH AFRICA: TALK WITH MR. CHESTER CROCKER

Chet Crocker (President Reagan's Special Envoy for Africa) came to see me this evening with the American Ambassador, after his meeting with the Foreign Secretary.

Mr. Crocker said that it was clear that the Senate Foreign Relations Committee would very shortly report out a bill containing additional measures against South Africa. This was likely to be voted upon by the Senate before 15 August. In practice it was unlikely that there would be time to effect a reconciliation between the Senate and House Bills before Congress went into recess on 15 August, although he could not rule this out entirely. The President would be faced with a very difficult choice. His instinct would be to veto a Bill containing economic sanctions, but to do so would be very divisive in the United States. In any event, there might be sufficient votes in the Senate to override his veto. He had to say that the likelihood was that there would be additional US measures in place by mid September at the latest. He could not predict exactly what these would be. But it seemed almost inevitable that there would be a ban on air services to South Africa, since this was cost-free for the United States. There was also likely to be a ban on iron and steel imports, on new investments and on new loans, possibly with a provision for further sanctions in the absence of progress in South Africa in a year's time. I asked whether the restrictions on investments and loans would be voluntary or mandatory. Mr. Crocker said that they would be mandatory.

Mr. Crocker asked about the position that we were likely to take at the Commonwealth Review meeting. I said that I did not want to reveal our negotiating hand (I seem to be about the only person in London not to do so!) but I did not think that the US Government would be faced with any surprises. We continued to believe that economic sanctions would not achieve their purpose. Mr. Crocker said that what the President did

would be much influenced by decisions you reached as a result of the Commonwealth meeting. He did not want to get out of step with you.

I said that I was particularly concerned to hear that the Senate legislation might contain provision for further measures later. Our aim was to put an end to the ratchet effect. If we took some further measures, we would want to draw a line. Mr. Crocker agreed that this was desirable, but did not have much confidence in being able to block the Senate on this.

Mr. Crocker floated, without being very specific, the possibility of a fresh political initiative. He was careful not to imply that the United States had anything particular in mind. Indeed, he seemed anxious to suggest that it was up to someone else - he mentioned the Germans - to take a lead. But he was clearly interested in the possibility of a meeting of major industrial countries - the United States, the United Kingdom, Germany and Japan - to discuss policy towards South Africa and possibly to meet subsequently with the South African Government. I said that I thought that we would be interested in such ideas if they seemed likely to contribute to initiating a dialogue in South Africa, although I did not expect us to want to take the lead in any separate exercise while the EEC initiative was still in being. Mr. Crocker commented that, in the South African Government's present mood, no initiative seemed to stand much of a chance of success.

C.D.P.

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