

CONFIDENTIAL

CONFIDENTIAL

FM CAPE TOWN

TO PRIORITY FCO

TELNO 159

OF 211130Z APRIL 87

INFO ROUTINE PRETORIA, JOHANNESBURG, LUSAKA, HARARE, GABORONE,
 INFO ROUTINE LUANDA, MAPUTO, DAR ES SALAAM, OTTAWA, WASHINGTON,
 INFO ROUTINE UKMIS NEW YORK, TOKYO, CANBERRA, NEW DELHI
 INFO SAVING EC POSTS, CAPE TOWN CONSULATE, DURBAN

SOUTH AFRICA: POLITICAL IMPACT OF SANCTIONS MB

SUMMARY

1. POLITICAL EFFECTS OF SANCTIONS DIFFICULT TO ISOLATE, BUT NOT A MAJOR DETERMINANT OF INTERNAL EVENTS. ALTHOUGH A MINOR FACTOR IN DISAFFECTION WITHIN NATIONAL PARTY, LAST YEAR'S MEASURES APPEAR NOT TO HAVE AFFECTED GOVERNMENT'S REFORM INTENTIONS, NOR TO HAVE RALLIED BUSINESS SUPPORT BEHIND GOVERNMENT. US/SOUTH AFRICA RELATIONS BROUGHT TO NEW LOW, BUT INFLUENCE OF OUTSIDERS ALREADY MARGINAL. RADICAL BLACK OPINION STILL IN FAVOUR OF SANCTIONS.

DETAIL

2. SOUTH AFRICA HAS LIVED WITH SANCTIONS, BOTH THE THREAT AND THE REALITY, FOR MANY YEARS. NONETHELESS, THE SERIES OF MEASURES INTRODUCED LAST YEAR (CANADIAN AND AUSTRALIAN IMPLEMENTATION OF THE COMMONWEALTH PACKAGE, THE EC MEASURES AND ABOVE ALL THE US ANTI-APARTHEID LEGISLATION) MARKED A SIGNIFICANT ESCALATION. SEVERAL MONTHS FURTHER ON, IT IS WORTH ASSESSING THE POLITICAL IMPACT IN SOUTH AFRICA, PARTICULARLY ON GOVERNMENT AND WHITE ATTITUDES.

3. THE PRECISE EFFECT OF SANCTIONS IS IMPOSSIBLE TO MEASURE. BUT IT HAS TO BE SAID THAT THE MAIN DETERMINANTS OF EVENTS HERE ARE OVERWHELMINGLY INTERNAL. THE IMPULSE TOWARDS REFORM HAS BEEN MOTIVATED BY A COMBINATION OF ECONOMIC AND DEMOGRAPHIC TRENDS, THE EMERGENCE OF AN EDUCATED BLACK MIDDLE CLASS, INTERNAL UNREST AND EVOLVING WHITE PERCEPTIONS. EXTERNAL PRESSURES, BOTH CONSTRUCTIVE **ENGAGEMENT** AS WELL AS SANCTIONS, EYLZIWWTN ATTITUDES, BUT A RELATIVELY MINOR ONE.

4. PERHAPS THE CLEAREST EFFECT OF SANCTIONS SO FAR HAS BEEN TO REDUCE US/SOUTH AFRICA RELATIONS TO THEIR LOWEST LEVEL FOR MANY YEARS. THE ANTI-APARTHEID ACT CAME AS A CONSIDERABLE SHOCK TO THE GOVERNMENT AND PUBLIC ALIKE. PRESIDENT REAGAN'S FAILURE TO STEM THE CONGRESSIONAL TIDE LEFT MANY WHITE SOUTH AFRICAN'S BITTER AND BEWILDERED. THE US ADMINISTRATION, DESPITE ITS CONTINUED OPPOSITION TO SANCTIONS AT THE UN, HAS LOST CREDIBILITY AS A RELIABLE PARTNER. BY CONTRAST, THE EUROPEAN COMMUNITY MEASURES PASSED

CONFIDENTIAL

(LARGELY)

LARGELY UNREMARKED, OVERSHADOWED BY EVENTS IN WASHINGTON. (BRITAIN'S ROLE IN OPPOSING EXTENSIVE SANCTIONS WAS WELCOMED BY SOUTH AFRICAN BUSINESSMEN BUT GAINED NO CREDIT FROM THE GOVERNMENT). YET THE INFLUENCE EXERTED BY THE US AND OTHER WESTERN COUNTRIES ON THE SOUTH AFRICAN GOVERNMENT WAS ALREADY MARGINAL.

WHITE ATTITUDES

5. THERE IS A GENERAL CONSENSUS AMONG WHITES THAT SANCTIONS ARE AN INAPPROPRIATE AND FUTILE INSTRUMENT WITH WHICH TO INFLUENCE THE SOUTH AFRICAN GOVERNMENT. ADMITTEDLY THERE IS A DEGREE OF SELF-INTEREST AMONG WHITES IN MAINTAINING LINKS WITH THE OUTSIDE WORLD. BUT ONLY A TINY PROPORTION OF WHITES CONSIDER THAT SANCTIONS CAN HAVE A POSTIVE EFFECT ON GOVERNMENT POLICIES. EVEN CRITICS TO THE LEFT BELIEVE FOR THE MOST PART THAT SANCTIONS ARE COUNTER-PRODUCTIVE. FOR THE NATIONAL PARTY AND RIGHT WING PARTIES, THEY ARE THE EPITOME OF FOREIGN INTERFERENCE.

6. THE LATEST MEASURES HAVE DONE NOTHING TO UNDERMINE THESE VIEWS. ON THE OTHER HAND, THE INITIAL WAVE OF BITTERNESS TOWARDS THE AMERICANS DID NOT LEAD TO INCREASED POPULAR SUPPORT FOR THE GOVERNMENT. IF THE GOVERNMENT HAVE RECOVERED THEIR POSITION SINCE LAST JUNE, THE CREDIT MUST GO RATHER TO THEIR HARDENING LINE ON LAW AND ORDER AND THE STATE OF EMERGENCY. CONTRARY ALSO TO EXPECTATIONS, THE GOVERNMENT HAVE NOT BEEN ABLE TO MAKE RESISTANCE TO SANCTIONS A MAJOR ELECTION THEME.

7. THERE IS NEVERTHELESS REASON TO BELIEVE THAT THE WORRYING LONG TERM IMPLICATIONS OF SANCTIONS HAVE HELPED TO GALVANISE SOME PROGRESSIVES TO SPEAK OUT FOR FASTER REFORM. LAST YEAR'S MEASURES HAVE MADE THE PROSPECT OF COMPREHENSIVE SANCTIONS MORE CREDIBLE AND THE PRICE OF DELAY IN REFORM MORE DAMAGING. WHILE NOT CONDONING THE ACTION OF FOREIGN GOVERNMENTS, CRITICS BLAME THE GOVERNMENT FOR HAVING BROUGHT SANCTIONS ON THE COUNTRY'S HEAD. IF AND WHEN SANCTIONS BEGIN TO BITE MORE PAINFULLY ON WHITES, THIS LINE OF CRITICISM MAY WELL GROW. BUT IT WOULD BE WRONG TO THINK THAT ANOTHER TURN OF THE SANCTIONS SCREW WOULD NECESSARILY INCREASE INTERNAL PRESSURE FOR REFORM. THE DECISIVE FACTORS ARE INTERNAL, AND WILL REMAIN SO.

BUSINESSMEN

8. EQUALLY SANCTIONS HAVE NOT DRIVEN THE BUSINESS COMMUNITY INTO CLOSER SUPPORT FOR THE GOVERNMENT. BUSINESS FINDS ITSELF OBLIGED TO COOPERATE WITH THE GOVERNMENT OVER SANCTIONS-BUSTING IN THE INTERESTS OF SURVIVAL (PRETORIA TELNO 22 AND JOHANNESBURG TELNO 23). SUCH COOPERATION SEEMS BOUND TO STRENGTHEN. BUT THE POLITICAL GULF IS WIDER THAN EVER. A PARTIAL RAPPROCHEMENT BETWEEN GOVERNMENT AND BUSINESS LEADERS WHICH EMERGED AT A SPECIAL ECONOMIC CONFERENCE IN NOVEMBER PROVED SHORT-LIVED. LEADING BUSINESSMEN, AFRIKANER AND ENGLISH ALIKE, REPORT THAT THEIR INFLUENCE ON GOVERNMENT IS NOW NEGLIGIBLE. THE IMPOSITION OF SANCTIONS HAS NOT MELLOWED THE VIEWS OF THOSE WHO URGE FASTER REFORM AND CONTACT WITH THE

-2-
CONFIDENTIAL

/ANC.

ANC. ON THE CONTRARY, SOME (BUT NOT ALL) IN THE BUSINESS COMMUNITY ARE MORE THAN EVER CONVINCED THAT GOVERNMENT POLICIES ARE BUILDING UP ECONOMIC AND POLITICAL TROUBLE, AND DO NOT HESITATE TO SAY SO. ON THE OTHER SIDE, GOVERNMENT HOSTILITY TO 'POLITICAL MEDDLING' BY THE ENGLISH COMMERCIAL ESTABLISHMENT IN PARTICULAR, ONE OR TWO OF WHOSE MEMBERS ARE REGARDED AS LITTLE SHORT OF SUBVERSIVE, HAS REACHED NEW HEIGHTS. THE TENSION IS UNLIKELY TO ABATE.

GOVERNMENT REACTIONS

9. WHETHER SANCTIONS HAVE HAD ANY SIGNIFICANT DIRECT EFFECT IN THE GOVERNMENT'S INTENTIONS ON REFORM IS ALSO QUESTIONABLE. SO FAR ANY SUCH EFFECT HAS PROBABLY BEEN MORE NEGATIVE THAN POSITIVE. IN RETROSPECT IT IS CLEAR THAT THE DECISION TO PUT REFORM ON HOLD PREDATED THE LATEST MEASURES. PRESIDENT BOTHA WAS CERTAINLY HURT BY THE LACK OF INTERNATIONAL RECOGNITION FOR HIS GOVERNMENT'S MOVES OVER THE LAST THREE OR FOUR YEARS. HIS ANGER AT THE MOUNTING PRESSURE FOR SANCTIONS MAY HAVE CONTRIBUTED TO THE DECISION IN MAY/JUNE LAST YEAR TO GO FOR A HARDER LINE. BUT THE GOVERNMENT'S REFORM PROGRAMME WAS IN THE DOLDRUMS, WITH OR WITHOUT SANCTIONS. THE ADDITIONAL HARDENING OF ATTITUDES SINCE SEPTEMBER, EG OVER THE INDABA AND THE GROUP AREAS ACT, OWES LESS TO SANCTIONS THAN TO ELECTORAL CONSIDERATIONS.

10. THE GOVERNMENT ARE OF COURSE ADAMANT THAT THEY WILL NOT BE HUSTLED BY SANCTIONS AGAINST THEIR BETTER JUDGEMENT. IN THE LONGER TERM, SANCTIONS (PARTICULARLY A FURTHER ROUND OF SANCTIONS) COULD INDIRECTLY SLOW THE PACE OF REFORM. THE GOVERNMENT MIGHT ARGUE, PLAUSIBLY, THAT ANY MOVE WOULD BE INTERPRETED BY THE INTERNATIONAL COMMUNITY AS A SIGN OF CRUMBLING RESOLVE, AND THUS ENCOURAGE THE IMPOSITION OF MORE SANCTIONS. THE GOVERNMENT'S PERCEPTION OF THE WEST MOVING THE GOAL POSTS ALSO LESSENS THEIR READINESS TO TRY TO MEET WESTERN DEMANDS. SUCH CONSIDERATIONS MAY AMOUNT TO NO MORE THAN RATIONALISING THEIR RELUCTANCE TO EMBARK ON FUNDAMENTAL REFORM ANYWAY. BUT A GOVERNMENT KEEN TO MOVE COULD FIND THEM AN ADDITIONAL HINDRANCE.

BLACK ATTITUDES

11. THERE IS OVERWHELMING BLACK SUPPORT IN RADICAL AND UNION CIRCLES FOR SANCTIONS. THE SHORT SHARP SHOCK OF COMPREHENSIVE MANDATORY SANCTIONS IS STILL PRESCRIBED. SUGGESTIONS THAT SANCTIONS HAVE NOT WORKED TILL NOW ARE COUNTERED WITH THE ARGUMENT THAT EXISTING MEASURES HAVE BEEN TOO LIGHT TO BE FELT. NEVERTHELESS THERE ARE SOME SMALL SIGNS OF REAPPRAISAL. AS RECOGNITION HAS GROWN THAT LIBERATION IS NOT AROUND THE CORNER, SOME BLACKS MAY BE MODIFYING THEIR SUPPORT FOR SANCTIONS AS A POLITICAL WEAPON. THE MAIN TRADE UNION CONFEDERATION, COSATU, IS EXAMINING WHETHER ITS BLANKET SUPPORT FOR SANCTIONS SHOULD BE CONVERTED INTO A MORE SPECIFIC, TARGETTED POLICY, BY WHICH THEY WOULD MEAN SELECTED MEASURES DESIGNED TO MAXIMISE ECONOMIC IMPACT AND MINIMISE THE EFFECT ON WORKERS (A TACTIC WHICH WOULD STILL BEG MANY QUESTIONS). BUT THE PUBLIC POSITIONS OF THE MAIN PLAYERS ARE SO DEEPLY EMBEDDED THAT NO SIGNIFICANT CHANGE CAN BE EXPECTED IN THE SHORT TERM OR POSSIBLY AT ALL.

CONFIDENTIAL

172.

12. US LEGISLATION WAS WARMLY WELCOMED BY BLACK ACTIVISTS. AMERICAN CREDIT IN THE BLACK COMMUNITY HAS RISEN DESPITE THE CONTINUED OPPOSITION OF THE REAGAN ADMINISTRATION TO FURTHER SANCTIONS. THE EC MEASURES HAVE HAD MUCH LESS IMPACT. THEY ARE SEEN BY MANY BLACKS AS LIMITED AND HALFHEARTED. THOUGH HOSTILITY TO BRITISH POLICY HAS NOT DIMINISHED, IT IS LESS OFTEN VOICED.

CONCLUSIONS

13. (A) SANCTIONS ARE ONE AMONG MANY INFLUENCES ON ATTITUDES TOWARDS REFORM. THEIR POLITICAL EFFECT IS DIFFICULT TO ISOLATE. NEVERTHELESS, THE OVERALL EFFECT OF LAST YEAR'S ROUND OF SANCTIONS HAS BEEN TO ACCENTUATE EXISTING TRENDS RATHER THAN SET NEW DIRECTIONS.

(B) THESE MEASURES HAVE HAD NO MATERIAL EFFECT ON THE GOVERNMENT'S INTENTIONS ON REFORM.

(C) NOR HAVE SANCTIONS RALLIED SIGNIFICANT WHITE SUPPORT FOR THE GOVERNMENT. THEY HAVE, HOWEVER, CONTRIBUTED TO A MINOR EXTENT TO DISAFFECTION ON THE LEFT OF THE NATIONAL PARTY WITH THE GOVERNMENT'S INTERNAL POLICIES.

(D) THE IMPATIENCE OF CERTAIN SECTIONS OF THE BUSINESS COMMUNITY WITH THE PACE OF GOVERNMENT REFORM HAS BEEN HEIGHTENED BY SANCTIONS, THOUGH THEY ARE COOPERATING OVER SANCTIONS BUSTING.

(E) RADICAL BLACK OPINION IS STILL OVERWHELMINGLY IN FAVOUR OF COMPREHENSIVE MANDATORY SANCTIONS, BUT THERE ARE SOME SIGNS FOR A MORE TARGETTED APPROACH.

(F) US CONGRESSIONAL LEGISLATION HAS BROUGHT SOUTH AFRICA'S RELATIONS WITH THE US TO A NEW LOW. NEVERTHELESS THE INFLUENCE OF FOREIGN GOVERNMENTS ON SOUTH AFRICAN INTERNAL POLICIES WAS LAREADY MARGINAL.

14. ON THE ECONOMIC SIDE, THE EFFECT OF THE LATEST ROUND OF MEASURES ALSO APPEARS TO HAVE BEEN LIMITED. THIS WILL BE EXAMINED IN A SUBSEQUENT TELEGRAM.

MOBERLY

FCO PSE PASS SAVING EC POSTS
CFPOAN 0974

SOUTHERN AFRICA [COPIES SENT TO NO 10 DOWNING STREET]
STANDARD (PALACE) ADDITIONAL DISTRIBUTION
SAFD SOUTHERN AFRICA
OADs
UND
NAD
ECDs (REPEATED AS REQUESTED)
SOVIET D
NCAU
MR REEVE
CABINET OFFICE

-4-
CONFIDENTIAL