

9 January 1986

PRIME MINISTER

cc Sir Percy Cradock

SOUTH AFRICA

Earlier in the week I met with an old friend, Doug Holliday, who has just been appointed by President Reagan at Ambassador level to head up the newly-formed South African Working Group. This is a recognition by the Administration of the limited success of Chester Crocker's policy of "constructive engagement", and the need for new initiatives to win public support for the President's policies.

The objective of the Group is to try to change public opinion in the US, regain the initiative in the public debate, and ward off further Congressional demands for sanctions. The Group has been given an initial budget of \$30 million to help fund "initiatives" in fields such as education, housing, health and community development, which can then be supported by the business community as an alternative to disinvestment, and presented through the media as a necessary complement to sanctions.

Holliday visited the Foreign Secretary, Ewan Ferguson, the Chairman of Barclays Bank, and Sir Percy Cradock. All expressed strong support for what he was doing. The following points emerged from the discussions.

1. Holliday said many times that your stand against sanctions, and in particular your rôle at Nassau, was very much appreciated.

2. Domestic public opinion is the single most powerful pressure on the US President in dealing with South Africa.

3. An example of the projects to be developed is a likely visit by twenty black college presidents to South Africa in early February (as part of a joint venture with the US Government) to help develop teacher-training facilities in the black community. On their return, they will meet the President, which would be an important media event. Another example is the expected visit in the spring by black US businessmen.

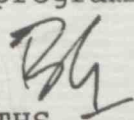
4. Barclays expressed the view that their own approach was very similar to that outlined by Holliday, but that they too needed to raise the profile of what they were doing. In our discussion with Sir Timothy Bevan it also emerged that since the summer, Barclays has experienced a noticeable but not serious loss of business as a result of their South African connections. Certain local authorities have closed accounts, and this autumn their share of new student accounts has fallen from an average of 25-28% per year over recent years to 17%. A private poll has shown this to be the result of their South African connection.

They were also of the view that the ANC was organising and co-ordinating the opposition far more effectively than in the past - through lectures and talks in universities and polytechnics, and, in terms of the bank, through carefully planned protests at a large number of their branches.

5. Holliday made a personal commitment to do as much as possible through the Working Group to liaise with and involve British companies and the British Council in their activities in South Africa. He also said that his staff of 20-30 would be open to any suggestions from us for joint action.

Recommendations

1. Your public support for this kind of very limited initiative would strengthen your stand on sanctions.
2. If the black college presidents or black businessmen were to return from South Africa via London, a short meeting with them could be very useful - not least in terms of media presentation.
3. It might be worthwhile exploring the possibility of black or Asian businessmen who are Conservative supporters, or similar people from Commonwealth countries, participating in the programme.


BRIAN GRIFFITHS

PERSONAL

PRIME MINISTER

COP 21/2.

MEETING WITH BLACK AMERICAN COLLEGE PRESIDENTS

You will recall that you decided on balance not to see a group of black American College Presidents returning from South Africa on Friday. This was on the basis that the US authorities were not themselves very keen on a meeting because the group had not secured an appointment with President Reagan.

I fear that this has considerably exercised Brian Griffiths who has been in touch with his contacts in Washington who continue to press for a meeting. I think there is a genuine difference of opinion here between the people with whom he is in touch on the one hand and the US Embassy here and the State Department on the other.

There is no objection of substance to your seeing the group but I am bound to say that I do not think it would be a good use of your time, nor add significantly to the range of views you have already secured on South Africa, nor do any good to your influence with the South African Government who do not welcome the visit of the group. The proposal for a meeting is a well-intentioned private initiative by Brian and his friend in Washington, but I really think you would be wiser not to take it up. This is not said out of any desire to rebuff Brian. But taking a broader view of your engagements in the foreign policy field, I simply do not think this one is justified.

Is it possible to see them without publicity?

C D P

CHARLES POWELL

19 February 1986

PERSONAL

L04 ABL

SOUTH AFRICA



10 DOWNING STREET

Prime Minister

Brian Griffiths was
keen to bring this
group to see you
next Friday. But it is

clear:

(a) Neither the US Administration
would not welcome this;

(b) it would be shooting
rather above their level. They
are to see Ewen Ferguson.

Agree not to see
them? I will explain to
Brian. Yours CDP 17/2



Foreign and Commonwealth Office

London SW1A 2AH

17 February 1986

DP
10/2

Dear Charles,

Black College Presidents

You wrote to me on 11 February ^{Attached} about the forthcoming visit of this group and asked for background and advice on whether it would be appropriate for them to call on the Prime Minister.

The group are currently in South Africa where they are meeting a wide range of people including Ministers and leading blacks as well as academic administrators. The purpose of the visit is to point up the positive American approach to the problems of South African blacks and underline American sympathy for them. It is hoped that the outcome will be the offer of places at American institutions for black South African students, and possibly the secondment of some American academics to South Africa.

It seems that both Ambassador Holladay and the US Embassy here are having second thoughts about their request for a meeting by the group with the Prime Minister. One factor for this is that the group did not see President Reagan before leaving Washington and it might therefore seem rather odd if the Prime Minister were to receive them. We have already arranged for Ewen Fergusson to meet the group at the American Embassy on 21 February and we may also suggest that they should call on Mrs Chalker if she is free (the Foreign Secretary will be abroad). We doubt therefore whether it is necessary for the Prime Minister to see the group.

We have heard separately that another group - the State Department's US/South African Advisory Committee on South Africa, will be visiting London shortly. We consider that this group is likely to be much more influential than the group of College Presidents in the shaping of future US policy towards South Africa. We will write to you again when we know the exact dates of their visit.

Yours ever,
Colin Budd

(C R Budd)
Private Secretary

C D Powell Esq
PS/10 Downing Street

Foreign and Commonwealth Office
London W1A 2AH



Black College Presidents

File

14/2



10 DOWNING STREET

From the Private Secretary

11 February 1986

It has been suggested to the Prime Minister that she should receive a group of black college Presidents who are visiting South Africa as part of President Reagan's initiative to help the development of the black community in South Africa. They are apparently passing through London on their way back to the United States later this month.

I should be grateful for background on this group and advice on whether or not it would be appropriate or useful for the Prime Minister to see them. It will be helpful to have this by the end of the week if possible.

Ramp 720.
Promised for
Monday.

JL 14/2

C D POWELL

Colin Budd, Esq.,
Foreign and Commonwealth Office

11 February 1986

MR POWELL

As I mentioned on the telephone earlier this morning, the black college Presidents, who are visiting South Africa as part of President Reagan's initiative to help the development of the black community in South Africa, will be returning to the US via London. They are due to arrive here on 21 February at 6.15am, and leave on 23 February, meeting President Reagan the next day.

In view of the Prime Minister's response to my note of 9 January, I thought it would be useful if they could be seen by her, and would suggest using my own slot for that purpose - 9.15-10am on 21 February.

As you are responsible for this area, the decision to go ahead or not must be yours.

RH

BRIAN GRIFFITHS