



PRIVY COUNCIL OFFICE
WHITEHALL, LONDON SW1A 2AT

14 February 1986

Dear Charles,

Prime Minister
It is the real
Malcolm Fraser.
COP 17/1.

The Lord President mentioned at Cabinet that he would be seeing Malcolm Fraser, co-Chairman of the Commonwealth Group of Eminent Persons, yesterday afternoon. The meeting was planned to be a personal one, but the Lord President has asked me to pass on to you his impressions as recounted to me so that the Prime Minister can be aware of them.

Mr Fraser seemed to the Lord President very relaxed and friendly. He was keen that his personal good wishes should be passed on to the Prime Minister, whom he did not wish to trouble at the present moment. Mr Fraser said that he had just spent a week in Washington, where he had found an increasing body of opinion in Congress and the White House favourable to greater pressure on South Africa from Western nations. After further discussion, it emerged that the pressure he had in mind stopped short of full-scale sanctions but involved (unspecified) measures designed to hurt the South African economy. This feeling in Washington much accorded with his own view. Unless pressure could be increased to force the South African Government to make real concessions quickly, the more moderate African leaders would almost certainly be replaced in the short term by more extreme elements. If that were to happen, the African leadership would be dominated by those determined to have a real bloodbath. Such people would not in all probability be willing to deal with the West or, in South Africa, with British owned or operated firms, whereas the current African leadership might well be. He also expressed the view that, if the conflict escalated to the level of a guerilla war, the Afrikaaners would not be able to contain it as easily as they imagined.

Mr Fraser went on to say that he had hitherto agreed full-scale sanctions should be avoided if at all possible. In view, however, of the circumstances he had outlined, he now believed harsh economic action was necessary, particularly from America and the United Kingdom, designed to hit the standard of living of the White South African community - for example, perhaps, on the lines of banning krugerrand sales.

Charles Powell Esq

The Lord President explained the current state of thinking in the Government and Conservative Party against the extension of sanctions. He detected no sign here of the sort of change of mood which Mr Fraser had found in America. He knew Lord Barber would certainly reflect accurately the current mood in the Government and the Conservative Party. Mr Fraser, who did not himself know Lord Barber well, was reassured at this, though he was disappointed that that mood was not closer to his own and that of the Group's co-Chairmen. Further, while fully accepting the Lord President's assessment, he thought that there was a risk of the United Kingdom being isolated when the Group reported: his hunch was that the Group was likely to recommend further action, - short of full-scale sanctions - on the expectation that insufficient progress had been made in the meantime in South Africa.

*Up to date
see foot
in S.M.*

The Lord President gave Mr Fraser no indication that such a report would have a significant impact on the mood of the Government. The United Kingdom had had experience of sanctions in the past - and it had been very sobering. He reminded Mr Fraser of the failure of sanctions against Rhodesia, a failure he was unable to sweep aside. The Lord President, in summary, did not think Mr Fraser was surprised by his attitude; but he did not consider that his presence in the Group was likely, in the event, to prove helpful to the United Kingdom, notwithstanding his evident friendliness.

As the Lord President is very concerned that the private status of the meeting should be respected, I am not copying this letter to anyone, though I am writing in similar terms to Len Appleyard.

*Yours sincerely
Joan.*

JOAN MACNAUGHTON
Private Secretary