



SUBJECT cc MASTER

10 DOWNING STREET

From the Private Secretary

15 June 1986

SOUTH AFRICA

The Netherlands Prime Minister telephoned the Prime Minister this morning about the discussion of South Africa which is to take place at the Foreign Affairs Council in Luxembourg tomorrow.

Mr. Lubbers said that the Presidency's intention had been to discuss South Africa informally over lunch, to prepare for a subsequent discussion by Heads of Government at the European Council in The Hague. However, there had since been dramatic developments in South Africa itself and the issue of the Commonwealth Eminent Persons Group's Report. Moreover, the French Government had said publicly yesterday that it might be bringing forward proposals for economic measures at the Foreign Affairs Council (though he had only heard this indirectly). Mr. Lubbers continued that the Presidency's view was that these developments strengthened the case for agreeing some action at the European Council. Indeed there was something to be said for deciding one measure at least at the Foreign Affairs Council tomorrow. A possibility was a ban on imports of vegetables, fruit and wine from South Africa. More generally he thought it would be useful for the European Community to formulate its own mini-package of measures against South Africa and then stick to it in the event of demands for more extensive action. He was concerned to maintain a unified approach by the European Community.

The Prime Minister said that it would be a great mistake to dash into any sort of action before the most thorough consideration and consultations not only within the European Community but with the United States, Canada and Japan. She was not at all attracted by the idea of a ban on imports of vegetables, fruit and wine from South Africa

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since this would hit hard at rural blacks. She was not in the slightest bit interested in measures taken for revenge or in order to strike a moral pose. It was vital to keep open the possibility of a peaceful solution in South Africa. In her view the task of the Foreign Affairs Council tomorrow would be to hold a thorough discussion, avoid any other than procedural conclusions at this stage but commission analysis of the implications of various possible measures. It would also be important to know what the other major industrialised countries were prepared to do. We were making such a study ourselves. Mr. Lubbers asked whether the United Kingdom would be conducting contacts with the United States and Canada in the period before the European Council. The Prime Minister confirmed that we would.

The Prime Minister continued that it was essential to keep in mind the ultimate objective of bringing about reform in South Africa through peaceful negotiations. If that goal was to be achieved, we needed to encourage those among the whites in South Africa who were themselves committed to reform. Personally, she believed they were probably a majority, and were concentrated in commercial and business life. Economic sanctions would actually discourage them and undermine their influence. She remained convinced that the release of Nelson Mandela remained the key to the situation in South Africa. The South African Government would require some understanding that violence would be suspended and negotiations would take place before they released him. This was not unreasonable and could probably be obtained. Mr. Lubbers asked whether the Prime Minister thought the South African Government would take action before the Commonwealth Heads of Government Meeting in early August. The Prime Minister said that she did not know, but had some reason to think this might be the case.

The Prime Minister reiterated that the Foreign Secretary would be ready for a very thorough discussion at the Foreign Affairs Council tomorrow. While it would be important to work towards a common European approach, it was no less important to have a clear understanding about what other industrialised countries were prepared to do before reaching conclusions, otherwise we would find ourselves in a situation where we were continually being asked to do more. There must be close co-ordination between the European Community, the Summit Seven and other European countries such as Switzerland. Mr. Lubbers said that, in the light of his talk with the Prime Minister, he would instruct Mr. Van den Broek to try to avoid any conclusions at the Foreign Affairs Council but rather to say that the Community should continue with discussions and contacts. It would be useful if he and the Prime Minister were able to have a further word between the Foreign Affairs Council and the European Council.

I should be grateful if you could make sure that the Foreign Secretary and Mr. Derek Thomas see this letter before the Foreign Affairs Council tomorrow.

I am copying this letter on a personal basis to the Private Secretaries to the Lord President, the Chancellor of the Exchequer, the Trade and Industry Secretary, the Chancellor of the Duchy of Lancaster, the Chief Whip and Michael Stark (Cabinet Office).

(Charles Powell)

The Resident Clerk,
Foreign and Commonwealth Office.