

CDP
30/7.

CALL ON THE SECRETARY OF STATE BY MR SAM MOTSUENYANE, CHAIRMAN OF NATIONAL AFRICAN FEDERATED CHAMBER OF COMMERCE (NAFCOC), HMA'S RESIDENCE, PRETORIA, 0945 24 JULY 1986

Present:

Secretary of State
Sir Patrick Moberly
Mr Galsworthy
Mr Meyer
Mr Lewty

Mr Sam Motsuenyane
Mr MSP Kutumela
Mr Ramakobya

1. The Secretary of State invited Mr Motsuenyane to describe NAFCOC's history and current views. Mr Motsuenyane said that for 22 years NAFCOC had worked against great odds to establish a black involvement in South African business life. At the beginning blacks had not been allowed to form companies or to sell to whites. There had been a change of attitude by the SAG during the last 10 years. Blacks were now allowed to form companies and to develop their businesses beyond "Mom and Pop stores". Pressure still had to be maintained. The law still discriminated against the black business community. This contradicted the SAG's claim that South Africa was a free enterprise country.

2. As for the current situation NAFCOC, like all black organisations, was disenchanted with what was happening. The increased repression, illustrated by the State of Emergency, was regrettable and needed to be phased out. In response to the Secretary of State's question about the effect of the State of Emergency on NAFCOC, Mr Motsuenyane said that some Council members had been imprisoned. Mr Kutumela's wife had been detained for three weeks. She could be described as an activist to the extent that she had been involved in trying to have certain municipal services in her township restored after they had broken down, but basically any black person risked being detained and the police were not obliged to give reasons. Mr Kutumela said that NAFCOC were therefore concerned to see a greater climate of freedom in South Africa and hoped the Secretary of State would stress to the SAG the need to release Nelson Mandela and unban the political organisations. After all, the ANC had been banned originally for opposing the pass laws which the SAG had themselves now dismantled. After these two steps, there would need to be real

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negotiations on a new constitution for the country; the current one which disregarded the existence of the major part of the country's population was not acceptable. The Secretary of State said that this was just what he had been telling the SAG. They must engage the blacks in negotiations, and to do so it was obviously necessary to release Mandela and unban the political parties. When he made this point that SAG had said that the ANC was only the South African Communist Party (SACP) in disguise. How did NAFCOC view that statement? Mr Motsuenyane said that the ANC had been a nationalist organisation from its foundation in 1912 until about 1960. Change had begun following the banning of the SACP in 1952 which caused some communists to join the ANC; not many, but sufficient to cause a split in that organisation. As repression had increased, the feeling had grown that unity of black organisations was essential. Mr Ramakobya stressed however that the ANC was not the SACP. In any case if the SAG could talk to President Machel, an avowed Marxist, why not to the ANC? South African blacks did not want to look eastwards but were forced to do so in current circumstances. Moreover the SAG equated anybody expressing anti-government views with communism.

3. The Secretary of State said that the SAG had also told him they could not negotiate without the ANC committing itself to halting violence. Mr Motsuenyane asked why it was necessary for the ANC to make such a commitment in advance. If Mandela were released he would be subject to the same laws as everybody else. The Secretary of State said this was why we had called for Mandela to be released unconditionally. Nevertheless the SAG continued to say they could not negotiate before such a commitment. Mr Motsuenyane pointed out that the SAG themselves engaged in violence towards the black community. The Secretary of State said that was why the Commonwealth Accord had referred to the need for a suspension of violence on all sides.

4. Mr Motsuenyane said that NAFCOC had seen sanctions as a last resort. They had tried everything else but were not getting any results from persuasion. In the past they had not been disinvestment as a logical way of trying to bring about improvement. But it was born of a sense of frustration and the feeling that only when whites experienced the kind of sufferings which blacks had done for years that the SAG would change. NAFCOC itself had hitherto advocated a policy of conditional investment. They could not accept investment which had the effect of buttressing the system but welcomed that which increased black skills. The Secretary of State said that the European Code of Conduct was designed to do just that. Mr Motsuenyane said NAFCOC welcomed

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that, but wondered how realistic it was in present circumstances. Even black businessmen were now being attacked by many people in the black community. NAFCOC were trying to establish the reasons for this hostility: was it because they were seen as conforming to the system, or was there something else? If the situation deteriorated further the black business community would suffer much more than the white. It was not therefore prudent to take a position against that adopted in the black community generally. NAFCOC's Council was therefore expected to review soon its current policy of welcoming investment conditionally and he expected it to join the others in calling for sanctions. The Secretary of State asked if any of those present had suffered attacks personally. Mr Motsuenyane said that he was now living in a caravan since he had been driven from his house (though he suspected the police rather than the so-called "comrades" to have been responsible). His wife had also been detained. Mr Kutumela said that black businessmen were being hit from both sides so had to align themselves with the community. Those who said blacks would suffer from sanctions were merely making excuses. Black business would suffer more if there were no change of policy.

5. The Secretary of State said it was always the poor who suffered most. If sanctions were imposed by the outside world the SAG would respond with the introduction of sanctions against the FLS, who were very dependent on it for transport and communications. This would lead to further sanctions but the whites running the SAG would suffer least of all. Violence would increase on all sides, hence our urgency in urging negotiation. Mr Motsuenyane said it seemed to the blacks in South Africa that those with leverage over the SAG needed to pull the levers more vigorously than they had hitherto. Surely the USA, UK and FRG could bring the SAG to its senses. The Secretary of State said there was no sign that sanctions would have this effect. The SAG would just hit the FLS and become even more repressive internally. Mr Motsuenyane wondered how long the SAG could in practice survive in isolation. The Secretary of State said it could do so for a very long time. As NAFCOC knew only too well, the SAG had the weapons of repression. They could also heighten misery in the FLS. Those we were most anxious to influence would suffer least from sanctions. Hence we kept pressing for negotiations. Mr Motsuenyane said it seemed to NAFCOC that the Secretary of State's mission was the last chance to persuade the SAG to negotiate. Failure would confirm the views of those who had refused to meet him and make even bleaker the prospect of negotiations in the future. The Secretary of State must therefore make it clear to the SAG that if they did not agree to negotiate, they would suffer both

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externally and internally. Blacks in South Africa believed that Western countries did not appreciate how badly they were suffering. The difference between what the SAG was doing and what had happened to the Jews under Hitler was one of degree not of kind.

6. The Secretary of State said the West did want to see apartheid changed and had taken steps to put pressure on South Africa. Both the Commonwealth and the EC were committed to considering further measures. The UK was reluctant to go down that road because we could see it leading to a further escalation of violence and intensification of suffering. Nevertheless if the mission failed, there would be agreement on further measures. The SAG would respond to them as he had earlier described.

7. The Secretary of State asked for NAFCOC's views on the proposed National Statutory Council (NSC). How representative were those whom the SAG would appoint? Mr Motsuenyane said the black members would include the Presidents of the non-independent homelands and 10 representatives from Community Councils, all initially appointed by the SAG. NAFCOC would have nothing to do with it. The Secretary of State asked how authentic the homeland leaders were, eg Buthelezi. Mr Motsuenyane said that his early membership of the ANC had given him credibility but his image had deteriorated because of his position as a homeland leader. The black membership of the NSC would consist of only a few opportunists. Mr Kutumela asked how the Secretary of State's mission differed from the work of the EPG. The Secretary of State said he was taking over where the EPG left off. Because the SAG had not accepted the Group's negotiating concept as Mandela had done, he was trying to persuade them to change their mind. He has pressed the need to negotiate in his talks with both Bothas. When asked about prospects for success, he said he had some hope, but realised it would be very difficult.

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July 1986

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