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LONDON SW1A 2AA

From the Private Secretary

14 September, 1986.

Dear Colin,

FOREIGN AFFAIRS COUNCIL: 15/16 SEPTEMBER: SOUTH AFRICA

Thank you for your letter of 13 September about the handling of South Africa at the Foreign Affairs Council on 15/16 September.

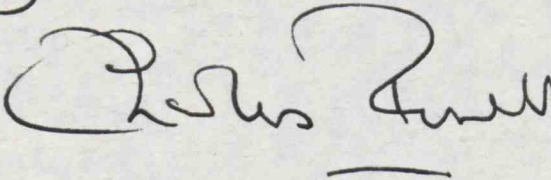
Chancellor Kohl spoke to the Prime Minister on the telephone about South Africa this evening. The Chancellor said that the Prime Minister knew his basic reluctance to impose economic and trade sanctions on South Africa. He had maintained close contact with the United States Administration. It was clear that they faced a very difficult position, with both Houses of Congress set upon tough measures. But the President was determined to oppose punitive measures. The White House left him in no doubt that it would not be helpful if the European Community were to agree to ban imports of coal from South Africa. This accorded closely with his view that such a ban would only inflict damage on black people in South Africa. At the same time he understood the difficulty of the United Kingdom's position in the Commonwealth, and realised that we had to subscribe to whatever agreement on further measures was reached by the Community as a whole. His position, therefore, was that he could agree to all the measures in the Hague package with the exception of a ban on the import of coal (and a definition of new investment which would not prevent investment intended to replace existing plant).

The Prime Minister said that she had never wanted a ban on coal. In the light of Chancellor Kohl's remarks, our aim at the Foreign Affairs Council would be to get agreement on the Hague package with the exclusion of a ban on the import of coal. So long as the German Government remained absolutely firm on the exclusion of coal, we would be able to argue that since there was not general agreement in the Community, we were not committed to such a ban. Other Member States might argue that additional measures should be added to the list in place of a ban on coal. We would firmly resist this, and would look to Germany to join us in doing so.

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Chancellor Kohl expressed satisfaction with this. He summed up his understanding that every effort should be made at the Foreign Affairs Council to agree a package with the exclusion of coal and thus bring the discussion within the Community about sanctions against South Africa to an end; that in no circumstances would Germany (and therefore the United Kingdom) agree to the inclusion of coal; and that there would be no question of adding any additional items.

I am sending copies of this letter to the Private Secretaries to the Lord President, the Chancellor of the Exchequer, the Secretary of State for Trade and Industry, the Secretary of State for Energy, the Home Secretary, the Secretary of State for Defence, the Chief Whip, and Sir Robert Armstrong.

yours sincerely,


C.D. Powell

C.R. Budd, Esq.,
Foreign and Commonwealth Office.