



cc Sir PC
BI

Foreign and Commonwealth Office

London SW1A 2AH

31 May 1984

Dear John,

Visit of the South African Prime Minister: 2 June

I enclose briefing for the Prime Minister's meeting with the South African Prime Minister on 2 June. A copy of the briefing has been sent to the Foreign Secretary in Washington. He has not been able to comment on it yet, although he will be able to do so at the briefing meeting which the Prime Minister is holding at 9.45am on 1 June.

The briefing covers all the major topics which Mr Botha is likely to raise with the Prime Minister, as well as the subjects on which the Prime Minister will wish to speak to him. We expect the South African side to focus purely on bilateral issues and the regional problems of Southern Africa, and do not expect them to wish to discuss other international issues such as the Middle East, or the Iran/Iraq war. We have, however, included a brief on current Soviet policy, particularly Soviet policy on Africa, since there is a serious difference of perceptions between us and the South Africans on this subject.

As you will know from the press, Mr Botha has now started his European tour with a visit to Portugal. This is the only official visit he is paying to a European capital. The others are working visits. His itinerary includes, as far as we know, Berne, UK, Bonn, Brussels, Rome, Vienna and possibly Madrid. He is also paying a private visit to France where he will lay a memorial stone on 7 June to South African forces who died in the first world war. Mr Botha is also holding a meeting with prominent European businessmen, almost certainly in Rome. Some major British companies have been approached and a few including BP, are expected to be represented; others are reluctant to attend such a meeting with their competitors outside this country.

Arrangements for Mr Botha's visit to the UK are now almost complete. His party will arrive at about 11am at Heathrow, where they will be met by a representative of Sir Geoffrey Howe (Sir Derek Dodson) and Sir John Leahy. The seven South Africans who are invited to the lunch will then travel by helicopter to Chequers, accompanied by Sir John Leahy. A Special Branch officer and a South African security officer (Mr J Malan) will also travel with them. (The possibility of a back-up helicopter

/in addition

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in addition is being urgently explored.) The other South Africans going to Chequers (I enclose a list of the complete South African party) will travel by road, but in time to be on hand for the main talks beginning after the private meeting which the Prime Minister has agreed to have with Mr Botha first. The South Africans will return from Chequers using the same methods of transport. Mr Botha plans to make a press statement at Heathrow before his departure, which will be at some time between 4.30 and 5pm. It has been agreed separately that Mr Rifkind will brief the press soon after the meeting finishes, probably at RAF Halton.

You will note that there are now six additional South Africans travelling to Chequers, including Mr Malan.

I am copying this letter, with a set of the briefs, to Hugh Taylor (Home Office) and Richard Mottram (Ministry of Defence).

*For ever,
Peter Ricketts*

(P F Ricketts)
Private Secretary

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VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

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VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 1

STEERING BRIEF

Agenda

1. There has been no prior consultation about a formal agenda but both sides are agreed on the likely range of subjects. The preliminary tête à tête might usefully serve to break the ice and enable the Prime Minister to indicate the importance we attach to Mr Botha's visit and the creation of better understanding between the two Governments. It would also be the occasion to dispose of the two sensitive and related issues of the ANC office in London and improper activities by South African intelligence officers (Brief No 3). The South Africans are already aware of our preference to handle the ANC question in this way: Mr Botha can be expected to raise it himself.

2. The main session might begin with an exchange on UK/South Africa relations (Brief Nos 2 and 3). This could lead on to a full discussion of regional issues, particularly South Africa's relations with her neighbours post-Nkomati (Brief No 6), Zimbabwe (Brief no 6) and Namibia/Angola (Brief No 7). Our views, which differ markedly from those of the South Africans, on Soviet policy in Southern Africa (Brief No 9)



could be usefully worked in here too.

3. At a suitable stage when the atmosphere is relaxed we should put on record our views of South Africa's racial policies (Brief No 8) and our wish to see further reform, particularly involving the blacks. We have no specific bilateral human rights issues to raise but, rather than passing a general censure on human rights abuses, the Prime Minister might express concern about forced removals and detentions, including that of Mandela (Brief No 8). Apart from the ANC the South Africans are likely to raise sport (Brief No 4), the UN Arms Embargo (including perhaps a request for the UK to supply maritime surveillance aircraft (Brief No 3)) and, possibly, the current arms case involving 4 South Africans (Brief No 3).

4. A joint press statement would be inappropriate but it would be useful to agree on what should be said to the Press immediately after the meeting, particularly if Mr Botha gives a press briefing at Heathrow before he leaves.

UK Objectives

1. It is a basic assumption that our policy towards South Africa should be so balanced as to safeguard our trade and other links there at the same time as our political and commercial interests elsewhere in Africa and the third world generally.

2. Against this background our specific objectives during this visit are to:-

a) assure the South Africans that it remains our policy to have as fruitful a relationship as the constraints resulting from South African policies will permit;

b) persuade the South Africans that while we understand their racial policies and are ready to acknowledge positive developments, only demonstrable progress in meeting the aspirations of the black population can form the basis for a genuinely warmer relationship between South Africa and the West and assure South Africa's own stability in the long term;

c) convince the South Africans that only an internationally agreed settlement of the Namibia problem will be durable and that an early conclusion of it will reduce rather than enhance Soviet influence in the Region;



d) encourage the South Africans to go on improving their relations with their neighbours including Zimbabwe; and

e) register the concern felt here about human rights abuses in South Africa, particularly forced removals.



South African Objectives

These are likely to be:

1. To emphasise the strategic importance of South Africa to the West.
2. To convince us that South Africa is a staunch bastion against terrorism and communism and that therefore the West should be more supportive.
3. To seek to persuade us that in determining our policy towards South Africa we should pay less attention to the views of African and Commonwealth countries.
4. To persuade us that South Africa needs time and that the policy of separate development offers a solution combining white control with acceptable power-sharing for the other races.

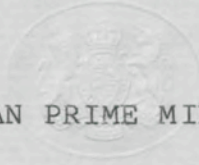
Mr Botha

1. Mr Botha has had no career other than politics. He has a reputation as a ruthless and determined leader who is willing to take political risks (as when splitting the Afrikaner community over the new constitution) to achieve his objectives. He is often domineering towards colleagues and opponents alike and has a formidable temper. Having experienced the tension of the Second World War and the turbulent post-war conflict between the National Party and the United Party, Mr Botha has, in common with most Afrikaners of his generation, an emotional and ambivalent attitude towards Britain. Although keenly interested in defence strategy he has little experience of global issues and tends to see Africa in isolation. He believes Europe has lost interest in South Africa and he has several times expressed his anger and disappointment to non-governmental British visitors at what he considers the lack of understanding in London of his government's policies. He is acutely sensitive to criticism from Britain, however mild, and appears to take little account of the political constraints which must necessarily govern our attitude to his country.

2. Mr Botha has the typical Afrikaner sense of justice and honour. He is a Cape politician and his determination to restore political rights to the (Cape) Coloureds stems in part from an uneasy conscience over the shabby way in which

they were deprived of them. On the other hand he has given no hint of any blue-print for absorbing the blacks into the political mainstream and is probably mainly concerned that when he retires in a few years it should not be said of him that he started South Africa down the slippery slope to black domination. Meanwhile he speaks from a position of unassailable domestic political strength.

3. Mr Botha's background suggests that he will be much more at home on South African internal and external affairs than on wider international issues. His approach is forthright and he will expect the Prime Minister to be similarly direct and frank. The way he reacts will depend largely on whether he thinks Mrs Thatcher is basically sympathetic or out to criticise. He is likely to react strongly to any perceived preaching or over-simplification of the complex problems of South Africa. He has accused British Ministers of both these 'heresies' and is said to believe that the Prime Minister's personal attitude towards South Africa has hardened since the controversy over South African arms supplies to Argentina during the Falklands War. If all this is right, Mr Botha is likely to respond well to assurances of the importance we attach to his visit and of our wish to clear the air. He will welcome a thorough exchange on all issues in which we have common, though not necessarily the same, interests. For our part we want to try to get him to understand better than he does the constraints that must necessarily continue to affect our bilateral relations.



VISIT OF THE SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 1

STEERING BRIEF

BACKGROUND

1. Britain has substantial material, and some strategic, interests in South Africa. Our policy towards South Africa is designed to protect these interests without putting at risk our major interests elsewhere. It aims at the promotion of stability in order to maintain broader Western interests and influence in the region generally against Soviet efforts to damage these.



The key material and strategic factors in this equation are:

a) Trade. In 1983 South Africa was the UK's 13th largest export market. Statistics are as follows:

Britain's Trade with Africa South of the Sahara

	UK Exports		UK Imports	
	£m	£m	£m	£m
	1982	1983	1982	1983
1. <u>Black Africa</u>				
Nigeria	1,225	<u>798</u>	357	388
Others	<u>893</u>	<u>817</u>	<u>806</u>	<u>1,029</u>
TOTAL	2,118	1,615	1,163	1,417
2. <u>South Africa</u>	<u>1,193</u>	<u>1,109</u>	746	765
ALL	<u>3,311</u>	<u>2,724</u>	1,909	2,182

SA as % of sub-Saharan Africa

36% 40%

b) British investment. South Africa is a major area for British investment. The book value at the end of 1981 of direct investment (including oil, banks and insurance companies) was:

	£m
Black Africa	2,317.2 —
[of which Nigeria	653.8] —
South Africa	<u>2,826.0</u> —



c) Strategic minerals. We depend on imports from South Africa for 95% of our chemical chrome, 48% of ferro-chrome, 48% of manganese, and 48% of vanadium. The use of South African ports is essential for the export from Southern Africa of these and other strategic minerals. Remaining resources of chrome, manganese and vanadium lie almost entirely within the Soviet Union, although substantial stocks are held in the West (stockholders are mainly the major industrial users). In 1982 HMG decided to establish stockpiles equal to 6 months supplies to reduce our vulnerability to interruption in supply. Other Western countries also maintain stockpiles; US holds 3 years stocks, France 2 months and Japan 2 months. There has also been progress in substitution.

d) Strategic importance of the Cape route. In 1981 over 90% of Western oil supplies from the Gulf passed round the Cape of Good Hope. Although quantities have changed, the proportion is roughly the same today. It is clearly important to maintain the capability of sea traffic to move freely between the Gulf and the Indian Ocean on the one hand and Western Europe and North America on the other. Although the Soviet Union maintains no significant naval forces in the region, it is possible that in a time of prolonged war it might deploy naval forces to the South Atlantic, concentrating them at focal points, such as the Cape, where shipping lanes converge. But the South Atlantic would not be the obvious choice should the Soviet Union decide to attack



oil tankers from the Gulf. Any Soviet effort to do this would be more likely to take place in the Indian Ocean, which is nearer to existing Soviet bases than the South Atlantic and where sea lanes can also be congested either side of the Straits of Hormuz. The Soviet Union has not increased its access to ports or facilities in the South Atlantic in recent years, and though there are no Western bases there (Britain terminated the Simonstown Agreement in 1975) in time of widespread hostilities including the Soviet Union, naval facilities in South Africa would probably be made available to Western countries.

3. Stability. British and Western interests in Southern Africa require stability. In South Africa itself violent revolution cannot be good for us; peaceful evolution is. Instability in the region has already provided opportunities for the Soviet Union to expand its influence. This happened, for example, during the turbulence surrounding Angola's and Mozambique's attainment of independence and later when ZAPU needed help during the Rhodesian war, Zambia also afforded an opening in this context. Today the Russians are able to exert influence on the ANC and SWAPO. South Africa's racial policies, its continued occupation of Namibia, and up to recently its uncompromising behaviour towards neighbouring countries have been a greater cause of tension and instability in the region than anything else. They are the reason why nationalist movements have taken up arms to bring about change in Namibia and South Africa itself and why South

Africa has in turn supported armed dissidents in Mozambique,
Angola, Lesotho and Zimbabwe.

4. South African policies are also an immediate source of international embarrassment to Western states, especially to Britain (because of the extent of our interests in Africa and our membership of the Commonwealth). They regularly lead to calls for sanctions. We have been able to fend these off, but the price we have had to pay is continued application of the arms embargo and the Gleneagles agreement on sport.

Striking the Balance

5. Against this background, we have sought a low profile, low-risk governmental relationship with South Africa. The main components of our policy have been:

a) a clear public condemnation of apartheid, accompanied by advocacy of the need for peaceful, evolutionary change in South Africa;

b) active involvement in the search for a peaceful and internationally acceptable Namibia settlement;

c) a low key role in helping to stabilise South Africa's relations with its neighbours;

d) fulfilment of our international obligations (arms embargo, Gleneagles); and

e) opposition to pressure for further sanctions against South Africa which would be inconsistent with our publicly avowed belief in contact and dialogue as the best means to promote change; appropriate votes in eg the UN, and efforts to urge more realistic approach to South Africa amongst Commonwealth countries.

6. The South Africans believed that the advent of a Conservative administration in Britain in 1979 would bring a more positive approach and better understanding of South Africa's problems. They make no secret of their disappointment that this has not been so. They were particularly disappointed because of our failure, as they see it, to deliver the right sort of settlement in Zimbabwe. They have contrasted our general approach unfavourably with that of the Reagan administration (during the Carter administration they took a very different view). Their disappointment is greater because they think we ought to know better. Underneath, there is a fundamental difference of perceptions. South Africa sees itself as a Western country fighting for the common cause against Communism in Southern Africa. It regards Western European countries, especially Britain, as hypocritical since they depend on South Africa to secure the strategic Cape region, and exploit its strategic minerals, but weakly bow to third world pressure, organised by communists, to attack South Africa's policies. The South Africans resent it that we are willing to trade with South Africa to our clear advantage but deny her political



respectability. For our part, we believe South Africa's policies are based on a serious misconception of Soviet priorities and policies and that, as described above, South Africa's internal policies, its continued occupation of Namibia, and the aggressive tactics it has so often used against its neighbours are sources of instability providing opportunities for Communist expansion and likely to produce the very results the South Africans wish to prevent.

7. The fundamental inhibitions that militate against a closer relationship between the two Governments derive from South Africa itself. In conducting our relations our major priority is to remove the obstacles by trying to influence South African policies in the right direction. To this end we have recently sought to put our relations on a more workmanlike footing and to increase the opportunities for discussion with the South African leadership. The South African Foreign Minister met the Secretary of State in London in December 1983, Mr Rifkind visited South Africa in November 1983 and official level talks were held on Soviet policy in September 1983. Mr Botha's current visit is the most important step in this process.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 2

BILATERAL RELATIONS: GENERAL

POINTS TO MAKE

1. Recall our one previous meeting during my 1973 visit to Cape Town. Welcome this meeting. Important that we should discuss Southern African issues together and achieve a better understanding of each other's viewpoints.
2. Grateful for your assistance in getting our envoy (Sir J Leahy) to UNITA base recently.
3. Value our relations with SA. Wish to have fruitful and workmanlike relationship. Believe SA can play major positive role in Southern Africa, to advantage of all. Played this on Zimbabwe. Welcome recent actions (withdrawal from Angola, Nkomati).
4. Conscious of strains in our relations. Wish to reduce these. Some simply due to misunderstanding and can, I hope, be dispelled. Others reflect real differences which we shall have to learn to live with and to manage as best we can. Opportunity now to speak frankly, clear air.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 3

UK/SOUTH AFRICA BILATERAL RELATIONS: SPECIFIC ISSUES

POINTS TO MAKE

ANC in London

1. Fully appreciate your feelings about ANC; do not condone their violence or have dealings with them. We in Britain have suffered much from terrorism and have been staunch in combatting it. No question of allowing London to become a base for international terrorism (see action on Libyans). Keep foreign groups under scrutiny. Rigorously exclude those with known personal involvement in terrorism. Fully uphold international obligations. Will not tolerate abuse of our laws from any quarter.

2. At same time we cannot abandon our long tradition of admitting political exiles. Free to engage in political activities provided they do not break the law. No legislation to ban foreign political groups as such.

South African démarche (if raised)

3. Exhaustively studied your representations on ANC;



disclosed no grounds for legal action. Ready to look at any fresh evidence of illegal activity, and to take appropriate action.

Joe Slovo (if raised)

4. Know Slovo is of special concern to you. Apply our criteria to him as to others.

ANC/IRA (if pressed)

5. Opposed to terrorism by either. But there is a significant difference: IRA could if they wished work through the ballot box like the rest of the population. As it is, they use violence to try to obtain what they know they cannot achieve through legitimate political activity. Naturally would expect friendly Governments to act, in the context of their own laws, against known IRA terrorists in their countries. But we have not called on US Government to close down IRA/NORAIID offices there.

Failure to return British terrorists to South Africa 1981/2

(if raised)

6. We are not in a position to return fugitives to a foreign state in the absence of extradition arrangements. Moreover it is not at all clear that people in question committed any



offence under British law.

South African Intelligence Activities

7. Continuing concern is expressed both in parliament and press about intelligence activities by South Africa in Britain. We cannot permit improper or otherwise unacceptable activities by members of foreign missions. Have recently demonstrated in the Libyan case our readiness to take exemplary action against offending missions.

8. It is our responsibility to ensure that ANC and others opposed to South Africa do not break the law. Provided they behave it is equally our responsibility to give them the protection of the law.

9. In January 1983 made representations about Stefanus Botha, first Secretary Embassy. His activities remain a cause of concern. [If asked: we have evidence of involvement by him and other intelligence officers in the break-in at AAM offices in May 1983]

10. Wish to remove this cause of friction from our relations. Hope no further cause to complain.

Arms Embargo Violations: UK Court Case (if raised)

11. Have no wish to make issue of this; not of our making.



Matter is sub judice. Have to enforce our laws impartially.
Hope new bail conditions will lessen public concern in South
Africa.

UK Policy on Arms Embargo (If raised)

12. No prospect of change; UK must honour its international
obligations.

If pressed: the underlying concerns which occasioned the
embargo remain.

'Dual Purpose' and Humanitarian equipment

13. Willing, in principle, to permit such exports when we
are satisfied equipment is for civil use. (Agreed to Plessey
and Marconi air traffic control radar contracts; also radar
for Super Frelon air/sea rescue helicopters). Decisions to
supply dual purpose equipment have been widely criticised,
but we have taken you at your word on civil applications.

Replacement for Shackleton Maritime Reconnaissance Aircraft

14. Individual export licence applications considered on
their merits, but likelihood is replacement would be caught
by arms embargo regulations.

If pressed: will study any application carefully but would



not wish to raise false hopes. A government-to-government undertaking unlikely to be applicable in this case.

Military Collaboration (if raised)

15. Delicate matter for us. Military relations necessarily constrained. Nonetheless value military intelligence and attaché relationship. Want it to continue on reasonable working basis.

Media Coverage (Defensive)

16. Always regret lack of impartiality, objectivity. Indeed fairly often suffer from this ourselves. But Government cannot direct IBA and BBC what to broadcast or not broadcast. Realise that people outside this country do not always believe that and that practice elsewhere may be different, but please take it from me that it is so. I try to be philosophical about it myself, however difficult it may be sometimes.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 3

UK/SOUTH AFRICA BILATERAL RELATIONS: SPECIFIC ISSUES

BACKGROUND

1. The management of our relationship with South Africa is inherently difficult. Our efforts to put relations on a more workmanlike basis have been marred by a series of bilateral issues (dealt with below). Ministers' statements on policy, (including the Prime Minister's correspondence with Ian Lloyd MP, and the Secretary of State's speech to the Royal Commonwealth Society in November 1983) have also irritated the South Africans.

African National Congress: London (not for use)

2. Neutralisation of ANC key target of South African foreign policy. ANC office in London said by South African Government to be nerve centre of terrorist activities. Our tolerance of this has recently been the object of a fierce campaign in South African press and parliament. Belief that our position on terrorism incompatible with our toleration of ANC presence.

3. The ANC was banned in South Africa in 1960; it has



subsequently mounted limited guerilla campaign, concentrating on high profile targets to make a political impact domestically and internationally. With one principal exception - a car bomb in Pretoria in 1983 possibly a mistake or unauthorized - it has avoided indiscriminate terrorism. The ANC is heavily but not solely dependent on communist aid.

4. In September 1983 the South African government sought the closure of the London ANC office and the exclusion of ANC officers here, who the South Africans alleged were involved with terrorist operations. The South Africans provided material to justify this claim. Our considered response underlined our strong stand on terrorism, pointed out that our law did not provide for the proscription of organisations (other than the IRA, PIRA etc) and noted that the evidence submitted gave no grounds for action against individual ANC members.

5. A thorough examination of all available information has revealed no evidence to support allegations of unlawful activity by ANC members here, including the linking of the London ANC office with active terrorism. Its main function remains what it has always been; publicity and propaganda. Its role may be enhanced following the restriction of ANC activity in Mozambique but we have seen no evidence of this so far. The question remains, therefore, why the South Africans, who have long tolerated the ANC presence here and



have been content to keep a weather eye on it, should now find it so intolerable. Perhaps Mr Botha will explain this.

6. Existing legislation provides no powers to act against any organisation such as the ANC, and there are clear limitations on the legal powers against individuals planning acts of violence abroad. Out of general concern (and before Libyan People's Bureau incident) FCO has approached the Home Office about the possibility of introducing tighter control over the activities of exile movements here.

Joe Slovo

7. Top of the South African hit list. Operating (at any rate up until the Nkomati Accord) usually from Maputo/Slovo (who is a White European of Lithuanian origin) is reputed to have been the mastermind behind ANC sabotage and to be a KGB officer. Slovo has indefinite leave to remain in Britain, and holds a current Home Office travel document (though he is seldom here). FCO has asked the Home Office to review these facilities critically.

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UK Nationals allegedly implicated in ANC attack 1981

8. This case was mentioned by the South African Minister of Law and Order in Parliament in May 1984 when he suggested (we believe, erroneously) that it pointed to proof that attacks on South Africa are planned in London. In 1982 the South



African Department of Foreign Affairs (DFA) alleged that three British nationals had provided a house and transport in South Africa for three ANC guerillas who had attacked a South African military camp. The British nationals left South Africa before they could be detained. The PUS-equivalent in the DFA told our Ambassador that he assumed in the absence of an extradition treaty, their extradition was out of the question. We later confirmed that there were no provisions under which they could be sent back to South Africa; we also said that we could not give information about their whereabouts. There were no further approaches. The South Africans have in the past been annoyed at our refusal to consider having an extradition treaty with them, but given the unpopularity in this country of the South African regime, the political disadvantages have always seemed to outweigh the advantages.

South African Intelligence activities

9. Directed primarily against the ANC and SWAPO, and a constant source of political embarrassment. We have repeatedly made clear in public and to the South Africans that we will not tolerate improper activities by their Embassy here. In the past 18 months alone we have made 4 representations, two in 1983 concerning Warrant Officer Klue, a member of the technical staff of the Embassy, found to be the instigator of criminal acts (a break-in) against ANC/SWAPO offices here and withdrawn by the South Africans



following our approaches; and two in January 1983, one about the probable involvement of the Embassy in arms embargo violations, the other about intelligence activities by a First Secretary at the Embassy, Mr Stefanus Botha.

10. The South Africans regard our firm approach as inconsistent with our general approach on terrorism. They also feel that we should give them credit for the fact their activities are not directed against us. Evidence that has recently become available to us implicates a number of South African officials (of whom only one, Botha, is still here) in a break-in in May 1983 at the Anti-Apartheid Movement's headquarters. We cannot feel confident that they had taken our earlier warnings to heart. FCO and Home Office Ministers are, therefore, agreed that a general warning should be repeated during Mr P W Botha's visit.

Arms Embargo Violations

11. The South Africans are acutely embarrassed by this case; and at the same time angry at our strict observation of the UN Arms Embargo. On 29 March, 4 South Africans were arrested in London and subsequently charged, with 4 UK nationals, under our Arms Embargo legislation for the illegal export of military components and ordnance. The South Africans are believed to be employees (directly or indirectly) of the South African publicly owned armaments manufacturer ARMSCOR. There is no doubt they they were engaged on business



sanctioned by the South African Government, although the quantities of materiel that have come to light so far as having been involved are not great. The South African Ambassador was recalled for consultations about the arrests; and the South Africans have on three occasions sought our intervention in the case. First for the release on bail of the South Africans accused (the Ambassador was advised to pursue the matter through defence Counsel who subsequently succeeded in securing the Court's agreement to this). Secondly, and explicitly linking the resolution of this affair with Mr Botha's visit, they asked that the case be resolved by executive action (compounding proceedings) outside the courts. Thirdly, they looked to us to help arrange for the four defendants to be permitted to go back to South Africa pending trial. On appeal a judge has now agreed to this, stiffening the bail terms on the basis of a South African undertaking that the four men would return for the hearing. This is likely to be in the autumn. Ministers considered it would be wrong to influence the handling of the case by Customs and Excise, who were most reluctant to compound proceedings; since the case involved three companies which had already had previous offences dealt with by compounding.

UK Policy on Arms Embargo

12. From 1963 the UK operated a voluntary arms embargo against South Africa, the main purpose of which was to



prevent the supply of weapons which could be used for internal repression. In 1977, following widespread unrest in South Africa and the death at police hands of the Black activist Steve Biko, the UN Security Council, acting under Chapter VII of the UN Charter, approved Resolution 418 prohibiting the supply to South Africa of arms and related materiel of all types; enforcement orders were introduced here.

13. In the face of the embargo, the South Africans have achieved a substantial measure of self-sufficiency in arms but still lack the capacity to make sophisticated aircraft, some naval vessels, specialised radar, computer and other equipment.

Dual Purpose and humanitarian equipment

14. We enforce the Arms Embargo strictly (and believe our major partners, in general, do likewise) but have been willing to sell to South Africa equipment with a dual civil/military purpose where we believe the equipment involved is not primarily for military use. Particular controversy has surrounded the sale of Plessey AR3-D mobile radar equipment for the South African airforce (contract originally placed in 1976; sets still being delivered; South Africans accepted diversion of two to meet an urgent Falklands requirement). The sale of static air traffic control Marconi radar equipment (contract 1981/2, deliveries



continue) has also been criticised, in both cases, as 'military' equipment. In March 1984, we agreed to the supply of Decca Doppler radar equipment for Super Frelon helicopters operated by the SADF on the basis of a confidential written assurance from the South Africans that the equipment would be used in helicopters used exclusively for air/sea rescue.

Replacements for Shackletons

15. The South Africans are this year withdrawing their aged Shackleton maritime surveillance aircraft. They are lobbying for the right to purchase replacement aircraft in the West making the most of the loss to the West of intelligence about Soviet shipping, if new aircraft are not made available. In fact the South Africans have passed little information to us of value and the loss would be minimal. The Americans have so far refused to supply Orions. There have been indications the South Africans might wish to purchase the BAe HS 748 Coastguarder aircraft. This is a military aircraft and its supply would be widely interpreted as a breach of the arms embargo. In response to public enquiries we have made clear that while any application would be dealt with on its merits the arms embargo would probably rule out supply.

Military Collaboration

16. Since the termination of the Simonstown Agreement in



1975 our bilateral military relations with South Africa have been confined essentially to the exchange of military attachés. SADF personnel, other than attachés are not allowed to come here in their official capacity. A discreet exchange of non-sensitive intelligence continues. In December 1982 the South Africans called into question the value of our military liaison. We reaffirmed our support for a military attaché relationship, whilst noting the constraint against wider military links. As a gesture, we agreed that requests previously blocked for three visits by South African attachés to certain military establishments here would be considered sympathetically. They have now taken place. We will continue to look at individual requests on their merits. Our approach is now governed by Ministerially approved confidential guidelines as well as by our public policy of no military collaboration.

South African Ambassador's Complaints Over Television Programmes

17. British media coverage of South Africa is a long running sore in Anglo-South African relations. Most recently, on 14 May, the South African Ambassador, Mr Steyn, complained formally (but seemingly not on instructions) about what he described as a 'campaign' by the BBC and ITV against South Africa. Mr Steyn mentioned 10 programmes screened in the past 4 months on both BBC/ITV which, he said, were prejudiced against South Africa. These were eroding good



Anglo-South African relations and must have serious consequences for cooperation between us. Ambassador Steyn said the Government had a responsibility to ensure that legislation laying down standards to be followed by TV companies is adhered to. Having consulted FCO Ministers officials have now told Mr Steyn:

- a) broadcasting authorities have responsibility for everything they broadcast;
- b) Ministers traditionally do not comment on or intervene in the broadcasting authorities' decisions;
- c) his complaints have been passed to the Home Office and the broadcasting authorities.



VISIT OF THE SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 4

SPORTING CONTACTS

POINTS TO MAKE

General

1. Understand your resentment at Gleneagles and your wish to be accepted back into international sport, but believe that differences over sport should not be allowed to loom too large in our relationship and predominate over more important things.

2. The so-called Gleneagles agreement is a commitment which as a government we have inherited and which reflects deep feelings in the Commonwealth about South Africa.

3. As a politician you will understand how difficult it is to go back on commitments and the inheritance of the past. Frankly the political cost of unilateral withdrawal from our Gleneagles commitment would outweigh any political advantages for us. It would provoke a major row in the Commonwealth and might end up by doing more damage to UK/South Africa relations than the status quo. As the MCC vote showed, decisions on sporting contacts rest with the sportsmen



themselves who naturally take full account of their own wider interests. So we must as a government.

4. Gleneagles can only be changed by the consent of the Commonwealth. See little hope of agreement on this until we can point critically to general movement towards civil and political rights for blacks in addition to desegregation of particular sports. Progress depends on you. Meanwhile we will continue to oppose moves to tighten the Gleneagles agreement and, as at New Delhi, will stand up in defence of our belief in contact and dialogue, even at some cost to our own popularity and the dictates of expediency.



VISIT OF THE SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 4

SPORTING CONTACTS

BACKGROUND

1. South Africa's continued isolation from international sport infuriates most white South Africans. South Africa has made a major effort to entice foreign sportsmen to South Africa (the present RFU tour, the West Indies touring Cricket XI, the attempt to get the MCC to tour). It has also worked hard to demonstrate that fundamental changes in sport have been made, removing discrimination and increasing the opportunity for non-whites. We monitor progress through our Embassy in South Africa. Some sports have gone further than others. In general the most progress has been made at senior representative, ie international and provincial, level. At school and club level segregation remains the rule and discrimination continues in sporting opportunity and in the allocation of resources.

2. The Commonwealth statement on apartheid in sport ('Gleneagles Agreement') was agreed in 1977 and Commonwealth support for it has been reaffirmed in successive Commonwealth Heads of Government meetings, most recently in New Delhi in November 1983. Government have repeatedly expressed their



support for it.

3. The interpretation of the agreement by Commonwealth countries generally has hardened since 1977, so that today it has come to mean that irrespective of the progress made in individual sports 'normal sport is not possible in an abnormal society'. The chances of changing the agreement at last in a more positive sense, are therefore remote and our policy is one of damage limitation: showing that we abide by the obligation to discourage and dissuade but cannot force our sportsmen to accept our advice. Like the UN arms embargo the Gleneagles agreement has proved to be a relatively low-cost (to us) measure which makes it that much easier for us to resist calls for more damaging economic sanctions. Any attempt to tamper with the Gleneagles agreement in present circumstances would probably rebound on us.

RFU Tour

4. The English Rugby Football Union travelled to South Africa on 15 May and played their first match on 19 May. Their first test (international) is on 2 June in Port Elizabeth.

Zola Budd

5. Miss Budd's father is a British citizen with the right to live and work in the country. Zola Budd came here as a minor



and with her parents' permission applied to the Home Secretary for registration as a British citizen. She is now taking part in pre-Olympic trials. The Home Secretary dealt with her application quickly so as to enable her to participate in those trials. The Government played no role in encouraging Zola Budd to come to Britain, even though her great talent was widely acknowledged. Sir David English and the Daily Mail did, however, play a crucial role in getting her to come here rather than go to eg the USA, and have since been sponsoring her. The South Africans tend to see the whole business as a cynical action on our part which confirms their belief in the British propensity for hypocrisy.

Olympic Games

6. South Africa was expelled from the International Olympic Committee in 1970 because of apartheid.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 5

TRADE WITH SOUTH AFRICA

POINTS TO MAKE

1. Trade an important element in our relationship. We value it. Steadfastly oppose political constraints on normal civil trade.

2. We are determined to remain a major supplier to South Africa. Believe British companies are now more competitive than in the past. Information technology, hospital equipment, low-cost housing, capital goods and projects field (eg GEC's hope to supply new generation of locomotives) are examples of fields in which we hope to do well.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 5

TRADE WITH SOUTH AFRICA

BACKGROUND

Trade Policy

1. Civil trade with all countries determined only by commercial considerations and not by their political systems. Constrained in the case of South Africa by the UN Security Council's mandatory arms embargo, as a result of which we steer well clear of helping South Africa's nuclear capability, whether civil or military.

2. We adopt low-profile, low risk approach: to protect our trading assets without unnecessarily exposing them to criticism and attack elsewhere, eg in Nigeria.

Investment in South Africa

3. Book value of direct investment in South Africa in 1981 estimated at £2,826 million, including oil, banking and insurance. Total current market value perhaps in excess of £12,000 million, between 7% and 10% of Britain's total overseas investments, and more than one-third of total



foreign investments in South Africa. Current rate of investment (largely re-investment from retained profits) each year about 7% of our total overseas investment. A few British companies have sold out in recent years; mainly for commercial rather than political reasons. Over 90% of British companies comply with the EC's voluntary Code of Conduct for Companies with Interests in South Africa, which seeks to improve the conditions of black African workers. Performance of British companies good by comparison with those from other EC countries. No indication that South Africa seriously resents what could be regarded as interference in internal affairs.

Trade Barriers

4. Britain operates one of the most open of world markets, but South African exports of wine and citrus fruits declined sharply after our accession to EC. Further problems likely over South African sherry after Spanish accession. South Africa recognises the inevitability of such protection, but resents high tariff barriers in EC. We usually advocate favourable treatment for South Africa in EC, and try to be helpful where we can, eg on quotas for cotton textiles.

Opposition in the UK to trade with South Africa

5. Several local Councils (eg GLC, Sheffield, Newcastle),

and other pressure groups seek to discourage imports from South Africa and investment in companies with links with South Africa. Little significant effect. Similar policy on trade with South Africa has been followed by successive Governments (though Labour Party currently in favour of trade sanctions).

Publicity and Possible Visit by Trade Minister

6. Usual BOTB services available for trade with South Africa, but publicity avoided to minimise criticism. Have accordingly avoided visits to South Africa by Trade Ministers. However, Lord Jellicoe (Chairman, BOTB) visited South Africa (as well as Angola, Mozambique, Botswana and Swaziland) during February/March 1984.

Trade Statistics

	<u>£ Million</u>		
	<u>1981</u>	<u>1982</u>	<u>1983</u>
UK Exports	1220	1193	1109
UK Imports	649	746	765
UK share of South African Imports	11.7%	11.9%	Not yet available

South Africa was Britain's 13th largest market in 1983, and the 2nd after European and North American countries. In 1982 Britain was South Africa's third largest supplier, after



Germany and the USA.

Principal British exports: electrical equipment, machinery,
transport equipment, chemical and
related products and manufactured
goods.

Principal British imports: raw materials (metalliferous
ores), fruits and vegetables and
manufactures.

Major projects: In recent years, South Africa's
power generation programme has
been the largest in the world,
and both GEC and Babcock have won
valuable orders. GEC expect to
tender for 50 new railway
locomotives for South Africa,
worth about £25 million, and
success could lead to orders for
1200 locomotives, worth about
£1,000 million, with customers in
other countries too.

Information technology, hospital equipment, low-cost housing
and water distribution are all sectors with significant
potential for development in South Africa and opportunities
for British companies.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 6

SOUTH AFRICA'S RELATIONS WITH ITS NEIGHBOURS

POINTS TO MAKE

General

1. Welcome recent developments (Lusaka Agreement on South African withdrawal from Angola, Nkomati Accord between South Africa and Mozambique). Have long worked for peaceful resolution of the region's problems and have encouraged your neighbours to talk directly to you.
2. Long term stability in the region will be influenced by the progress of change in all countries, notably South Africa itself. It is very much in both our interests. Instability provides opportunities for Soviet involvement.
3. Britain and SA have common interest in rolling back communist influence. We have made our contribution to this through aid to the region, exercise of political influence (for example in Lesotho and Zimbabwe) and development of links with Mozambique and Angola.
4. Understand your concern about the ANC. Have condemned



cross-border violence, from whatever source.

5. Mozambique and Angola in particular present great opportunities for West. Essential that we take them.

Zimbabwe

6. We have stood by Mugabe despite the obvious difficulties. In long-term Western interests to ensure that he and his colleagues remain resistant to Russian influence.

7. Zimbabwe faces serious internal problems (drought, dissidents). Recent regional developments have left Mugabe feeling isolated and vulnerable.

8. Mugabe deeply suspicious of South African intentions. He needs to be given the confidence to take step towards better relationship with SA. Believe he would welcome this provided it can be managed in a low-key way. Dramatic signing ceremonies are not for him.

9. Aware you have been helpful to Zimbabwe (eg over transportation for maize shipments). Now good psychological moment for a follow-up gesture. Cessation of anti-Zimbabwe government propaganda on 'Radio Truth' broadcasts would be seen by Zimbabweans as a clear sign of goodwill.

10. We will go on encouraging Zimbabwe to be responsive

and not to refuse all Ministerial contact, even between technical Ministers, eg of Transport.

Nkomati Accord between South Africa and Mozambique

11. Test case. Wide implications. Must be seen by Africans to bring benefits to Mozambique, and not as one-sided agreement in South Africa's advantage.

12. Britain's support for agreement clear. We will contribute where we can to make it work. But the principal role is yours.

13. Know that Mozambique concerned about RENAMO. Any evidence of continued South African support would cut ground from under Machel's feet.

Other Countries

14. We support positive progress in your relations with neighbours. It is not to be expected that all of them will want to commit themselves in the same way as Mozambique. Nkomati pattern may not be appropriate form of agreement in all cases. Concerned that undue pressures should not be put on countries like Botswana and Lesotho.

15. President Masire recently assured me of his wish for correct relations with your government. But undue pressure on Botswana could threaten Masire's position and the stability of an exemplary African democracy.

VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 6

SOUTH AFRICA'S RELATIONS WITH ITS NEIGHBOURS

BACKGROUND

General

1. South Africa a regional superpower. Feels isolated and threatened. It believes it faces a communist threat in which the African National Congress (ANC) operating from neighbouring states, is the Soviet Union's chosen instrument to bring down white rule in South Africa. South Africa's regional policy is therefore based on the need to contain/eliminate ANC operations, to push back communist influence, and to assert South African dominance in Southern Africa. A further, sequential objective is to enable white South Africa to manage an appropriate process of reform with the least possible external interference.

2. South African anxiety to protect itself increased sharply with the fall of the Portuguese colonial regimes (Angola 1974, Mozambique 1975). Under Prime Minister Vorster South Africa sought a 'constellation of states' friendly to/dominated by South Africa. Zimbabwe's independence and the advent of Mugabe to power shook South Africa badly. It strengthened the hand of those in the South African establishment - particularly the military - who favoured an



aggressive policy designed to secure South Africa's goals through military and economic pressures rather than through negotiations. 'Destabilisation' characterised South African policy from 1981 to 1983 (economic pressures, overt military raids eg Maseru 1982, Maputo 1983, covert acts of sabotage, covert support for armed dissident groups in Zimbabwe, Lesotho and especially in Mozambique). Met with international condemnation but confirmed South Africa's military as well as economic supremacy in the region. Recently, South Africa has put down the stick for the carrot, albeit from a position of great strength. Negotiations with Angola (Lusaka agreement February 1984 on withdrawal of South African forces from Angola), Mozambique (Nkomati Accord March 1984 - non-aggression pact), dialogue with most other countries in region. Prime South African requirement is formal non-aggression arrangements that will deny ANC facilities in neighbouring countries.

Britain's Attitude

3. We have repeatedly condemned violence from whatever quarter and called for relations between States based on non-violence, non-interference in internal affairs and respect for borders. Intervened several times to urge restraint on South Africa, publicly condemned Maseru and Maputo military raids. Believe South African policies based on a serious misconception of Soviet policy in Southern Africa (see separate brief). South African aggressive



tactics most likely to engender fear and hatred in neighbours' leadership. Moreover, contrary to South Africa's own interests in the longer term by generating instability which creates opportunities for the expansion of Soviet influence and by causing lasting damage to South Africa's relations with major Western countries.

4. We have encouraged South Africa to negotiate, urged neighbours to accept that dialogue involves no sacrifice of principle; have ourselves sought better relations with Mozambique and Angola, and tried to induce Mugabe to show more flexibility.

5. South Africans believe their tough stance has paid off, at least in the short term. But it is likely that a number of factors have played a role in bringing about recent agreements: Western (particularly American, Portuguese and British) approaches to Angola and Mozambique; economic disarray in Mozambique following the abject failure of socialist policies; unwillingness or inability of Soviet and other communist countries to provide economic assistance; the pragmatism of African nationalist leaders in spite of marxist influence; and South African concern over future relations with Western countries, especially the United States.

Nkomati Accord

6. On 16 March President Machel and Mr P W Botha signed the Nkomati Accord. Its main point is that neither country will serve as a base for acts of violence against the other, or use the territory of a third state for this purpose. A joint security commission has been set up to supervise implementation. This has met three times to date.

7. The accord represented a difficult decision for Machel. He knew it would not be popular with other African countries, particularly because of the suppression of the ANC to which he had had to agree. But the real test for him lies in the implementation of the accord. Already there are signs that Mozambicans are unhappy over certain features. Large scale operations by the Mozambican resistance movement, RENAMO, in reaction to the accord were predictable, but increase in incidents and severity of RENAMO actions have clearly worried Machel. Although Mozambicans realised that it could take two years to bring RENAMO under control because of arms caches put in place before signature, they had not expected it to carry on more or less as before. They suspect that South Africa continues to give RENAMO support and have taken up specific complaints with South Africans (eg unauthorized flights into Mozambique, guerillas permitted to travel to South Africa, training camps giving assistance to RENAMO). Mozambicans have suggested that RENAMO's arms could fall into



ANC hands and be used against South Africa itself. Machel has now asked (interview with HM Ambassador on 17 May) that we should put pressure on Botha to implement spirit as well as letter of Nkomati.

8. South Africa and Mozambique also developing economic relations. Trilateral agreement (Portugal, South Africa, Mozambique) on Cabora Bassa Hydro Electric Plant signed on 2 May. Provision for joint South African and Mozambican protection of transmission lines against sabotage attacks. Committees set up to discuss economic affairs and tourism.

Zimbabwe

9. Both countries remain deeply suspicious of each other. But the Zimbabweans feel left out of current regional negotiations and are aware of their increased vulnerability to South African pressure in Matabeleland and over drought relief (they are dependent on South Africa for transportation of maize imports). The South Africans may be looking for improvement in relations with Zimbabwe and have apparently reduced their encouragement of subversive activities for the time being. Have also been helpful over maize imports. Mr Pik Botha told SA parliament recently that he wanted to see an improvement in relations ('already normal, realistic, correct') with Zimbabwe. South Africans should feel satisfied that Zimbabwean authorities continue to inhibit ANC



operations from Zimbabwean territory. Also recognise that any probable successor to Mugabe is likely to be more difficult to deal with. May have concluded that now is the time to use carrot rather than stick.

10. A number of Zimbabwean Ministers (though perhaps not Mugabe) may be disposed to review the question of SA/Zimbabwe ministerial contact, at least on technical matters. South Africans attach importance to this as a sign of political commitment to better relations.

Other Countries

11. The Front Line States understand the pressures Mozambique has been under, but are deeply mistrustful of South African intentions and suspicious that Nkomati is a one sided agreement. They fear similar pressures will be exerted to secure further bilateral agreements. One already exists with Swaziland (since 1982); Lesotho and Botswana (President Masire raised this with PM on 14 May) under pressure to sign.

12. Of South Africa's neighbours only Mozambique and Lesotho have in past given ANC regular facilities to mount military operations against South Africa from their territory. Botswana, Swaziland, and Zimbabwe have all taken a restrictive attitude to ANC presence and have pursued pragmatic, workmanlike, if minimalist, relations with South



Africa. They pose no threat to South Africa other than
through their publicly stated opposition to apartheid.

VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 7

NAMIBIA/ANGOLA

POINTS TO MAKE

General

1. Early settlement in all our interests. Will improve South Africa's relations with the West and reduce opportunities for Russians to exert influence in area, eg in Angola. Further delay will only perpetuate South Africa's isolation, make it difficult for Western countries to help you and offer scope for Soviet mischief-making. You can be sure that the Russians do not want an agreement.

SWAPO Government in Windhoek?

2. I certainly do not want a communist government in Namibia. But if SWAPO form the government they are likely, in practice, to be more pragmatic than might be expected in theory. I have no illusions about Soviet determination to extend their influence in the area whenever they can - and they certainly have links with SWAPO. But a SWAPO Government would be constrained by Namibia's massive dependence on South Africa. SWAPO recognise that and the Nkomati agreement



should encourage them to take a realistic view of what can be achieved by adopting a positive attitude towards their powerful neighbour.

Cubans

3. Americans determined to get deal on Cubans. We share this goal, even if we do not consider it to be a legitimate pre-condition for Namibian independence. How important is Cuban withdrawal to you? Are there any circumstances in which you could contemplate the independence of Namibia without it?

Disengagement

4. We fully support present process. Disengagement a courageous and correct decision. Dos Santos has also taken a risk. His courage in controlling SWAPO has to be acknowledged. But we cannot expect him to maintain permanent curbs on SWAPO. Need to build quickly on disengagement. Difficult time ahead. We will do all we can to help.

UN Plan

5. SCR 435 remains only plan for Namibian independence which guarantees international recognition. In our view it is unlikely that any alternative would get FLS/SWAPO support, let alone more general approval. Any settlement that all the



parties, including SWAPO, could subscribe to would be all right by us provided it brings a durable solution of the conflict.

UNITA

6. We understand the significance of UNITA. But the irony is that the more successful they are the less likely it is that the Angolan government will agree to Cuban withdrawal.

MPLA/UNITA - Chances of reconciliation

7. UNITA posing increasingly serious military and economic threat. Determined to discourage expatriates from working in Angola and thus stem flow of foreign exchange to Government. Continuing determined push to force MPLA to negotiating table.

8. Outright military victory by either side unlikely. Russians unlikely to let MPLA government sink below a certain level and will be counselling Dos Santos against making concessions.

9. Difficult to judge how far UNITA can exert increasing military pressure without pushing MPLA into a corner and making reconciliation more difficult. Moderates in MPLA interested in reconciliation need first to demonstrate returns for policy of accommodation with South Africa. They



will need to demonstrate that you are serious about reaching a regional settlement. This suggests reconciliation more likely to follow than open way, to implementation of the Namibia agreement. Implications for timing of Cuban withdrawal.

10. Unrealistic to propose UNITA/MPLA reconciliation as pre-condition for Namibia settlement. Would provoke international outcry. Simply increase Soviet opportunities and, confirm worst fears of many countries that South Africa is continuing to play for time.



VISIT OF THE SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 7

NAMIBIA/ANGOLA

BACKGROUND

A. BRITISH INTEREST

1 Our objectives are:

(i) to defuse the Namibia problem as a source of tension and Russian meddling in the region;

(ii) to relieve constant pressure on us to take punitive action against South Africa.

Successive British governments have invested much diplomatic effort in achieving these objectives, mainly through our participation in the Contact Group. We have no interest whatsoever in helping to put SWAPO into power. But an internationally accepted settlement in Namibia - even under a SWAPO government - is preferable to having Namibia remain a source of international tension that provides opportunities for the extension of Soviet influence and endangers our interests in South Africa.



2. The South African presence in Namibia is one justification for continued presence in Angola of 20,000-30,000 Cuban troops. An internationally recognised and enduring settlement in Namibia would help to create conditions that would permit Cuban withdrawal. But sooner rather than later the patience of the international community is going to snap. If that happens the chances of achieving a negotiated settlement will rapidly disappear.

The Contact Group

3. Contact Group involvement in the search for a settlement provides a vehicle for influencing attitudes of all the parties, while avoiding too prominent a role for the United Kingdom in a problem which obviously affects our interests but for which we do not have direct responsibility. Although the French have said they will not participate for the present, their officials occasionally join in informal meetings of the Five in capitals. We believe the French would participate fully once again if there were a clear role for the Five.

UN SCR 435

4. The Western Contact Group settlement proposal in 1978 was accepted by SWAPO and the South African Government and endorsed by the UN Security Council in SCR 435. To this date no party has repudiated the resolution, although South Africa



has at various times raised obstacles to delay implementation. It would be difficult, though not impossible, for any new plan to command the confidence of all of the parties and achieve the necessary measure of international approval.

Alternatives to SCR 435?

5. The South Africans do not like SCR 435 since they see it as an instrument to put SWAPO in power. (They also dislike the UN role). They still hanker after alternatives that might avoid this and at the same time attract international acceptability. There is no good reason for us to be doctrinaire about SCR 435 if a realistic alternative emerges. Our interest is in early independence for Namibia in a form that is acceptable to the international community; if some alternative route to a settlement were acceptable to SWAPO and to most of the Front Line States as well as to South Africa and the internal Namibian parties, there would be no good reason for us to oppose it. The South Africans may believe that SWAPO can be induced to accept a share of early power rather than waiting longer against a background of declining military effectiveness for the eventual exercise of power on its own. But so far SWAPO have shown no readiness to compromise on SCR 435 and any alternative cannot be imposed by the South Africans. It still seems unlikely to succeed. We and our Western partners have agreed to go on supporting SCR 435 unless and until the parties themselves



are able to reach agreement on something else. It would certainly be a mistake for the Contact Group to take the lead in canvassing a non-SCR 435 settlement if it means leading the way down a blind alley.

B. SOUTH AFRICAN ATTITUDE

6. On the face of it Mr P W Botha is personally committed to a Namibia settlement. He said in Parliament on 31 January that South Africa would not carry the economic and military burden of Namibia indefinitely. South Africa's interests must come first, those of Namibia second. He probably feels more confident following referendum success and Nkomati accord that he could cope with prospect of SWAPO in power. But this does not mean that he is committed to any particular timing for going through with a settlement.

7. Economic and military pressures, and public disillusionment with war, may be factors in Mr Botha's calculations, but their importance should not be exaggerated. In any case the government will take care to keep their options open, seeking either SCR 435 settlement along with agreement on Cuban withdrawal, or a settlement outside the UN Plan that would restrict SWAPO's exercise of power but not secure Cuban withdrawal. Foreign Minister Pik Botha proposed in March a round-table conference with SWAPO, Namibian internal parties, Angolan government and UNITA to discuss problems of Namibia/Angola on regional basis. This was



immediately rejected by SWAPO and the Angolans. But could resurface.

C. RECENT DEVELOPMENTS

8. Progress towards implementation of SCR 435 still depends on agreement on Cuban withdrawal from Angola. US active in seeking this but prospects uncertain. FLS (especially Kaunda) anxious for early progress. South Africans keen to promote internal Namibian parties and possibly a settlement without UN participation.

Disengagement

9. US/Angola/SAG talks in Lusaka on 16 February sealed agreement on SA withdrawal from Southern Angola. Parties described their meeting as "important and constructive step towards peaceful resolution of the problems of the region, including the question of SCR 435". Joint Monitoring Commission (JMC) established to monitor SADF disengagement and ensure SWAPO did not take advantage of SA withdrawal to increase infiltration into Namibia. Despite earlier SAG allegations of SWAPO movement (and Angolan accusations of UNITA movement) in disengagement zone, JMC functioning quite well and should reach Namibian border by end of May. SAG/Angola have cooperated well. SADF and Angolan soldiers have fought together in JMC against renegade SWAPO. But continued SWAPO cooperation cannot be taken for granted. US



and SAG concerned that JMC mechanism remain in being after disengagement complete; Angolan attitude uncertain.

Attitudes of Front Line States

10. Leaders of Front Line States (+ SWAPO and ANC) met in Arusha (Tanzania) on 28-29 April. Communiqué called for rapid implementation of SCR 435 and expressed usual support for SWAPO. But implicit support for disengagement and stress on SWAPO's campaign as an 'internal struggle' suggested concern that present negotiating process should continue.

11. President Kaunda has played important role recently in search for a settlement. Helpful in setting up Lusaka meeting in February and mainly responsible for MPC/SWAPO meeting in May. Has called for summit meeting between FLS and South Africa. But has also described Nkomati Accord as 'a setback for all of us' and has accused West of moving away from commitment to SCR 435. We believe he remains committed to SCR 435, despite South African claims to the contrary. Other FLS views important: President Nyerere distrustful but so far acquiescent. President Machel more enthusiastic (understandably). Mr Mugabe aloof.

12. South Africans recognise they would need African support for any alternative settlement in order to achieve international respectability. Thus stress on (supposed) support of Kaunda for alternative paths. But no sign that



FLS or SWAPO seriously willing to consider deal on South African terms.

SWAPO/MPC Meeting in Lusaka: 11-13 May

13. President Kaunda arranged conference in Lusaka on 11-13 May between SWAPO and Namibian Internal Parties of Multi-Party Conference (MPC). South Africa's Administrator General for the territory was co-Chairman. Meeting did not reach any agreement on way forward and parties did not commit themselves to further meeting.

14. Agreement was reported to have been fairly close on a declaration that would have called for immediate ceasefire and implementation of SCR 435. But MPC parties would not agree to unequivocal rejection of Cuban linkage and also complained about UN partiality for SWAPO. SWAPO for their part were reluctant to commit themselves to immediate ceasefire without guarantee of immediate implementation of UN Plan. Pik Botha later alleged that SWAPO were dissuaded by Soviet diplomats in Lusaka from signifying their agreement. Whether this is true or not, the MPC, who were divided, were also unwilling to sign.

15. The South Africans have derived much satisfaction from the equal status the Conference appeared to confer on SWAPO and the MPC. It may be that they will now seek an interim coalition government, including SWAPO and the MPC, to



administer the country until a settlement. But there is no sign as yet that SWAPO are willing to cooperate.

D. ANGOLA

US/Angola Dialogue (Not for Use)

16. Prospect of Cuban withdrawal from Angola necessary to retain US involvement in search for settlement; at present satisfactory arrangement still necessary to secure SAG agreement to implementation. US requirement is for prior agreement on withdrawal of troops, not complete withdrawal in advance of implementation. They have suggested to the Angolans illustrative timetables for phased and partial withdrawal. We do not know exactly what arrangement would meet the South African Government's concerns, but the Americans would try hard to bring them along if the Angolans offered a reasonable 'package'.

17. The Angolans agreed at Cape Verde in January that they would discuss bilaterally with the Americans the broader questions of Cuban withdrawal, US recognition and a Namibia settlement as the disengagement of SADF forces from Southern Angola proceeded. They now say they will tackle this 'second agenda' as soon as disengagement is complete. Our Ambassador in Luanda has played a major role as go-between in the US/Angola dialogue. (The Americans met an Angolan delegation in Lusaka on 28 May).



Angolan Attitude

18. Angolans have made serious attempt to control SWAPO and are committed to disengagement arrangements. There may be Angolan interest in prolonged military stand-off. But without progress towards Namibia settlement this would be inherently unstable. SWAPO unlikely to cooperate indefinitely and Angolan army (FAPLA) could not easily control SWAPO over a long period. We still believe forthcoming Angolan attitude on Cubans necessary to keep momentum going.

19. Dos Santos has laid down four conditions for Cuban withdrawal: South African withdrawal from Angola, end to South African attacks, end to SA military/logistic support for UNITA, implementation of SCR 435. These conditions should be compatible with American and South African desiderata provided the package is carefully assembled and presented. But continued UNITA successes complicate matters.

Prospects for MPLA/UNITA Reconciliation

20. Angola still virtually on war footing. Marked increase in recent months in level and range of UNITA's military capabilities. Central Government cannot provide effective administration outside the towns in about one-third of country. Serious economic dislocation.



21. Moscow appears determined to keep MPLA in power and to pay the (so far modest) price. Soviet Union has progressively expanded military supplies in quantity and sophistication to meet threats to Angolan Government. The result is military and political stalemate.

22. UNITA's declared aim is to force MPLA to negotiate, in the expectation that Savimbi could eventually take over a government of national unity. MPLA as a whole continue to resist this strongly at present. Those MPLA moderates who would like to negotiate would have their hand strengthened if they could demonstrate that South Africa is serious about reaching a regional settlement. This suggests that reconciliation with UNITA is more likely to follow implementation of the Namibia agreement than to precede it.

UNITA/UK

23. We have had contact with UNITA at official level in order to secure the release of the Britons held by UNITA. They were released on 12 May to our envoy, Sir J Leahy, who went to UNITA's base. The South African Defence Force provided a helicopter for the final leg of the journey into the base.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 8

SOUTH AFRICA INTERNAL

POINTS TO MAKE

South Africa's future

1. Do not seek to prescribe solutions. For South Africans to decide. Recognise complexity of situation and no simple solutions. Very much in favour of a peaceful and evolutionary process of change. Want to hear what you envisage in next few years and longer run.
2. Specifically how do you see progress being made towards political and civil rights for blacks on basis agreed by them? Tangible evidence of advance in this domain would be the most convincing answer to South Africa's critics in other countries. Progress made externally (Nkomati) points up need to make parallel progress internally.
3. I believe economic growth will assist black advancement; we want to help in this. But permanent stability requires black acquiescence in the system. See the problem of how to offer blacks an alternative they can accept without creating serious white back lash.



4. Homelands. Must tell you frankly that seen from this distance an imposed homelands system never likely to be acceptable to majority of blacks. Understand tribal diversity but no need to accentuate it. In fact this could be positively harmful to prospects of gaining widespread acceptance by blacks of any new constitutional arrangements.

Forced Movement of People

5. Feelings here very strong on such matters. Visual impact terrible. Not a question of double standards. Separation of races by forced movement of population, uprooting of communities, leave nasty taste in the mouth. Cuts ground from under would-be friends of South Africa internationally.

Particular concern about resettlement plans announced for Cape Town region.

Political Prisoners

6. Understand sensitive issue but progress towards freeing Mandela and others like him would be widely welcomed as evidence of Government's desire for reconciliation in South Africa. Glad you have felt able to release Mr Kitson: also Toivo Ja Toivo and other Namibian detainees.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 8

SOUTH AFRICA INTERNAL

BACKGROUND

1. Mr Botha is sharply critical of what he perceives as the failure of Britain (and the West generally) to support his 'reformist' policies, in particular the introduction of the new constitution (see para 4 below). He believes that we criticise South African policies from afar and in ignorance, failing to recognise the complexity of their problems and adopting double standards. He urges the need for South Africa to be given time, stressing that this is in the interests of everyone. He is conscious of the need for change, but anxious that this should be 'managed'. Like nearly all whites he is opposed to any reform that would give black majority rule over the white minority.

2. Despite their irritation the South Africans would like to have Britain's support and approbation above that of anyone else (including the Americans). We should underline our long experience of African affairs, our recognition of the complexities of South Africa's problems, our commitment to a constructive approach towards them and belief that it is for the people of South Africa as a whole to choose their future.



At the same time Mr Botha should be under no misapprehension of the strength of feeling here across the political spectrum, about South Africa's racial policies.

Internal Developments

3. In recent months internal matters have taken second place to South Africa's initiatives vis-à-vis its neighbours. Internally the government, buoyed up by its victory in the constitutional referendum and by its successes abroad, is riding high with the majority of the white electorate - apart that is from the increasingly vociferous right-wing extremists - and presently faces no significant threat from the politically and physically divided blacks. There is progress in dismantling petty apartheid (the term 'apartheid' is no longer used in official circles in South Africa but otherwise remains in wide circulation) but the fundamentals of the system (homelands; group areas; exclusion of Africans from national politics) remain, and in the view of many, especially blacks, it is more solidly entrenched than ever. The key to further reform lies in the ability of the majority of the white electorate to recognise that far-reaching change, steady but controlled, is essential in their own long-term self-interests. There is little evidence that this is yet generally accepted.

New Constitution

4. In November 1983, constitutional changes, of which Mr Botha was a principal architect, were decisively approved by the white electorate. These provide for a powerful executive president (certain to be Mr Botha) and for a tri-cameral parliament (separate chambers for coloureds, Indians, and whites; size based on population, whites dominant). The African majority is excluded. Elections for the Coloured and Indian chambers will be in August; the new arrangements will be implemented in September 1984. They have provoked controversy in all communities and black leaders in South Africa have been almost unanimous in their criticism. The new constitution was also widely condemned abroad for entrenching apartheid and white supremacy, but we (along with the Americans and Germans) refrained from doing so (we ran into trouble at New Delhi over this). We judged it preferable to withhold substantive comment until we could see how the proposals worked in practice and what was to follow for the blacks. In a public statement following the referendum result we took note of the South African Prime Minister's comment that the referendum result was a 'vote in favour of evolutionary reform' adding that we had made clear on a number of occasions that we were looking for progress towards constitutional arrangements acceptable to the people of South Africa as a whole and naturally hoped that the outcome of the referendum would facilitate the process of change that we wanted to see. It is by no means certain that the new dispensation will satisfy the majority of the Coloureds and Indians (the time allowed for registration of



voters has had to be extended). Even if it does, they will remain very much subordinate to the decision-making powers of the Whites. In general, however, the new arrangements have introduced some fluidity into the situation. Should this result in the repeal of some objectionable legislation, in particular the Mixed Marriages and Immorality Acts as is possible, it would be a distinct advance.

Blacks

5. The Black (African) population, now 23 million, is projected to exceed 30 million by 2000 and the White population, now 4.6m, 5.5m. The South African government seems uncertain what to do to meet rising black aspirations. They still cling, if less confidently than hitherto, to the homelands system (paras 6-8) as offering the appropriate outlet for black political expression. But at the end of last year they established a cabinet committee to look in particular at the question of the political future of non-homeland ('urban') blacks. It is not clear what progress is has made. The government seem disposed to give limited 'concessions' to the 'urban' blacks eg giving additional powers to homeland administrations to act for blacks in the urban areas or the establishing of black 'city' states, while imposing rigorous controls to minimise the flow of blacks from the rural to urban areas, except as migrant workers.



Homelands

6. The South African Government argue that their society does not consist of a white minority and a black majority but a white 'nation' (linked with Asians and Coloureds) and ten separate black 'nations', each with its own homeland. Their aim is to make all the black 'nations' 'independent' eventually in a confederation with white South Africa. Four homelands (Transkei, Bophuthatswana, Venda and Ciskei) are now 'independent'.

7. The homelands system is fundamental to apartheid. It is open to criticism on many counts:

a) despite various superficial forms of consultation of the peoples concerned prior to 'independence', the blacks have never been consulted about the system as a whole, doubtless because it was realised that if they were they would reject it;

b) it is grossly unjust in the division of land, blacks are allocated 13% of South Africa; whites virtually all the rest;

c) it causes serious social problems. Breadwinners are generally obliged to work elsewhere; families are divided, the homelands left to the very young, the old and mothers;

d) it is unworkable. Homelands, which are often fragmented



into many pockets, are already in many areas overpopulated and quite unable to support existing population levels. With the exception of Bophuthatswana they are not viable economically and are heavily dependent on the remittances of wages from migrant workers. The situation will get steadily worse with the rapid population growth.

e) on 'independence' the blacks deemed to belong to the tribal grouping in question lose their South African nationality;

f) the South African Government have exploited and exaggerated black ethnic differences, fearful of black unity.

Forced Removals

8. An independent study in South Africa last year suggested that nearly 3½ million people had been 'relocated' in South Africa since 1960 many to the homelands, and that up to 2 million more remained under threat of removal. This is one of the most unpleasant aspects of apartheid. The South African Government have put the number of removals at about 2 million. They have admitted that there has been 'an element of force in some removals' but claim that 'relocation' is now 'development-orientated' and that the Government are 'trying not to have to move people by force as far as this is humanly possible'. The removals mostly involve Africans, though some Indians and Coloureds have also been affected. There are



numerous categories of people who have been subject to removal eg those living in 'black spots' (black areas surrounded by white ones), surplus farm workers, 'legal' and 'illegal' residents of urban squatter camps and other townships. Whilst occasionally better services may be available at the new centres than those from which the people have come, more generally this has not been the case. Many have experienced great hardship and communities have been broken up. Intimidation during the actual process of removal is commonplace.

Mogopa

9. The most recent example to attract international attention, in 1983/4, was at Mogopa, an area of farmland in the Transvaal, purchased by tribal leaders in 1906 with a population of about 3,000. Residents were given notice of removal in 1964. The Government did not seek to put this into effect until 1980, at which time pressure was increased on the community to move. Schools were demolished and water pumps removed. The villagers took legal action but when this failed the village was declared an 'operational area' and sealed off by the police. The villagers were obliged to leave. There is little doubt that coercion was used. South African Government suggestions that the land to which the Mogopa residents were moved was more fertile is widely disputed. We have publicly voiced our opposition to removals



on several occasions, most recently in the context of Mogopa, where we were associated with an EC demarche to the South African authorities in December 1983.

Crossroads

10. Events in Crossroads near Cape Town are also a cause of much international concern. This shanty town settlement has been subject to frequent and brutal raids by the authorities over several years. Shacks are destroyed; families and possessions left to the elements; people 'endorsed out' to 'their' homelands. The government plan eventually to move virtually all blacks (as distinct from Coloureds) in the Western Cape to a new township, Khayelitsha, being established some 15 miles from Cape Town. Development of existing black areas has been frozen.

Human Rights

11. The political and personal freedoms, of the non-white population remain severely curtailed. Those who offend against the system or are seen as a threat to it face severe punishment. Arbitrary acts by the police remain relatively commonplace. However the number of people subjected to banning orders and held in detention at any one time without charge has sharply reduced in the last few years (though there has been a significant increase in short term detentions).



Political Prisoners

12. The imprisonment of people for political offences (often but not always associated with terrorism) attracts widespread international condemnation. There is particular concern about the ANC leader, Nelson Mandela jailed for life in 1964 for campaigning to overthrow the Government, and his wife, Winnie Mandela, who has been subject to successive banning orders. We have supported calls for Mandela's release. His standing amongst blacks in South Africa is unrivalled.

13. Two political prisoners with British connections were released recently, David Rabkin (UK national) was released in December 1983, 3 years early, and David Kitson (dual UK/SA national) was released this month, 6 months before the end of a 20 year sentence.



VISIT OF THE SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 9

SOVIET FOREIGN POLICY (INCLUDING PARTICULARLY SOVIET POLICY
IN AFRICA)

POINTS TO MAKE

East/West: Overall Picture

1. Tone from Moscow now consistently hostile to US.
Strained super-power relations attributed by Russians to INF deployment and to alleged anti-Sovietism of Reagan administration. Onus placed on US to make first move.
2. Soviet aim to worry Western (especially European) opinion; encourage fissures in Alliance; put pressure on US to make concessions in arms talks. Little likelihood of Russians making early change in this position.
3. In longer term Soviet leadership needs more substantial super-power relationship and negotiations on arms control. But for the present these concerns are subordinated to the unrestrained urge to spite Reagan, with little apparent concern for consequences.
4. In face of this, important that West should react with



moderation and patience. We are ensuring close coordination in NATO; Allies recognise need for cohesive long term policy. We also recognise the importance of talking to the Russians and East Europeans. Andreotti in Moscow in April, Genscher 21-23 May, probably Mitterrand in summer. UK playing full part: First Deputy Foreign Minister Kornienko here in March; Mr Channon at Anglo/Soviet Joint Commission (20-22 May); Sir G Howe to Moscow in July.

Soviet Withdrawal from Olympics (If raised)

5. Much regret what now seems final decision by Soviet National Olympics Committee not to participate. Of a piece with their general attitude towards US.

Africa

6. Soviet policy remains one of involvement, but with careful assessment of economic and political cost. Soviet inability to offer substantial economic relationship major limiting factor.

7. Tide appears to be turning against Soviet interests in Southern Africa. They see agreements with South Africa as major setback to their long term interests, but limited in what they can do to maintain their influence.



8. Caught in dilemma by recent Angola/South Africa and Mozambique/South Africa agreements. Grudgingly recognise reasons, but do not wish to see any diminution of Soviet influence. Trying to cast doubt on South African bona fides and therefore whether agreements offer real security guarantees, and have betrayed concern that political orientation of Angola and Mozambique will change. Soviet Union has so far avoided direct criticism of Angola and Mozambique. Probably less alarmed by Nkomati agreement than by prospect of premature Cuban troop withdrawals from Angola. Your view of Soviet options?

9. Some strains in Soviet/Ethiopian relations. Mengistu appears to have obtained some additional promises of economic assistance during recent visit to Moscow; at same time evidence that Russians not prepared to meet larger part of Ethiopia's requests. But little prospect that Mengistu's ties with Moscow will weaken significantly.

10. Russians have shown some political interest in Seychelles. Soviet naval visits in past two years signal of support for President René. But we are playing part in efforts to offset this. RN port visit in January highly successful. Also recent visits by US and (regularly) by French vessels. Important demonstration of Western interest.

Soviet Aid

11. Soviet aid record throughout Africa very poor. We lose no opportunity to draw attention to this.

Other Aspects of Soviet External Policies

12. No evidence of any readiness to withdraw from Afghanistan (on contrary Russians have launched major offensive and resorted to high level bombing against resistance stronghold in Panjshir valley). Have persisted in efforts to 'normalise' relations with China, but without any expectation of dramatic break; but recent coolness (primarily over Sino/Vietnamese border clashes and Reagan's visit) signalled by postponement of visit to Peking by First Deputy Prime Minister Arkhipov (would have been highest level of exchange for 15 years).



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 9

SOVIET FOREIGN POLICY (INCLUDING PARTICULARLY SOVIET POLICY
IN AFRICA)

BACKGROUND

East/West: Overall Picture

1. Despite earlier hints of flexibility, Soviet leadership now appear to have decided to sit 1984 out on key issues of nuclear arms control and relations with US. Claim it is impossible to do serious business with current US Administration. Unwilling to 'help' Reagan in election year. Action over Los Angeles Olympics consistent with this. Political nature of division illustrated by parallel action by other Warsaw Pact countries.
2. Soviet approach to Europeans more careful. But continued emphasis on wedge-driving between US and rest of Alliance (eg during Andreotti's visit to Moscow on 22-24 April). Russians are also keeping pressure on INF-base countries; recent criticism of 'revanchism' in FRG and announcement of additional missile deployments in East Germany prelude to Genscher's visit (20-22 May).

Africa

3. Soviet interests and relations focussed on few client states (Angola, Ethiopia, and Mozambique) dependent on Soviet arms. Social and economic problems faced by region require aid and economic assistance that Soviet Union is not prepared or able to supply. (Andropov made clear in June 1983 Plenum speech that countries of 'socialist orientation' would in the main have to be economically self-sufficient). No evidence that Chernenko intends different approach to Africa, although recent developments in Southern Africa (see below) will have necessitated reappraisal by Soviet Union of its policies towards region.

Southern Africa

4. Less important to Soviet interests than (for instance) Middle East. But Russians have clear stakes in Angola and to lesser extent in Mozambique.

5. In Angola, Soviet Union has progressively expanded military supplies in quantity and sophistication to meet mounting threat to MPLA. Presence of Cuban troops useful means of consolidating Soviet influence, but Russians would not wish to become directly involved (would not send own troops).



6. Consequently Russians in dilemma:

a) main priority to keep MPLA government dependent on close links with both Soviet Union and Cuban;

b) unlikely to favour MPLA/UNITA reconciliation;

c) but cannot afford to be seen opposing a settlement which MPLA government wants and may realise that MPLA will have to make some compromise if it is to survive.

7. Have therefore shown discomfort at latest developments. Reluctantly recognised reasons for Angolan/South African agreement, but have tried to cast doubt on South African and US motives and intentions.

8. Approach to Namibia equally conditional. Would favour independence under SWAPO, but in no hurry as they would not wish to see settlement which excluded Soviet influence.

Mozambique

9. Soviet Union has shown similar reservations about Nkomati Accord. As authoritative Soviet press comment made clear, Russians acknowledge reasons for Accord, but are trying to stimulate doubt (in Mozambique and in other Front Line States) as to whether it will be in practice in Mozambique's political or security interests.



Ethiopia

10. Continuing substantial Soviet presence in Ethiopia. Reportedly 1,700 Russian military advisers and about 11,000 Cuban troops. Rumours that significant numbers of Cubans are being withdrawn, probably because of high cost of keeping them there (thought to be over \$70m pa). Mengistu in considerable debt to Soviet Union for arms (\$2-3 billion); his visit to Moscow (29-31 March) not entirely satisfactory, centred on economic issues, and may have achieved some rescheduling of Ethiopia's debt. Any difficulties likely to be played down in run-up to 10th Anniversary celebrations in September, which will also see the long-awaited creation of the Ethiopian Workers' Party.

Seychelles

11. Soviet aid and influence are growing, but Seychelles dependent economically on West. Soviet Union accounts for less than 1% of Seychelles trade. Fears of internal dissent and external attack, aggravated by previous attempts to overthrow his government, have caused René to rely on Tanzanian and North Korean 'military instructors' and carefully timed visits by Soviet vessels particularly during René's absences abroad. But René has maintained diversified approach in keeping open contacts with the West as shown by French, British and US ship visits.



Soviet Aid

12. In total the recipients of Soviet aid pay more in repayments to the Soviet Union for previous loans than they receive in new disbursements. Total Soviet economic aid to sub-Saharan Africa in the 27 years 1954-81 was only \$534.5m; Western aid disbursements in 1981 alone were worth \$6,016m.

Other Aspects of Soviet External Policies

13. No change of course under Chernenko.

South African Perceptions of the Soviet threat

14. The South African Government believes that Southern Africa is accorded a high priority in Soviet foreign policy objectives and that the Soviet Union is determined to see the end of white supremacy in South Africa. We believe the South African perception of the Soviet threat in the region to be exaggerated.

15. The South African Government holds to the view that it faces a "total onslaught" from the Soviet Union and its surrogates (deemed to include the ANC). The South Africans have at least till lately seen the Marxist Governments in Angola and Mozambique as virtual prisoners and puppets of Moscow. There is some sign that this unduly rigid perception



may be beginning to evolve in the light of the approach of the United States and European Governments to leaders like President Machel of Mozambique.



VISIT OF SOUTH AFRICAN PRIME MINISTER: 2 JUNE

BRIEF NO 10

SOUTHERN AFRICA: ECONOMIC ISSUES

BACKGROUND

1. Southern Africa faces its third year of drought. This has compounded economic difficulties in many African countries arising from continuing conflicts (eg in Angola and Mozambique) and failure of economic policies. Disruption of transport links in Mozambique has affected other neighbouring countries dependent on these. Zimbabwe's recovery from UDI impeded by these factors. Although South Africans are concerned at economic disarray of region, they have helped to cause it to some extent and want to exploit it to their political advantage, since many countries depend on them for export routes (eg Botswana and Zimbabwe, and even Zambia) and for food imports. South Africa's own economy in recession, hit by low gold price, international recession, and successive years of drought. For first time in many years South Africa has had to import maize. South Africans now in a mood to take regional action to improve situation. In particular they are anxious to build on the Nkomati Accord and ensure economic assistance at appropriate levels to Mozambique.



2. Earlier this year Pik Botha urged need for major Western aid effort for Southern African countries, especially Mozambique and Angola. He called a meeting for this purpose with the Ambassadors of the Seven Economic Summit countries. He also told us that the South African Prime Minister was interested in meeting the seven Summit leaders during his European tour in order to promote same idea. Was discouraged from this, and in the preparatory discussions for the summit it was agreed that it would not be appropriate to devote special attention to one region/group of countries to the exclusion of others.

3. No doubt about economic difficulties in Southern Africa, though no worse than in Africa as a whole or third world generally. South Africans have good point on Mozambique: general Western interest in ensuring that benefits of Nkomati accord are realised, Machel's policy vindicated and communists cannot tell Machel 'we told you so'.

4. Western countries interested in assisting Southern Africa, especially Mozambique. Problem is lack of resources. Britain's bilateral aid to nine countries of Southern Africa Development Coordination Conference (Botswana, Lesotho, Swaziland, Angola, Mozambique, Zimbabwe, Zambia, Malawi and Tanzania - SADCC formed to reduce economic dependence on South Africa) in 1983-84 already totals about £85 million. British aid pledged to SADCC itself is £12m.

Mozambique

5. Most of the aid pledged to SADCC goes in fact to Mozambique (£10.2m) for improvements to transport: Limpopo Railway, Maputo Port.
6. Our bilateral aid to Mozambique will increase in 1985/86 from £3m to £6.5m. Compared with our aid to other African countries this is a large programme and it is being increased at a time when others are being cut back. Further increases are constrained by Mozambique's ability to absorb aid. The programme includes technical cooperation projects (Landrover reconditioning scheme, construction and maintenance of 200 Leyland buses), assistance with the Pemba Power Station in northern Mozambique and scholarships for 35 Mozambican students in Britain. The level of aid after 1985/86 is at present planned to be about £3m per annum. This may be increased if the 1985/86 programme succeeds.
7. Mozambique applied to the Paris Club in February 1984 for a re-scheduling of her Western debts. A task force of four principal creditors has just completed a mission to collect economic data to present to the creditor nations. Machel's application for membership of IMF/IBRD and the successor to Lomé 2 should make the Paris Club sympathetic. ECGD cover (both sections I and II) has been withdrawn pending re-scheduling discussions. This has some impact on our aid



programme.

8. Large-scale disaster relief from EC, international organisations, Britain, Italy and Scandinavia has been provided to meet the effects of recent natural disasters (drought and cyclones).

9. There is a major role for the private sector in Mozambique. Lonrho have just taken over the Polana Hotel in Maputo. Other companies may follow. South African businessmen are being encouraged by their government.



FACT SHEET

SOUTH AFRICA

DEMOGRAPHY

Population (1982) : 31.0m (Blacks 23m; Whites 4.6m;
Coloureds 2.7m; Asians 0.8m)

Distribution : Cape Province 17%; Natal 9%;
Transvaal 29%; Orange Free State
7%; Homelands 38%

Religion : Christian 74%; Hindu 2.5%;
Islam 1%; not otherwise classified
22.5%

Languages (official) : Afrikaans and English

Principal political
parties/groups : National Party (Government);
Progressive Federal Party (white
opposition); Labour Party (coloured);
Natal/Transvaal Indian Congress;
Solidarity (Indian). United Democratic
Front, Inkatha (African),
African National Congress (banned)

GEOGRAPHY

Area : 472,348 square miles (including
homelands)

Neighbours : Namibia, Botswana, Zimbabwe, Mozambique
Swaziland, Lesotho.



Gross Official reserves
 (Dec 1983) : \$3.5277 bn (inc gold at market prices)
 Budgetary deficit : R3,280m (for 1983)
 Real growth in GDP : -2.9% (1983)

[NB 1 rand = £0.47]

TRADE

Principal Exports : Gold, diamonds; mineral products; base metals; vegetable products; prepared foodstuffs
 Principal Imports : Machinery and mechanical appliances; vehicles, aircraft and vessels; chemical industry products; base metals.

<u>TRADE WITH BRITAIN</u>	:	1981	1982	1983
Exports to Britain	:	649	746	765
Imports from Britain	:	1220	1193	1109

DEFENCE

In the March 1984 Budget, defence expenditure was increased to R3755m, 21.4% above the 1983/4 level.



Rivers	: Orange, Vaal, Tugela, Great Fish, Olifants
Provinces	: Cape Province, Orange Free State, Natal, Transvaal
Homelands	: 'Independent' - Transkei, Bophuthatswana, Venda, Ciskei. Others - Gazankulu, KaNgwane, KwaNdbele, Kwazulu, Lebowa, Qwa Qwa
Capital	: Pretoria (Seat of Government)(pop 0.8m) Cape Town (seat of legislative)(pop1.2m) Bloemfontein (Seat of Judiciary)(pop0.2m)
Principal Cities	: Johannesburg (pop 4m), Durban (pop 1m) Port Elizabeth (pop 0.7m)
Principal Ports	: Cape Town, Durban

ECONOMY

Basis	: Mining (gold and diamonds)
GDP per capita	: \$2,541 (1983)
Balance of Trade (R million)	: 935.2 (1982) 4345.9 (1983)
Balance of Payments on current account (R million)	: -3704 (1981) -3037 (1982) +275 (1983)

BOTHA, THE HON PIETER WILLEM (P W) DMS

Prime Minister since September 1978.

Born Orange Free State 1916. Studied law at the University of the Orange Free State. MP for George, Cape Province since 1948, and the longest serving Member of Parliament. Deputy Minister of Interior 1958, Minister of Housing and of Community Development and Coloured Affairs 1961, Minister of Public Works 1964 (retaining also the Community Development and Coloured Affairs portfolio), Minister of Defence 1966-80. He became Cape leader of the National Party in 1966.

A hard, dour and belligerent professional Afrikaner politician. (In the Second World War he only just avoided being detained as a Nazi sympathiser). He has a reputation for a quick temper, and intolerance of criticism. He is not an intellectual; his success has been due to his total control of the National Party in the Cape, a reputation as a good administrator and the confidence of the SADF built up during 12 hawkish years as Minister of Defence. He was responsible for the South African campaign in Angola in 1976, and personally selected able young officers such as General Malan and General Viljoen for the highest appointments, and they continue to enjoy his confidence. He relies heavily on military advice. In the field of external relations he is critical of the general weakness of the West in the face of what he regards as the world-wide Marxist threat, and instinctively favours a tough independent go-it-alone policy for South Africa in association with such Southern African



BOTHA, THE HON ROELOF FREDERICK (PIK) DMS

Minister of Foreign Affairs and Information. MP for Westdene Transvaal.

Born Rustenburg 1932. BA and LLB from Pretoria University. Joined the Department of Foreign Affairs as legal adviser in 1953, where the ambition that still dominates him quickly became apparent. After a successful career in diplomacy he entered politics, being elected to Parliament in 1970 as a member for Wonderboom, Pretoria. He gave up his seat when he was appointed South African Ambassador to the UN in 1974 (and concurrently to the USA in 1975). Mr Vorster chose him as Foreign Minister while he was still Ambassador. He took up his appointment on 1 April 1977, being elected to Parliament a month later. In September 1978 he stood as a candidate in the Prime Ministerial election with the support of the Transvaal verligte group but secured a rather ignominious 22 votes in the first ballot; in the second ballot his supporters transferred their votes to Mr P W Botha and effectively secured the latter's election. Was given the additional portfolio of Information in 1980 following the 'Muldergate' affair. The most popular NP politician in the country. Since 1983, Deputy Leader of Transvaal National Party. Contender for Premiership in New Constitution.

Pik Botha is one of the few South African Ministers with charisma. He is good on television, combining robust defence



of South African interests with sincerity and occasional wit. He adopts at times an aggressive manner to avoid damaging criticism of being 'soft'. His influence is however probably on the side of reason and realism in discussions in Cabinet and the State Security Council. He has a disconcerting tendency to conduct a private conversation as if it were a public meeting and he is not a good listener. At times he allows himself - perhaps deliberately - to get carried away by his own performance and by his emotions. But just when you think he is going over the edge he switches, equally disconcertingly, to sweet reason.

His wife Helena is quiet but friendly. Two sons, two daughters.



VAN DALSEN, JOHANNES (HANS)

Director-General of the Department of Foreign Affairs and Information.

Born 1920 in Klerksdorp, Transvaal. Educated in Pietersburg and at Pretoria University (history and law). Joined Department of Foreign Affairs in 1945. Service in Elizabethville, Washington, The Hague, Rome, London (Minister from 1964 to 1969), Brussels (Ambassador from 1969 to 1971) and Paris (Ambassador from 1980 to 1981). Previous to his appointment as Ambassador in Paris he was Deputy Secretary in the Department of Foreign Affairs for eight years. He was a member of the South African delegation to the UN General Assembly in 1951, 1955 and 1961.

Brought back prematurely from Paris in order to take over from Dr Brand Fourie as Director-General of the DFAI on 1 May 1982, his wide experience made him a natural candidate to succeed Dr Fourie, but he has not seemed to be particularly close to Pik Botha and has been a weak and ineffective head of the DFAI. He is friendly and approachable and enjoyed his service in London.

His wife is a nice person, a good deal younger. Two grown-up sons.



BARNARD, DR LUKAS DANIEL (NEIL)

Director-General of the National Intelligence Service. (NIS is the current name of the Old Bureau of State Security (BOSS)).

Born Otjiwarongo, South West Africa, 1949. Entered University of Orange Free State in 1968. Appointed lecturer in 1972. Promoted to be Professor in International Relations and head of the Department of Political Science at the University of the Orange Free State in 1978, at the early age of 29. A prolific writer on subjects such as the 'total onslaught against South Africa', published in 1978 and was a member of the Commission charged with the investigation of security and legislation. He became head of the National Intelligence Service (NIS) in mid-1980 after six months grooming as deputy head.

His appointment to the top security intelligence post in the country at the early age of 30 was a great surprise and appeared to be due to his having views close to those of the Prime Minister. Rather cold, calculating and self-confident.

He is married with two sons.