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10 DOWNING STREET

THE PRIME MINISTER

14 October 1985

My dear Bishop,

Thank you for your letter of 26 September about the Commonwealth Heads of Government Meeting. I am grateful to you for writing to report on your recent discussions with various Commonwealth leaders.

You will know that the package of measures recently adopted by the European Community Member States included both positive measures (such as assistance to the black community, to anti-apartheid groups in South Africa and to South Africa's neighbours) and also several restrictive measures, many of which the United Kingdom had already been applying for some considerable time. These measures, taken together, represent a clear political signal to the South African Government, but one which avoids further destabilisation of the South African economy and harm to those in South Africa whom we are seeking to help.

Our attitude to economic sanctions remains unchanged. We are firmly opposed to them. There is no evidence to suggest that the South African Government would respond to such measures by introducing the sort of reforms we all want to see. We believe the way forward lies in the use of our economic and other links to stimulate internal forces for change within South Africa such as the development of economic growth in the black community. We are working through the private sector and our aid programme to encourage these developments.

Market forces are already exerting their own telling pressures on South Africa. Unlike Government sanctions, these forces cannot be rejected as "foreign bullying". The danger of economic sanctions is that they would lead to further unemployment, polarisation and violence. The outcome could well be further to divide an already dangerously divided country and make it that much more difficult to achieve a peaceful political solution.

We have pressed the South African Government to take convincing and effective action to create a climate of confidence which would enable a dialogue to take place with genuine leaders of the black community. I myself urged this course on President Botha when he came to Britain and in his speech to the Royal Commonwealth Society on 23 July Geoffrey Howe reiterated the practical steps which we thought needed to be taken. Britain will continue to press for these changes and to work energetically to promote them.

I am convinced that this is the way to proceed. Adoption of mandatory economic sanctions by the Commonwealth as a whole would in my view only exacerbate the problem.

Yours sincerely
Margaret Thatcher

The Most Reverend Trevor Huddleston, C.R.