

*NB. Reply sent on conclusion of visit. File 1/33/3/6. DG*

**UITERS GEHEIM**

**TOP SECRET**

- 1. IMMEDIATE FOR 08H00
  - 2. TELNO 718
  - 3. 19860325
  - 4. WASHINGTON
  - 5. PRETORIA
  - 6. ROUTE 254 :: FOR INFORMATION 203
- BT  
VIR SANDAG : MEJ A DE K JOUBERT

*Mrs Becker  
11/2-4-86*

*4 of 4*

*Intro. via [unclear] - into [unclear]*

TOP SECRET

*2/4/86  
Mrs Hirschberg:  
One of the objectives  
will be to provide a  
vehicle for invitations  
to visit r.p. to people  
who are unable to  
Government  
invitations.*

PUBLIC DIPLOMACY INITIATIVE: YOUR 5425

1. WE HAVE BEEN IN TOUCH WITH 'S' CONCERNING VISIT. IN VIEW OF LUBNER'S SCHEDULE, IT APPEARS THAT THE ONLY SUITABLE TIME FOR THE VISIT BEFORE END APRIL WILL BE FOR ARRIVAL DURING FIRST WEEK OF APRIL, PREFERABLY ARRIVING THE EVENING OF 3 APRIL.

2. HE IS PARTICULARLY KEEN THAT BUSINESS GROUP SHOULD BE FULLY BRIEFED AND AWARE OF ROLE WHICH HE WILL PLAY IE ON THEIR BEHALF. IN THIS RESPECT, BECAUSE OF THE LEVEL AT WHICH WE WILL SEEK TO ENGAGE THE BUSINESS COMMUNITY, THE BEST PERSON TO DO THE BRIEFING WILL BE THE MINISTER. WE ARE NOT AWARE OF HOW NECESSARY IT WILL BE FOR LUBNER (AS HOST) TO BE PRESENT DURING INITIAL STAGES, ALTHOUGH IT SEEMS TO US THAT HIS PRESENCE MAY BE REQUIRED FOR THE SAKE OF FORM.

3. WHAT IS CLEAR HOWEVER IS THE ABSOLUTE NECESSITY FOR THERE TO BE A 'MEETING OF THE MINDS' BETWEEN 'S' AND THE MINISTER, AS TO THE SERVICE WHICH HE CAN PROVIDE. WITHOUT THIS THERE CAN BE NO ROLE FOR HIM TO PLAY. THE FIRST MEETING TO BE ARRANGED THEREFORE, WILL HAVE TO BE WITH THE MINISTER. THE QUESTION THUS ARISES AS TO WHETHER A VISIT ON THE DATES, MENTIONED SUITS THE MINISTER'S PROGRAM. AS MENTIONED IT IS TIED TO ARRIVAL DURING THE FIRST WEEK IN APRIL DUE TO LUBNER'S SCHEDULE. HE WILL APPARENTLY ONLY BE IN SOUTH AFRICA FOR THAT PERIOD. AFTER THE FIRST WEEK IN APRIL (WE ARE TOLD) LUBNER WILL ONLY BE BACK AGAIN IN SOUTH AFRICA TOWARDS THE END OF MAY OR EARLY JUNE. A FACTOR ALSO TO BE CONSIDERED HOWEVER, ARE 'S' OWN PRIVATE ARRANGEMENTS. HE HAS MADE IT CLEAR TO US THAT IF HE IS ENGAGED ON THIS PROJECT, WHICH WILL BE BOTH TIME CONSUMING AND CONTROVERSIAL, HE WILL HAVE TO TERMINATE ARRANGEMENTS WITH TWO OTHER HIGH PROFILE CLIENTS VIZ. THE REPUBLIC OF CHINA AND THE NORTHROPP CORPORATION. BOTH CONTRACTS ARE TO BE RENEWED

*Richard 25/4*

AT THE END OF APRIL AND HE WISHES, IF POSSIBLE, TO BE IN A POSITION TO ACCEPT THE APPOINTMENT ON THIS INITIATIVE OR TO CONTINUE WITH EXISTING ARRANGEMENTS.

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*1/4/86*

4. IN VIEW OF TIME CONSTRAINTS, THE NEED TO HAVE THE BUSINESS GROUP WELL BRIEFED PRIOR TO THEIR MEETING WITH 'S', IS ESPECIALLY IMPORTANT. WITH RESPECT TO THE BUSINESS GROUP, AS PREVIOUSLY INDICATED, 'S' WISHES THEM TO REPRESENT AS BROAD A SPECTRUM OF INTEREST AS POSSIBLE - IN ORDER TO ENHANCE CREDIBILITY. ALL WHO MEET WITH HIM SHOULD ALSO BE FULLY AWARE OF THE ROLE HE WILL PLAY VIZ-A-VIS THEM AND THE GOVERNMENT, AND THAT HIS MEETING WITH THEM, AND ACTIONS UNDERTAKEN ON THEIR BEHALF CARRY GOVERNMENT APPROVAL AS WELL. IN THIS RESPECT, THE ROLE WHICH HE WILL ASSUME IS SIMILAR TO THAT PLAYED BY DR FRITZ LEUTWEILER REGARDING ARRANGEMENTS REACHED BETWEEN SOUTH AFRICAN BANKS AND OVERSEAS BANKS, WITH THE COOPERATION OF THE SOUTH AFRICAN GOVERNMENT. LEUTWEILER'S ROLE AS AN INTERMEDIARY, ALBEIT IN A LIMITED TECHNICAL WAY, HAS HAD GREAT POLITICAL IMPLICATION. THE ARRANGEMENTS WHICH HE HAS WORKED OUT, HAVE BEEN ASSOCIATED WITH TRAVEL TO SOUTH AFRICA, DISCUSSIONS WITH POLITICAL LEADERS IN THE COUNTRY ABOUT REFORMS AND DISCUSSIONS AT VARIOUS VENUES WITH THE BANKS CONCERNED. THIS PROCESS, WHILE OSTENSIBLY TECHNICAL IN NATURE, HAS BEEN PERCEIVED TO BE ACTIVITY WITH PARTICULAR POLITICAL IMPORTANCE. THE EXTENT TO WHICH LEUTWEILER'S ACTIONS ARE PERCEIVED AS BEING OF POLITICAL VALUE TO SOUTH AFRICA, MAY BE SEEN IN THE FOLLOWING EXCERPT FROM A CONFIDENTIALLY OBTAINED DOCUMENT DRAWN UP BY CONGRESSMAN HOWARD WOLFE'S HOUSE AFRICA SUB-COMMITTEE STAFF:

'DESPITE THE URGINGS OF SOUTH AFRICAN AND AMERICAN CHURCHMEN AND A PROMINENT BIPARTISAN GROUP OF HOUSE MEMBERS, US BANKS JOINED OTHERS LAST WEEK IN REACHING AGREEMENT WITH SOUTH AFRICA TO ROLLOVER (DOLLARS)10 BILLION IN SHORT-TERM DEBT UNTIL MARCH 31, 1987 AT AN ADDITIONAL 1% INTEREST, IN RETURN FOR A (DOLLARS)500 MILLION DOWNPAYMENT TO BE MADE OVER THE NEXT YEAR. THIS AMOUNTS TO A SHORT-TERM RESCHEDULING AGREEMENT WHICH GIVES SOUTH AFRICA HOPE IT WILL BE ABLE TO SOON (SIC) OBTAIN NEW, AT LEAST EUROPEAN LOANS, AND HOPE THAT EXTERNAL PRESSURES WILL NOW RECEDE. SINCE THE ORIGINAL DECISION OF THE US LENDERS TO DEMAND REPAYMENT WAS PERCEIVED AS A POLITICAL ONE, BASED ON THE DETERIORATING SITUATION IN SOUTH AFRICA AND THE SANCTIONS MOVEMENT IN THE US, THIS LATEST DECISION IS ALSO PERCEIVED AS A POLITICAL ONE, BOTH IN THE US AND IN SOUTH AFRICA.'

STONE'S ROLE WILL BE INTENDED TO HAVE A SIMILAR IMPACT, BUT AS THE INTERFACE BETWEEN AMERICAN AND SA BUSINESS GROUPS.

5. WE HAVE PREVIOUSLY PROVIDED THE NAMES OF BUSINESSMEN WHO ARE PREPARED TO BE INVOLVED IN HELPFUL INITIATIVES - SEE OUR 8/6/4 OF 7 JANUARY 1986. SOME FURTHER NAMES ARE PROVIDED FOR YOUR CONSIDERATION. THEY ARE DRAWN FROM THE AFRIKAANS,

ENGLISH AND JEWISH BUSINESS COMMUNITIES. THE ADDITION OF BLACK, INDIAN AND COLOURED BUSINESSMEN AT A LATER STAGE WILL PERHAPS BE A NECESSITY. AS AN INITIAL STEP HOWEVER, A SELECT GROUP OF 5-10 CHOSEN FROM AMONG TOP BUSINESS

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CUTIVES IN THE COUNTRY, SUCH AS SOME OF THE FOLLOWING LIST, SHOULD MEET WITH 'S'.

- DR FRED DU FLESSIS
- MR J P RUPERT
- (DR A RUPERT'S SON)
- DR ALBERT WESSELS
- MR A P DU PREEZ
- MR E PAVITT
- MR KERNEELS HUMAN
- MR HARRY OPPENHEIMER
- MR GAVIN RELLY
- MR BASIL HERSOV
- MR MIKE ROSHOLT
- MR CHRIS SAUNDERS
- MR RONNIE LUBNER
- MR ERIC SAMSON
- MR DONNY GORDON
- MR BENNY SLOME
- SANLAM
- REPRESENTING THE RUPERT GROUP
- TOYOTA
- KAAP KUNENE
- GENERAL MINING
- FEDERALE VOLKSBELEGGINGS
- ANGLO
- ANGLO
- ANGLO AND BARCLAYS
- BARLOWS
- TONGAAT
- PLATE GLASS
- MACSTEEL
- LIBERTY LIFE AND S.A. BREWERIES
- TEDELEX

6. THE URGENCY WITH WHICH THIS INITIATIVE MUST BE APPROACHED HAS TO BE EMPHASISED, NOT ONLY BECAUSE OF 'S' PERSONAL POSITION BUT ALSO BECAUSE OF OTHER CONSIDERATIONS. WE HAVE TO BEAR IN MIND THE FACT THAT THE HOUSE WILL BE HOLDING HEARINGS ON SOUTH AFRICA BEGINNING APRIL 9, AND THE VEHICLE TO DO THIS WILL BE ANOTHER BROAD SPECTRUM SANCTIONS BILL. THIS HAS BEEN CONFIRMED TO US BY CONTACTS IN CHAIRMAN WILLIAM GRAY'S OFFICE. FURTHERMORE, BEARING IN MIND THE KIND OF ROLE WHICH 'S' WILL PLAY, ESPECIALLY ONE DESIGNED TO FOCUS ON LEGISLATIVE INITIATIVES OF REFORM IN SOUTH AFRICA, (WHICH WILL BEGIN IN EARNEST AFTER THE EASTER PARLIAMENTARY RECESS). WE HAVE TO BE PREPARED TO TAKE THE SOONEST POSSIBLE ADVANTAGE OF OUR POSITIVE ACTIONS IN ORDER TO MAXIMIZE THE PUBLIC EFFECT OF THESE THROUGH 'S' ACTIONS, MUCH IN THE WAY LEUTWEILER DID WITH THE 31 JANUARY SPEECH.

7. IT IS OUR SUGGESTION THAT SHOULD A MEETING BETWEEN THE MINISTER AND 'S' PROVE WORTHWHILE, THEN A FOLLOW UP MEETING BETWEEN 'S' AND A CON- VENING COMMITTEE, PERHAPS HEADED BY KERNEELS HUMAN BE CONSIDERED. WE SUGGEST MR HUMAN TO ACT AS COORDINATOR BECAUSE OF HIS POSITION ON THE PRESIDENT'S ECONOMIC ADVISORY COUNCIL, AS WELL AS HIS PAST EXPERIENCE AS A COORDINATOR OF BUSINESS INPUT FOR THE 1983 REFERENDUM. YOUR URGENT REPLY RE SCHEDULING OF DATES FOR A MEETING WITH THE MINISTER WOULD BE APPRECIATED IN ORDER THAT HUNTER MAY BE INFORMED TO ISSUE INVITATION.

ENDS  
BT  
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