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OA/ID Number: 90007
Folder ID Number: 90007-002

Folder Title:
NSR-15 - April 10, 1989 - South Africa[2]

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Withdrawal/Redaction Sheet (George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Memo	Herman J. Cohen to PCC Participants Re: NSR 15: Revised Draft Paper (2 pp.)	n.d.	(b)(1)	S
01b. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S
02. Memo	Walter G. Bollinger to Herman Cohen Re: Expanding Aid for Disadvantaged South Africans (12 pp.)	8/1/89	(b)(1)	C
03a. Memo	David Passage to Robert M. Gates Re: NSR-15 (South Africa) (3 pp.)	9/1/89	(b)(1)	S
03b. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S
04. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S

Page 1 of 1

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WHORM Cat.:

File Location: NSR-15 - April 10, 1989 - South Africa [2]

Pinksheet Number: cap2022

OA/ID Number: 90007-002

Date Closed: 7/9/2010

FOIA/Sys Case #: 2010-1905-S

Re-review Case #:

P-2/P-5 Review Case #:

May 27, 1989

~~CONFIDENTIAL~~

MEMORANDUM FOR:

MR. BRENT SCOWCROFT
National Security Affairs Advisor
The White House

COLONEL GEORGE P. COLE, JR.
Executive Secretary
Department of Defense

MR. H. LAWRENCE SANDALL
Executive Secretary
Central Intelligence Agency

MS. MOLLY HAGEBOECK
Executive Secretary
Agency for International Development

MS. EMILY L. WALKER
Executive Secretary
Department of the Treasury

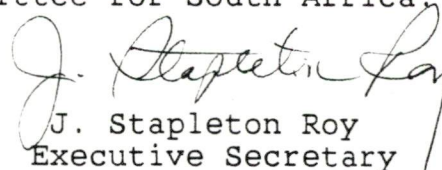
MR. CRAIG HELSING
Executive Secretary
Department of Commerce

ARTHUR E. GREEN
Executive Secretary
United States Information Agency

CAPTAIN ANTHONY MANESS
Executive Assistant to the Chairman
Joint Chiefs of Staff

Subject: NSR 15: PCC on South Africa

Please distribute the attached memorandum to participants
in the Policy Coordinating Committee for South Africa.


J. Stapleton Roy
Executive Secretary

Attachment: As stated

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DECL: OADR

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By CA NARA, Date 7/9/0

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Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
 P-3 Release would violate a Federal statute [(a)(3) of the PRA]
 P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
 P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
 P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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 (b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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 (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01b. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: National Security Council

Series: H-Files

Subseries: NSR Files

WHORM Cat.:

File Location: NSR-15 - April 10, 1989 - South Africa [2]

**Document Partially Declassified
(Copy of Document Follows)**
By MW on 5/11/2022

Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 2010-2017-MR(500.02)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 9/23/2015

RESTRICTION CODES

Freedom of Information Act (FOIA) - [5 U.S.C. 552(b)]

- (b)(1) National security classified information
- (b)(2) Release would disclose internal personnel rules and practices of an agency
- (b)(3) Release would violate a Federal statute
- (b)(4) Release would disclose trade secrets or confidential or financial information
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy
- (b)(7) Release would disclose information compiled for law enforcement purposes
- (b)(8) Release would disclose information concerning the regulation of financial institutions
- (b)(9) Release would disclose geological or geophysical information concerning wells

Deed of Gift Restrictions

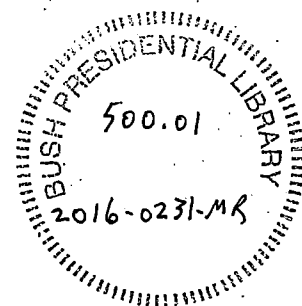
- C(1) Closed by Executive Order 13526, governing access to national security information
- C(2) Closed by statute or by the agency which originated the information
- C(3) Closed in accordance with restrictions contained in donor's deed of gift [formerly listed as only C]
- PRM. Removed as a personal record misfile

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]

NATIONAL SECURITY REVIEW 15

SUBJECT: National Security Review: South Africa



PART I. ASSESSMENT

A. Current Situation and Trends

Iron-fisted repression has maintained order in South Africa's black townships over the past two years. Most of the internal leadership of the black opposition has been detained, restricted, neutralized through intimidation, or simply co-opted into political inactivity. The euphoric predictions of anti-apartheid militants in 1985-86 that the regime was on its last legs -- and could be toppled by international sanctions -- seem hopelessly naive today. Severe press censorship, especially of electronic media, has reduced South Africa's international visibility and ended apartheid's two-year run on the front pages of American newspapers.

The calm is probably deceptive. Government officials acknowledge the persistence of a "revolutionary climate" in South Africa. Virtually all forms of active dissent and peaceful protest remain outlawed. Heavy-handed South African government (SAG) efforts to engage credible black leaders in a national dialogue aimed at eventual constitutional revisions and reforms have found no takers so far. Similarly, a clear majority of ordinary blacks continues to boycott SAG-sponsored elections in their segregated municipalities. With all avenues to peaceful change apparently blocked, a radicalization of the black opposition is underway and is already evident among younger militants. Unless steps are taken to break the political deadlock, this radicalization will continue apace as the South African economy stagnates. The combination of international sanctions and a lack of new investment is holding annual growth to about two percent -- far below the five percent needed to provide jobs to the rapidly expanding pool of first-time, frustrated black job-seekers. The situation has been prevented from deteriorating even more sharply by the rapidly expanding informal economy which provides jobs to blacks in services, cottage industry and small business.

While security issues and maintenance of control are the paramount concern, the ruling National Party faces other urgent challenges as well. The white electorate is badly divided,

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with between 25 and 30 percent of white voters (nearly 50 percent of Afrikaans speakers) are now aligned with the far right Conservative Party. General elections are scheduled for September 6. The "Nats" are expected to win, albeit with a reduced majority in parliament. Ailing State President P.W. Botha will then step down, ending one of the most eventful and turbulent decades in South African history. His designated successor, F.W. de Klerk, has already spoken about the need for fundamental political change, triggering speculation that he plans to launch a new reform program with the backing of a younger generation of "Nat" politicians. De Klerk, however, is untested and his real plans are unclear.

South Africa has undertaken bold foreign policy initiatives in the past year. With considerable prompting and guidance from the U.S., South Africa has negotiated an end to its 73-year occupation of Namibia and is cooperating with the U.N. in the transition of the territory to independence. This U.S.-brokered negotiating process has brought South Africa into contact with a number of African states and with Soviet and Cuban officials as well. In the second half of 1988, State President Botha made unprecedented calls in four black African capitals. Major new South African initiatives to assist strife-torn Mozambique were also announced during this period. Overall, tensions between South Africa and its neighbors, related mostly to SAG fears of ANC cross-border infiltration, have eased in recent months. These developments would appear to validate policies which steer the SAG and neighboring states away from confrontational posturing toward increased diplomatic contact and dialogue.

B. Objectives and Strategy in the Reagan Years

American Strategic Interests. Our overriding interests in South Africa can be summarized in five points:

1. Already a major human rights problem, South Africa has the potential to become a large-scale humanitarian tragedy.

2. South Africa is a powerful moral issue in the U.S. and internationally, with a capacity for embittering our own politics, affecting our African relationships and becoming an Alliance issue.

3. The political and economic stability of the entire Southern Africa region from the Cape to Zaire, and Western security interests there, depend on developments in South Africa. Regional turmoil undercuts Western interests in economic, political and strategic terms.

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4. Certain of South Africa's strategic minerals are vital to U.S. industry, including defense-related industries.

5. Because of its weapons capability, South Africa poses a significant nuclear proliferation problem.

South Africa's importance in an East-West context has changed in recent years as the threat of local turmoil has come to the fore and the risks of sustained Soviet-Cuban intervention have waned. With the planned withdrawal of Cuban troops from Angola, the transition from insurgency to independence in Namibia, and Mozambique's efforts to diversify its sources of aid in favor of the West, South Africa can less credibly claim to have clear-cut Soviet-bloc adversaries to confront in the region. Exaggerated SAG claims to protecting U.S. and Western strategic interests have been further undercut by recent Soviet moves, including a rethinking of support for the ANC's externally-based armed struggle, public appeals for increased diplomatic contact between the SAG and Front-Line States (FLS), and calls for "political" (i.e., negotiated) solutions to South Africa's internal problems.

U.S. Policy In the Reagan Administration. Disagreements between Congress and the Executive branch have seriously impeded formulation of a coherent, credible U.S. policy towards South Africa in recent years. The Comprehensive Anti-Apartheid Act of 1986 -- one of the most dramatic congressional rebuffs of presidential foreign policy authority of the Reagan years -- is now generally perceived to have failed to produce the hoped-for result of promoting positive change. (To the extent the CAAA was perceived as a gesture of support for the anti-apartheid struggle, however, it may have helped to improve U.S. access to black opposition leadership.)

In terms of South Africa's external relations, U.S. objectives have been to work toward the reduction of regional tensions and cross border violence. The U.S.-brokered Angola/Namibia settlement has validated a policy approach which deals with South Africa in a regional context and which recognizes the SAG's centrality to regional stability and development. Simultaneously, the U.S. has continued to support the Southern Africa Development Coordination Conference (SADCC), whose member states are working to reduce their heavy economic dependence on South Africa's trade and transport routes. Overall, U.S. relations with virtually all governments in southern Africa are better today than they were a decade ago.

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With respect to South Africa's internal problems, success in attaining our goals has proven much more elusive. Sanctions and the voluntary withdrawal since 1984 of more than half the U.S. companies operating in South Africa have reduced U.S. influence. We have, nevertheless, expanded contacts across the political spectrum, particularly within the opposition camp. A large and innovative A.I.D. program in support of blacks includes the largest USG human rights program in the world (including legal assistance), education programs (including university scholarships), leadership training, and support for black businesses and labor unions. Because it is implemented largely by black-led community organizations and has been designed in close consultation with the black leadership, this program has become a crucial means of building bridges between the USG and South African blacks. The A.I.D. program is funded at \$35 million in FY 1989.

C. Opportunities and Problems

Our national furor over sanctions has obscured the fact that there are major elements of longstanding policy toward South Africa which enjoy broad bipartisan support in this country. There has been strong public and congressional backing for the leading role played by the U.S. in mediating regional conflicts and for the successes achieved in Angola and Namibia. Similarly, there is broad support for American efforts to lessen SADCC's economic dependence on South Africa. Our determination to develop ties to all parties in South Africa (including the Lusaka-based ANC leadership) has bipartisan support. Congress has upheld A.I.D. programs in South Africa to promote black economic empowerment (sometimes even overfunding particular projects, such as scholarships to South African refugees).

This combination of attention to regional problems, dialogue with all South Africans and efforts to build black bargaining power inside South Africa would have achieved even greater support had the U.S. been perceived as leading our major allies (the U.K., F.R.G. and Japan) and the international community more generally in a drive for change in South Africa. Charges of an absence of American leadership, though in many respects unjust, have been widespread in Congress.

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For many reasons, not least the distaste of our principal European allies for the congressional sanctions agenda, we have not succeeded in marshalling their collective support for improved (and more visible) coordination of our policies.

1.4(b)

[redacted] intra-EC politics, the press of other business and lack of a high-level push from the USG frustrated repeated efforts to put South Africa on the agenda of the Summit Seven. The OECD brushed aside a low-key American effort to help coordinate efforts to support black economic development and empowerment in South Africa. No other suitable alliance fora for addressing these issues have been found. As a result, up to now, the Western allies have added up to less than the sum of their parts -- both defensively and offensively -- on such issues as sanctions, human rights developments, aid to black South Africans and models of political evolution. A key challenge for the Bush Administration in South Africa will be finding ways to concert policy with our major allies.

New possibilities for cooperation with the U.S.S.R. may also exist. By downplaying revolutionary rhetoric and calling for a more gradual, political approach to ending apartheid, the Soviets have already helped to erode the credibility of SAG hardliners who source South Africa's internal unrest to a Marxist "total onslaught" orchestrated from abroad and spear-headed by the communist-influenced ANC. If the Soviets are also willing to counsel restraint to those FLS most eager for an international showdown with South Africa, white South African fears would be further eased. The fact that the SAG is intensely interested in exploring the possibility of official relations with Moscow also gives the Soviets a degree of leverage with Pretoria.

Any assessment of opportunities and problems in South Africa must take into account the complexities and nuances of white politics. On the one hand, there is the reality of deeply-rooted Afrikaner resistance to advice and pressure from outsiders, especially when it is perceived that the survival of the Afrikaner culture and way of life itself is at stake. On the other hand, rivalries and disagreements within South Africa's fractious white community offer opportunities for bringing U.S. influence to bear. Political breakthroughs are far more likely to result from the discreet manipulation of these internal divisions than from heavy-handed pressure which forces South African whites to close ranks against a common, foreign enemy.

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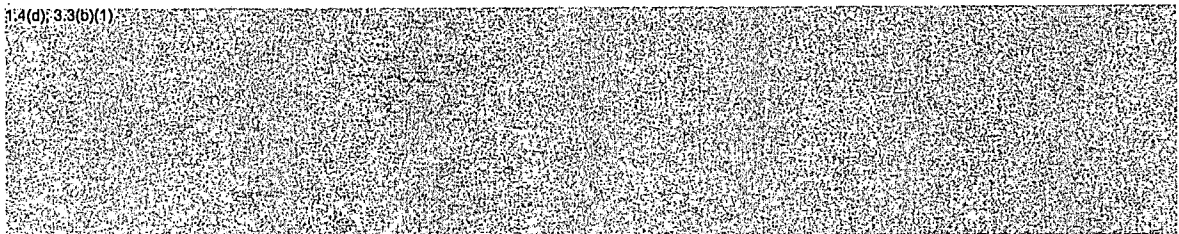
The failure of past sanctions policies against South Africa does not mean that diplomatic and economic pressure should be abandoned. It is ironic that the congressional push for total sanctions against South Africa has largely precluded the possibility of using carefully selected, limited sanctions as a lever to move South Africa in specific directions. Targeted on an attainable objective (e.g., one about which the South African establishment is divided) the threat of sanctions can tip the balance in favor of change. Directed at broader, less defined goals which white South Africans view as forcing capitulation to black demands or as threatening their political and economic security, sanctions engender nationalist backlash against foreign meddling rather than change.** Political divisions in the U.S. have effectively deprived us of the capacity to finetune pressure through the threat of sharply-focussed, issue-specific sanctions, such as the U.S. film industry's successful campaign to desegregate South Africa's movie houses by withholding distribution of U.S. films.

D. Strategy and Options

Long-Term U.S. Strategy. The U.S. should be prepared for a long siege prior to apartheid's demise. Long-range goals should be to ensure a substantial U.S. presence (both official and unofficial) in South Africa and maintenance of as much U.S. leverage as possible, both with the SAG and with its opponents. Our presence should serve the purpose of strengthening democratic elements and processes within South Africa and contributing to the progressive economic and political empowerment of the black majority. Continuation of an innovative and well-funded A.I.D. program is essential to this long-range goal. Our most important economic objective over the long term is continued access to South Africa's strategic minerals. The most important national security objective over the long term is preventing South Africa from becoming a full-fledged nuclear proliferation problem.

Near-Term U.S. Strategy. Both the SAG and its main black opponents insist on sweeping sets of preconditions before they would be prepared to meet at the bargaining table. Growing constituencies in both camps, however, believe that negotiations may be the only alternative to continuing political stalemate.

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A guiding principle for U.S. policy over the next 18 months to two years should be the promotion of negotiations or pre-negotiations. That talks between the SAG and genuine opposition leaders (in all probability the UDF and ANC) may take years and pass through many phases is less important than getting them started. The image of strong U.S. support for this goal is essential, whether or not we believe it to be achievable any time soon. Just reaching the starting line will require major conceptual breakthroughs by both black and white South Africans. An agreement to talk would also provide a huge boost to the many informal efforts now underway (such as talks between the ANC and Afrikaner intellectuals) to set common political and economic goals for a post-apartheid South Africa.

U.S. near-term strategy should also aim at a number of specific human rights objectives. Advances on this front would help to create momentum towards the longer-term goal of power sharing negotiations. These interim goals should include the repeal of laws and regulations which: ban almost all forms of effective opposition political activity, allow indefinite detention without charges or trial, encourage arbitrary and sweeping censorship of the media, and enforce racial segregation. In the latter category, U.S. pressure should be directed towards repeal of the Group Areas Act, the Separate Amenities Act and the Population Registration Act. Other near-term goals should include the release of Nelson Mandela and other prominent detainees and the abandonment of SAG efforts to disarm the peaceful opposition through so-called "treason" trials.

Key questions which must be addressed in drawing up an overall policy approach to South Africa include:

- o U.S. influence over internal developments in South Africa
- o U.S. interposition between South Africa and Front Line States
- o Coordination of the U.S. approach with key allies
- o The role of sanctions
- o Changing Soviet strategy toward South Africa and the region
- o The nuclear proliferation threat
- o Managing the official US-SAG relationship
- o The U.S. role in black empowerment

In the second section of this paper, each of these key questions is addressed in more detail.

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PART II: POLICY OPTIONS

1. The Focus of U.S. Policy Toward South Africa

Issue for Decision

How vigorously should the U.S. attempt to stimulate internal change in South Africa and what general methods should be used?

Background

South Africa's white ruling establishment has resisted the efforts of successive U.S. administrations to encourage changes in the apartheid system. The so-called "constructive engagement" strategy of the Reagan administration assumed a genuine desire on the part of National Party leadership to introduce major political and social reforms, albeit in piecemeal, gradual fashion. "Constructive engagement" aimed to create a climate in which the SAG felt secure enough in its external relations, particularly its relations with the U.S., to carry through with a program of accelerated, fundamental reforms. Many petty apartheid strictures were, in fact, eliminated in the early 1980s. Major political changes, such as the creation of the tri-cameral parliament, were also undertaken, although these fell far short of minimum opposition demands. During this period, U.S. diplomacy emphasized the need for a reduction of regional tensions, accommodation between South Africa and its neighbors, and firm opposition to punitive sanctions against Pretoria. This policy was strongly criticized by most third world states and sizeable segments of U.S. public opinion.

Violent black protest began in 1984 and had engulfed most of South Africa's black townships within a year, rendering some townships virtually "ungovernable." By mid-1986, township conflict (much of it black-on-black violence) and increasingly brutal SAG repression were daily features in U.S. television news broadcasts. In this emotionally-charged atmosphere, Congress passed the Comprehensive Anti-Apartheid Act, thus terminating definitively the "constructive engagement" approach. For most of President Reagan's second term, Congress and the Executive were sharply at odds over the correct policy approach toward South Africa. The result was that the U.S. both sanctioned and penalized South Africa as mandated by Congress and extended strong diplomatic and political support to Pretoria. Such support included frequent use of our Security Council veto and guidance on the Angola/Namibia talks

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and on attempts by Pretoria to better its relations with neighboring states.

The nature of South Africa's core problem -- race-based minority rule in a society which professes to identify strongly with Western democratic values -- ensures that popular pressures for an "activist" U.S. policy will continue. How to reconcile public and congressional demands for decisive action vis-a-vis South Africa with limited scope for effective intervention by outsiders will remain the key dilemma for U.S. policymakers.

Options

A. Accept the premise that the SAG will only agree to fundamental change if placed under intense pressure. Explore every non-military means to bring U.S. pressure to bear, including comprehensive U.S. and U.N. sanctions. Seize every opportunity to isolate and ostracize the SAG internationally. Cut back official relations with the SAG to a minimum level. Openly support the aims and methods of the ANC and/or the internal opposition. Reinforce moral and material support to these groups. Pressure allies to adopt similar policies.

PRO:

- o Wins support from Third World and black African governments.
- o Increases U.S. sway with opposition groups which will play decisive roles in the transitional and post-apartheid periods.

CON:

- o Marks radical change in existing U.S. policies, raises doubts about U.S. credibility.
- o Strongly opposed by the U.K. and other key allies.
- o Sharply reduces or eliminates U.S. access to and influence with the SAG. Disqualifies U.S. as facilitator or mediator in negotiations.
- o Could trigger SAG retaliation, such as cutting supply of strategic minerals.
- o Ends U.S. investment in and exports to South Africa. Loss of markets to foreign competitors.
- o Unless adopted by other major powers, is unlikely to force major changes from SAG.

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B. Accept that strong, externally-applied pressure is necessary to promote change but stop short of outright confrontation with the SAG. Accept, but do not promote, SAG's international isolation. Provide strong rhetorical, diplomatic and material support to black opposition. Explore possibility of coordinated action, including new but limited sanctions, with Front Line States, commonwealth nations, other like-minded parties

PRO:

- o As escalation of U.S. pressure, welcomed by black opposition, FLS, many Third World audiences.
- o Could win backing of Democratic majority in Congress.
- o Preserves a least a modest official and unofficial presence in South Africa.

CON:

- o Opposed by U.K. and allies.
- o Antagonizes SAG, reduces U.S. access and leverage.

C. Emphasize a balanced approach of pressure and incentives. Seek to position the U.S. to promote dialogue and eventual black/white negotiation. Continue to denounce apartheid policies and identify with black aspirations, but avoid temptation to "choose sides." Make access to white elites a high priority while continuing outreach to black community. Oppose further sanctions or disinvestment. Actively support U.S. business presence in South Africa. Sustain "positive measures" support for blacks.

PRO:

- o Continues many elements of existing policy, reassures allies and certain other international audiences
- o Preserves access to SAG, holds open possibility of U.S. mediating role.
- o Allows for continued access to internal opposition groups, does not prejudice expanded contact with the ANC.

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- o Flexibility of approach adapted to changing environment in South Africa. Does not foreclose on more coercive, or more lenient, policies at a later date.

CON:

- o Similarities to existing policy will disappoint many anti-apartheid activists, Third World audiences.
- o Will fail to win support of Congressional members seeking tougher U.S. action against South Africa.

(THIS OPTION IS SUPPORTED UNANIMOUSLY BY THE INTERAGENCY POLICY COORDINATING COMMITTEE.)

D. Concede that U.S. cannot manage a sustained and coherent policy approach to South Africa. Encourage U.K., possibly other allies, to take the lead in efforts to promote change in South Africa. Seek to reduce Administration's profile/exposure in South Africa and on the Hill. When necessary, urge Congress not to impede British or other efforts to promote realistic change in South Africa.

PRO:

- o Acknowledges debilitating effect of executive/congressional disputes over South Africa.
- o Simplifies complex issue by moving U.S. into a purely reactive mode vis-a-vis events in South Africa.
- o May have (wary) support of U.K. and other allies.

CON:

- o Dissatisfies majority in Congress which wants Administration to take lead on South Africa policy.
- o Difficult policy to articulate and justify publicly. Risks being interpreted as abdication of U.S. responsibility.
- o Could weaken U.S. regionally if FLS perceive lessened U.S. involvement and influence in South Africa.

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2. South Africa and the Region: The U.S. Role

Issue for Decision

Should the United States continue, as it has over the past eight years, to broker relations between South Africa and its neighbors?

Background

Conflicts in the southern Africa region have always been characterized by a high degree of external involvement. In the 1970s and 1980s, the Rhodesian problem, the Angola/Namibia negotiations, and the Renamo problem in Mozambique have garnered much diplomatic attention from the U.S. One of the premises of the "constructive engagement" approach was that regional problems were more susceptible to resolution by means of U.S. intervention than was the apartheid situation inside South Africa. By removing the sources of regional conflict, it was hoped that Afrikaner resistance to peaceful change inside South Africa could be lessened. Negotiated settlements in the region were meant to set positive examples for an eventual transition to majority rule in South Africa.

The Angola/Namibia accords have in fact established a potentially useful precedent for South Africa, although the transition process in Namibia -- not the negotiations which led to it -- will be the decisive point of reference for the future. The U.S. is an observer on the Joint Commission established to monitor implementation of the Angola/Namibia accords. The U.S. has also launched a low-key exploratory effort to determine if any basis exists for a possible U.S. role in mediating an end to the civil war in Mozambique.

In the meantime, the U.S. continues to provide substantial assistance to the Southern Africa Development Coordinating Conference (SADCC) in order to lessen these countries' near-total economic dependence on South Africa.

A key issue facing U.S. policymakers over the next 4 or 5 years will be the extent to which the U.S. tries to promote harmonious relations between all states in the region, despite the confrontational posture which the FLS insist upon in their dealings with the SAG.

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Options

A. Adopt the perspective of regional hardliners such as Zimbabwe President Robert Mugabe. Work with the Front Line States to reduce their economic and military vulnerabilities vis-a-vis South Africa and to enhance their ability to apply pressure on South Africa. Goal would be an FLS better able to resist SAG militarily and to support groups such as the ANC. Might require significant increases in U.S. spending to strengthen FLS economically and militarily. (This is the corollary to "Option A" -- maximum U.S. pressure on South Africa -- in "1. The Focus of U.S. Policy Toward South Africa")

PRO:

- o Would win support of Front Line States, most of Third World, ANC and internal black opposition groups.

CON:

- o Even with substantial external support, cost to FLS economies and populations of confrontational approach with SAG would be prohibitive.

- o FLS habitually misread SAG capabilities and intentions. Risk of military miscalculations on their part is high.

- o Unrealistic to expect U.S. to contribute significant funds.

- o Conflict between South Africa and neighbors decreases likelihood of orderly, negotiated transition to majority rule in South Africa.

B. Accept the need for some SADCC/FLS independence, but draw the line at impractical, redundant, politically-motivated projects. FLS vulnerabilities to SAG pressure should be reduced, but not by exacerbating the distortions and inefficiencies which already exist. At same time, FLS should be discouraged from pursuing confrontational strategies vis-a-vis the SAG.

PRO:

- o Stresses the reality of interdependence of the regional economy; seeks to minimize economic waste and inefficiencies

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- o By lessening somewhat FLS dependencies on South Africa, preserves a degree of political credibility
- o Is an acceptable formula for winning bipartisan Congressional support for a continued regional aid program
- o Lessens the risk of regional conflict by discouraging confrontational FLS posturing
- o Sustains a successful regional approach based on U.S. efforts to broker dialogue and negotiations.

CON:

- o Will not satisfy certain FLS and other anti-SAG forces.
- o Leaves intact asymmetrical economic relationships between SAG and FLS.
- o Doesn't increase U.S. leverage with FLS.

(THIS OPTION IS SUPPORTED BY STATE, ^{330(b)(1)}USIA, TREASURY, AID AND COMMERCE)

C. Press SADCC/FLS to accept South Africa's central position in the regional economy. Promote closer economic ties between the SAG and FLS. Work to remove barriers to more contact and dialogue between SAG and FLS.

PRO:

- o Gives all parties an increased material stake in regional stability. Reduces risks of miscalculation, confrontation.
- o Allows greater play to market forces, reduces inefficiencies in regional economy
- o Lays groundwork for post-apartheid regional cooperation.

CON:

- o Given likely resistance from the FLS, difficult policy to explain and justify publicly.
- o Risks overidentifying U.S. with SAG's foreign policy agenda
- o Could be distorted by those in SAG seeking license to exercise regional hegemony, resurrect old idea of "constellation of states" orbiting around Pretoria.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, JCS)

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3. Unilateral or Multilateral Approach

Issue for Decision

Should the U.S. adopt a solo approach to the South Africa problem, or should policy be coordinated with others?

Background

Multilateral diplomacy in Southern Africa has had its ups and downs. The most recent effort involving the U.S. was the "Contact Group" started during the Carter administration to find a way to implement UNSCR 435 for Namibian independence. The UK, France, FRG and Canada were our partners. The "Contact Group" carried over to the Reagan Administration but fell apart when Canada, France, and the FRG became uncomfortable with the linkage of Namibian independence to Cuban troop withdrawal from Angola. The Angola/Namibia negotiations were carried to a successful conclusion by the U.S. working as a lone mediator, with behind-the-scenes support from the U.K. and U.S.S.R. and a number of African governments.

In the Comprehensive Anti-Apartheid Act of 1986, Congress called for the U.S. to coordinate with allies in applying sanctions on South Africa. The Reagan administration rejected this recommendation. During the last two years of the Reagan administration, however, the U.S. made efforts to enlist the Economic Summit Seven in development of a common approach to the apartheid problem. Our efforts centered on a project to develop an agreed set of principles on what we stand for in South Africa. We also sought to develop a common mechanism for monitoring human rights issues in South Africa. These efforts were unsuccessful mainly because of a UK refusal to link its policy to ours in the wake of the Comprehensive Anti-Apartheid Act of 1986.

In relative terms, Britain's interests in South Africa far outweigh those of the U.S. The Thatcher government, convinced that sanctions are at best futile and at worst counterproductive, will firmly resist any U.S. attempt to extend and/or multilateralize sanctions. In March, 1989, Prime Minister Thatcher travelled to southern Africa and left the strong impression that she intends to become more active in promoting negotiations to end apartheid.

Options

A. Continue the unilateral role developed during the Angola/Namibia negotiations, building on our reputation as an impartial mediator. Coordinate as necessary with South

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Africa's major trading partners, especially the UK, FRG, and Japan, but make it clear that we insist on total freedom of action.

PRO:

- o Keeps our options open; provides maximum flexibility.
- o Avoids association with Canadian, Scandanavian and other policies which lack objectivity and influence.

CON:

- o Places burden of conflict resolution in southern Africa on U.S.
- o Gives other players in the region leverage over us, as they know we need "results."
- o Risk of working at cross-purposes with UK or other key allies, who may also fear U.S. will drag them into unwanted policies.

(THIS OPTION IS SUPPORTED BY JCS.)

B. Submerge U.S. role into a comprehensive, multilateral approach along lines comparable to the "Contact Group."

PRO:

- o Fulfills spirit of CAAA which calls for U.S. to join with allies in pressuring the SAG.
- o Lowers U.S. profile on apartheid issue, over which we have little control in any case.
- o Collective action increases pressure on Pretoria.

CON:

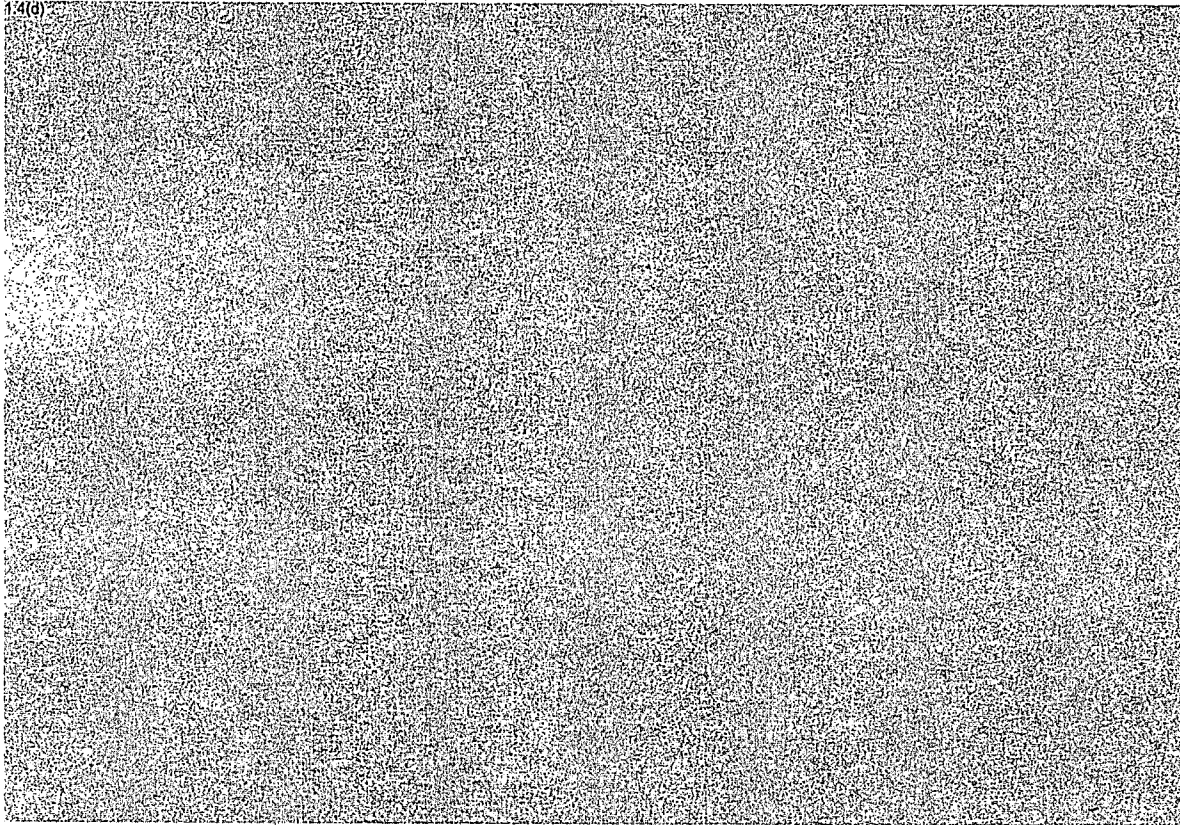
- o Risks reduction of policies/actions to lowest common denominator, or even paralysis.
- o Risks forcing U.S. to defend unpopular compromises with allies. Opens U.S. to charges of "hiding" behind more cautious partners of South Africa.

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- o Circumscribes U.S. freedom of action at the U.N. and elsewhere.



D. Formulate our own policies based on a U.S. view of the region, with special recognition of our unique domestic imperatives, but coordinating as closely as possible with South Africa's important trading partners, the FLS and other interested parties.

PRO:

- o Keeps our concern over apartheid, and our racial experiences, at the center of our policy.
- o Demonstrates desire for cooperation with allies when deemed useful.
- o Retains maximum freedom of action.
- o Allows for floating alliances to cope with changing circumstances. Keeps doors open for collaboration on specific issues in specific areas.

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CON:

- o May be insufficient to persuade pro-sanctions forces that we have "multilateralized" our approach.
- o Exposes administration to possible charges of "passivity."
- o Allows insufficient leverage over allies' actions.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, ~~3.3(b)(1)~~ NSC STAFF, USIA, AID, TREASURY AND COMMERCE)

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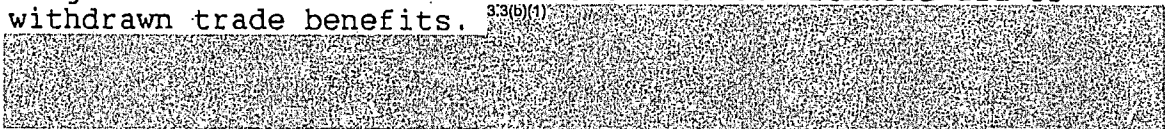
4. Sanctions

Issue for Decision

To what extent should sanctions against South Africa be a part of U.S. policy?

Background

U.S. diplomatic, political, economic and military sanctions against foreign adversaries are not unusual. Broad-based economic sanctions are currently in place against countries like Panama, Nicaragua, Cuba, Libya and South Africa, and a range of more limited pressures are exerted regularly by both Congress and the Executive in the form of withheld aid or withdrawn trade benefits. ^{3.3(b)(1)}



American sanctions against South Africa are not new. Prior to 1986 they were carefully limited in scope -- abolition of naval ship visits, cessation of military sales, blocking of computer sales to agencies that administer apartheid -- but the CAAA introduced broad-based economic sanctions for the first time. All of these actions effectively demonstrated U.S. disdain for apartheid, and the CAAA in particular sent a powerful message of American impatience to the white rulers of South Africa, contributing to their heightened sense of realism today. At the same time, sanctions have engendered a bitter, anti-American backlash among many whites and may have hardened their resistance to advice or pressure from outside the country.

The CAAA also contributed to a slowing of South Africa's economic growth. However, the economic reality of life in South Africa is that a large part of that cost is borne by the black population. Sanctions are also driving the U.S. business community -- the most notable proponent of liberal practices and a constructive advocate of change -- from the South African economy.

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Options

A. Accept the Dellums Bill which requires total disinvestment by all remaining US firms in South Africa and the cessation of all trade except strategic minerals, books and humanitarian supplies. This is the corollary to Option A - maximum pressure on South Africa - in "1. The Focus of U.S. Policy Toward South Africa")

PRO:

- o Ends conflict with the Democratic majority in Congress over South Africa policy. Annual sanctions debate terminated.
- o Wins strong approval of most African states, raises U.S. prestige in parts of Third World.
- o Leads to new openings for political support by American black community.

CON:

- o Eliminates any possibility of U.S. role in influencing evolution of political power in South Africa as long as whites are in control.
- o Creates conflicts with UK and other allies, problems at the U.N. where U.S. no longer vetoes sanctions resolutions.
- o Mandates termination of valuable USG-SAG liaison relationships, including military attache arrangements, and would likely rupture other areas of the bilateral relationship.
- o Invites retaliation by South Africa, including possible disruption of U.S. access to strategic minerals or blockage of movement of goods to and from FLS that creates a regional crisis and calls for vastly increased U.S. assistance to affected states.

B. In our dialogue with the Congress and other groups interested in South Africa, point out that sanctions have produced mixed results, some positive (increasing psychological pressure on whites) and some negative (white backlash against the U.S., some damage to South African economy). Emphasize our continued commitment to compliance and effective enforcement,

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argue that further escalation of punitive sanctions would be counterproductive, do not rule out selective pressures and incentives in our future strategy depending on events in South Africa itself.

PRO:

- o Credits Congress for actions which many moderates and conservatives are proud of.
- o Buys time against congressional initiatives.
- o Places sanctions in a broader context containing both rewards and punishments.

CON:

- o Accepts the principle of sanctions. Likely to lead to demands for new rounds of sanctions if there is no relaxation of apartheid.
- o Risks accelerating the exodus of the American business community from South Africa and eliminating a constructive example of liberal practices.
- o Could rattle UK, other allies who fear potentially costly Administration compromises with Congress.

(THIS OPTION IS SUPPORTED BY AID)

C. Renew our commitment to effective enforcement of existing sanctions, but seek to divert the debate from sanctions per se and concentrate instead on what the U.S. can do to promote dialogue between the races in South Africa and to enhance black political leverage.

PRO:

- o Directs attention away from emotional debate on effects of sanctions.
- o Provides fresh approach to apartheid dilemma, one which concentrates on what all agree is a critical issue.
- o Provides basis for new consensus-building attempt with Congress.

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CON:

- o In a domestic political sense, exposes USG to charges of evading central issue of apartheid.
- o Too much emphasis on black empowerment risks being seen as tokenism and reluctance to address real issues.

(THIS OPTION IS SUPPORTED BY STATE, NSC STAFF 3.3(b)(1) DOD/OSD, JCS, TREASURY, COMMERCE AND USIA)

D. Request the repeal of the CAAA and campaign actively for it.

PRO:

- o Provides huge boost to relations with the SAG and South African whites.
- o Increases U.S. access to and influence with governing elites, giving new measure of U.S. influence over evolution of events in South Africa.
- o Encourages U.S. firms to remain in South Africa and sustain their social spending there.

CON:

- o Undermines totally U.S. position among South African blacks and black governments in Africa.
- o Forfeits U.S. credibility with blacks as honest broker.
- o Vastly diminishes U.S. influence over ANC and other black liberation/opposition groups.
- o Creates bitterness and sense of betrayal among moderates in Congress who voted for sanctions in 1986 but believe further sanctions are counterproductive.
- o Probably eliminates any possibility of bi-partisan policy approach to South Africa.

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5. Nuclear Proliferation

Issue for Decision

How best to deal with the nuclear proliferation threat posed by South Africa.

Background

South Africa either possesses or could assemble on short notice several nuclear test devices or weapons. South Africa's capacity for designing and manufacturing weapons will continue to grow as its commercial nuclear program matures. South Africa is not a party to the Nuclear Non-Proliferation Treaty. Its commercial enrichment facility outside Pretoria is unsafeguarded.

In 1977, the Soviets discovered a probable nuclear explosives test facility under construction in the Kalahari desert. Following U.S. demarches to the SAG, activity at the site was halted. The SAG has not admitted that the Kalahari site is a test facility. Construction activity resumed at the site in August, 1988, although it is not clear if it is nuclear test-related.

Research ^{8.3(b)(1)}

[REDACTED] has failed to confirm that South Africa detonated a low-yield device, as some analysts originally believed.

In September, 1987, State President P.W. Botha announced South Africa's intent to consult with NPT depositary states with a view to adhering to the NPT. As result, the General Conference of the International Atomic Energy Agency voted down a motion to expel South Africa from that organization (one of the last significant international bodies in which South Africa is still a member.) South Africa won another reprieve in 1988, after the U.S., U.K. and U.S.S.R. jointly pledged to continue discussions with the SAG to obtain its adherence to the NPT.

South Africa's willingness to join the NPT remains in doubt. Debate is underway within the SAG, with those actively promoting adherence apparently in a minority.

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Options

A. Given pervasive doubts about the SAG's intention to adhere to the NPT or accept full-scope international safeguards, avoid taking the lead on this issue. Continue to participate in periodic, four-way discussions (U.S., U.K., U.S.S.R., and SAG) aimed at eventually drawing the SAG into the NPT regime.

PROS:

- o Fulfills our obligation to the IAEA to continue pressing for SAG adherence to the NPT.
- o Minimizes bilateral conflict with SAG
 - o Avoids actions which could complicate our relations with nuclear supplier states which continue to have limited dealings with South Africa (e.g. France).
- o Keeps alive the possibility of eventual SAG adherence to the NPT.

CON:

- o Is unlikely to prompt SAG adherence to the NPT or restrain South Africa's weapons program.
- o Too "mild" a U.S. effort could provoke Congress into passing tougher nuclear sanctions on South Africa

(THIS OPTION IS SUPPORTED BY DOD/OSD)

B. Work with U.K., U.S.S.R., EC, and possibly other states to identify mechanisms to respond to South Africa's demand for increased nuclear commerce in the context of NPT adherence.

PRO:

- o Provides those within SAG who favor accession with strong support
- o Removes the non-proliferation issue from the larger matrix of South African sanctions. Identifies non-proliferation as objective which transcends the immediate issue of opposing apartheid.
- o If it appeared that such efforts would facilitate increased nuclear trade with South Africa, the pressure on the SAG to join the NPT would be further increased.

(THIS OPTION IS SUPPORTED BY STATE, JCS AND NSC STAFF)

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- o If mechanisms fell short of entailing specific guarantees of increased nuclear cooperation, charges that the SAG was being offered "inducements" to join the NPT could be avoided.

CON:

- o South africa may want iron-clad assurances from the U.S. and other Western suppliers that the nuclear trade embargo would be abandoned if it agreed to join the NPT. It may not be possible to provide such assurances before the fact.

- o Providing the SAG with "guarantees" of increased nuclear commerce under the NPT could set an undesirable precedent for other non-parties. The U.S. rejects the concept that nuclear states are "required" by the NPT to engage in nuclear commerce with parties.

- o Could arouse opposition from Front Line States who would rather the SAG not accede to the NPT if it meant reducing Pretoria's isolation.

C. Concentrate efforts on new sanctions as way of compelling SAG adherence. Nuclear-related sanctions could include drastic reduction in U.S. visas issued to SAG nuclear scientists and technicians, plus concerted, multi-lateral effort to bring international sanctions to the same level as those of the U.S.

PRO:

- o Could shock the SAG into action if presented as a threat rather than a fait accompli.

- o If implemented, could slow and/or complicate possible South African weapons' programs.

- o Would probably win Congressional support.

CON:

- o Could lead to clashes with allies and nuclear suppliers. Consensus among suppliers unlikely.

- o Would evoke strong, negative reactions from the SAG, complicating other areas of the bilateral relationship.

D. Develop with U.K., USSR, EC and others a mixed package of incentives and disincentives. Disincentives (sanctions) would be held in reserve.

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PROS:

- o Clarifies choice for SAG. Lays out costs and benefits. Puts ball in SAG court.
- o Could win Congressional backing.

CON:

- o Hard to coordinate with allies in the current environment. May be impossible to fine tune the approach.
- o Would provoke a negative SAG reaction, but not as violent as "C" above.

(THIS OPTION IS SUPPORTED BY COMMERCE)

(FOOTNOTE: ~~33(b)(1)~~ USIA, AID AND TREASURY TOOK NO POSITION ON THIS ISSUE)

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6. U.S.- Soviet Cooperation

Issue for Decision.

In formulating and implementing our regional policies, should the U.S. strive for a more cooperative working relationship with the USSR?

Background.

Soviet strategy in southern Africa appears to be undergoing major revisions. The Soviets played an important supporting role in shaping the Angola/Namibia settlement. In the process, they initiated diplomatic contacts with the SAG and are likely to continue to expand the relationship. Parallel to this development, the Soviets have publicly de-emphasized their support for the ANC's armed struggle, called upon Front Line States to improve communications with Pretoria, and predicted that the dismantling of apartheid will be a drawn-out process composed of incremental steps and "partial victories." Moscow has reportedly made the same points privately to the ANC. The Soviets have also privately advised a number of regional governments to proceed cautiously with socialist economic experimentation. These actions have drawn sharp protests from some Front Line Governments and from the ANC.

As in other regions of traditional U.S.-Soviet rivalry, the Soviets in southern Africa are openly touting political solutions to existing situations of military conflict. The new Soviet thinking could signal fundamental changes in regional dynamics by muting superpower competition and promoting cooperation. A major remaining problem from our perspective is continuing Soviet arms deliveries to the MPLA in Angola.

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Options

A. Place cooperation with the USSR among our top priorities in formulating our policy approach to South Africa and the region. Seek to develop a "special relationship" with the Soviets on a range of regional problems: implementation of the Angola/Namibia accords, promotion of national reconciliation in Angola, mediating an end to the war in Mozambique, reducing cross-border violence and setting up talks between the SAG and credible black opponents, including the ANC.

PRO:

- o Provides opportunity to shape Soviet views and influence Soviet behavior on regional issues while testing "new thinking."
- o Could bring intense pressure to bear in certain problem areas, e.g. in Angola.
- o Renders it more difficult for regional governments/movements to play off one superpower against the other.

CON:

- o Need to consult Soviets limits U.S. freedom of action.
- o Soviets could gain increased access to region.
- o Net loss of U.S. influence in favor of Soviets possible.
- o Other parties, including U.S. allies, might perceive superpower condominium.

B. Accept the concept of enhanced cooperation with the USSR but proceed on a case-by-case basis. Choose problems and issues where Soviet assistance is desirable.

PRO:

- o A more flexible approach than "A". Allows U.S. more room for maneuver.

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CON:

- o Same as in "A" but to a lesser degree.
- o Also, less opportunity to restrain Soviets than in "A." Soviets also free to negotiate degree of cooperation with U.S.

(THIS OPTION IS SUPPORTED BY STATE, ^{33(b)(1)} JCS, TREASURY)

C. Assume that cooperation with the U.S.S.R. in the region has only limited potential. Limit cooperation to situations where it is unavoidable. Otherwise, do nothing to encourage increased Soviet contact in or access to the region.

PRO:

- o Provides U.S. with maximum freedom of action vis-a-vis Moscow.
- o Challenges Soviets to earn U.S. cooperation by means of further constructive behavior.
- o Lessens risks of misreading Soviet intentions.

CON:

- o Reduced opportunities to resolve conflicts.
- o Reduced opportunities to shape Soviet thinking/actions.
- o Makes it easier for Soviets to expand contacts/access without reference to U.S. views.
- o Ignores recent positive changes in Soviet behavior.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, USIA AND COMMERCE)

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7. Official Relations With the SAG

Issue for Decision

The U.S. has long used diplomatic pressure to attempt to force changes in South Africa's internal policies. Should this practice continue? If so, how should the pressure be applied?

Background

For many years it has been a central tenet of U.S. policy that no normalization of official relations with South Africa is possible without real progress toward ending apartheid. By maintaining its distance from the South African government, the U.S. has signalled strong disapproval of South Africa's racial policies. The underlying assumption of this approach is that relations could improve if Pretoria were to make fundamental changes in the apartheid system.

In the final years of the Carter Administration, official relations with South Africa were severely strained. High-level diplomatic contact was reduced to that necessary for the conduct of essential business. Working-level contacts in selected areas of the bilateral relationship, such as the Defense Attache relationship, were sharply circumscribed. Under the Reagan Administration, official contacts were upgraded in an effort to draw the SAG into regional negotiations and to provide a climate conducive to internal political reforms. This warming trend had ended by the time of the passage of the 1986 Comprehensive Anti-Apartheid Act. In line with the CAAA, official U.S. relations with the SAG are subject to increasingly close Congressional scrutiny and, in some cases, Congressional control. While recent government-to-government exchanges have been intensive as a result of the Angola/Namibia negotiations, contact at the highest levels of government has not occurred. The South African Department of Foreign Affairs continues to attach the highest importance to upgrading official relations with the U.S. and other western states and also increasing the number of states with which South Africa has relations.

Options

A. Limit official relations to the minimum necessary to conduct essential bilateral business. Impose strict ceilings on number of SAG personnel assigned to the U.S. Limit official visits to the U.S., strongly discourage non-essential USG visits to SA. Indicate to Pretoria that only substantial

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improvements in its domestic policies will allow restoration of a more normal official relationship.

PRO:

- o As a significant intensification of diplomatic pressure on SAG, would be welcomed by activist elements in Congress, U.S. public, black opposition in South Africa, Front Line States.

- o May have limited value as an incentive to change domestic policies.

CON:

- o Severely curtails U.S. ability to gather information in South Africa. Reduces our capacity for analyzing events and anticipating trends. Possible SAG expulsion of U.S. personnel. Cuts off communication with decision-makers in South Africa. Severely limits U.S. ability to bring influence to bear in a non-confrontational manner.

- o Restricts the existing relationship and is therefore a new sanction. Given current trends in SA and region, could appear illogical and/or ill-timed.

- o Puts U.S. out of step with U.K., other allies. Could encourage further SAG efforts to develop closer relations with Moscow.

B. Limit official contacts in specific areas, e.g., contact with security and apartheid-enforcing agencies, the SA nuclear program, military technology sectors, and other controversial milieu where restrictions currently apply or have applied in the past. Embassy staffing levels and frequency of working and senior-official level visits not subject to a priori limitations, although high-level, high-visibility exchanges would be avoided.

PRO:

- o Avoids unwarranted "normalization" of relationship but permits some access to SAG and a continuing, though less-than-adequate, flow of information.

- o Creates few new problems with SAG since it is essentially a continuation of the current policy.

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CON:

- o May not satisfy critics of current U.S. policy here and in the region because it falls short of new sanctions.
- o In absence of explicit controls, official contacts tend naturally to proliferate and escalate to higher levels. Selectivity in official relationship difficult to sustain.
- o Constrains U.S. ability to gather information on specific, important areas, in particular the security forces and security situation as well as important players in SAG decisionmaking.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, NSC STAFF, TREASURY, COMMERCE, USIA, AND AID)

C. Move towards normalization of the relationship by offering specific upgrades in conjunction with reforms, such as repeal of the Separate Amenities Act or Group Areas Act.

PRO:

- o By "fixing goalposts", U.S. offers clear sense of quid pro quo for reform.
- o Affords more extensive, higher-level access to the SAG and allows better reporting on political and other developments.
- o Could enhance U.S. influence in SAG decision-making.
- o Major U.S. allies (UK, FRG, Japan) would be supportive.

CON:

- o Difficult to establish realistic "goalposts." Commits U.S. to tradeoffs which, over time, may become politically irrelevant or subject to SAG manipulation.
- o Similarities to "constructive engagement" approach would draw criticism from U.S. public, Congress, black South African opposition.
- o Unlikely by itself to trigger meaningful changes in South African internal policies.

(THIS OPTION IS SUPPORTED BY JCS AND

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8. The U.S. Role in Black Empowerment

Issue for Decision

Should the U.S. aggressively expand programs in South Africa designed to: 1/strengthen multi-racial resistance to repression and apartheid, 2/ build black bargaining power, and 3/help blacks prepare themselves for leadership in a post-apartheid, non-racial democracy?

Background

Since 1982 the U.S. has maintained unique aid and public affairs programs in South Africa. No assistance is channeled through any agency of the South African government (SAG), nor are any entities connected to the SAG eligible for aid.

Our aid has been concentrated in five broad areas:

-- Human Rights (legal assistance to political detainees and others non-violently opposing apartheid laws and regulations, support for press freedom, funding of legal advice centers, aid to families of victims of violence)

-- Education (scholarships to U.S. and South African universities, educational innovation)

-- Black Private Enterprise Development (credit and/or assistance for small, black-owned businesses, advocacy and support institutions)

-- Labor Union Training (technical assistance and training for black trade unions)

-- Community Development (small grants to develop community leadership and build local democratic institutions).

Total U.S. aid for FY 1989 is \$34.9 million.

The USAID program has drawn some political criticism. Until recently many affiliates of the UDF, South Africa's premier internal anti-apartheid movement, refused to accept U.S. aid. Several other black organizations have also kept their distance from the U.S. program. In most instances, the problem was due to disagreement with U.S. foreign policy in the region. In some instances, it was also due to the misperception that U.S. assistance was somehow meant to "co-opt" the black opposition. Some Congressional members and staff and anti-apartheid activists in the U.S. have also complained that U.S. assistance is, at best, a poor substitute for more direct USG action to end apartheid. At worst, they claim, U.S. aid is a deliberate attempt to "buy off" black opposition to the apartheid regime.

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From time to time the SAG has complained about U.S. and other nations' aid to the black majority. Thus far, however, the SAG has done nothing to impede the flow of assistance. Recent legislation in South Africa could change this. New laws will require that all South African organizations which receive any funding from abroad, regardless of these organizations' orientations or functions, provide a full accounting of such funding to the SAG upon demand. Some members of Congress and other observers in the U.S., echoing the SAG's uneasiness over foreign involvement with the black opposition, have charged that USAID programs are an unacceptable form of interference in South Africa's internal affairs.

These particular problems notwithstanding, USAID programs in South Africa enjoy broad, bipartisan support in the U.S. They have been of direct assistance to many thousands of apartheid's victims, have helped to stiffen popular resistance to apartheid and have solidified American links to the black majority. These programs stand as a strong, tangible U.S. commitment to combatting apartheid and extending democracy in South Africa.

The U.S. Information Service conducts an active public affairs program of information and exchanges, designed both to clarify U.S. policy in Southern Africa and to complement USAID's efforts in areas vital to South Africa's future. USIS disseminates news, information, and otherwise unavailable viewpoints through publications, speakers and consultants, WORLDNET satellite programs, Voice of America broadcasts, and USIS libraries (in Pretoria, Johannesburg, Durban, and Cape Town). A USIS-sponsored reading room in Soweto not only supplies information, but can also serve as a venue (possibly an illegal one from a SAG perspective) for U.S. contact with the opposition. A proposal to strengthen VOA's medium-wave signal from neighboring Botswana is currently in suspension. The necessary construction funds are not included in USIA's projected budgets. Additional funds from other sources would be required in order to realize this project, and OMB's current stricture against transferring VOA funds for this purpose would have to be lifted.

Options

A. Keep U.S. "positive measures" program at about the current level, allowing for gradual increases in accordance with the evolving situation in South Africa and as overall A.I.D. resources grow. Continue emphasis on current programs, avoiding new initiatives that might increase the likelihood of a hostile SAG response and a curtailment of activities.

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PRO:

- o Probably reflects accurately current absorptive capacity of USAID recipients.
- o Can be managed by currently approved level of staffing.
- o Will probably avoid antagonizing the SAG.

CON:

- o Does not seize possible opportunities to enlarge U.S. access to the black opposition.
- o Passes up potentially valuable means of focusing debate (both in U.S. and in South Africa) on black empowerment/incremental change/negotiations, rather than more sanctions.

(THIS OPTION IS SUPPORTED BY AID AND JCS)

B. Actively expand U.S. programs. Enlarge program of assistance for university scholarships, human rights, and community leadership. Enlarge bursaries program. Increase aid to black trade unions. Investigate possibility of a U.S. "foundation" for South Africa which would pool private and public U.S. efforts to bolster black empowerment. Make VOA upgrading a top priority. Work with Congress to permit more U.S. investment in black-owned firms in South Africa. Explore other means to increase U.S. "positive measures" in South Africa.

PRO:

- o Provides new impetus to U.S. efforts in South Africa. Relieves pressures to disengage generally from South Africa. Redirects focus away from sanctions.
- o Holds potential for increased access to black audiences and increased influence in shaping black opposition strategies.

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-36-

CON:

- o Would require increased funding and staff.
- o Could provoke negative SAG reactions as U.S. mission expands largely experimental programs at the edges of the law.
- o May exceed absorptive capacity of South African NGO community. Quality of average A.I.D. grant could decline. May result in audit/vulnerability problems.
- o Could result in cuts in U.S. assistance to other African countries, given the current limitations on overall funding.

(THIS OPTION IS SUPPORTED BY STATE ^{33(b)(1)} NSC STAFF, USIA, COMMERCE, TREASURY, AND DOD/OSD)

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NSC/S PROFILE

RECORD ID: 8921118
RECEIVED: 13 SEP 89 12

TO: SCOWCROFT

FROM: EDELMAN, M

DOC DATE: 12 SEP 89
SOURCE REF:

KEYWORDS: SOUTH AFRICA

ECONOMIC ASSISTANCE

PERSONS:

SUBJECT: EXPANDING AID FOR DISADVANTAGED SOUTH AFRICANS

ACTION: OBE / STATUS ORIGINAL UNKNOWN DUE DATE: 15 SEP 89 STATUS: C

STAFF OFFICER: PASSAGE

LOGREF: 8920117 8920498

FILES: IFR C

NSCP: NSR0015

CODES:

D O C U M E N T D I S T R I B U T I O N

FOR ACTION

FOR CONCURRENCE

FOR INFO

DECLASSIFIED

White House Guidelines

E.O. 12958, SEC 3.4 (B), September 11, 2006

By CAP NARA, Date 7/9/00

COMMENTS: _____

DISPATCHED BY _____ DATE _____ BY HAND W/ATTCH

OPENED BY: LF

CLOSED BY: NSAJC */Btm*

DOC 1 OF 1

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ACTION DATA SUMMARY REPORT

RECORD ID: 8921118

DOC ACTION OFFICER

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001

CAO ASSIGNED ACTION REQUIRED

Z 89091312 PREPARE MEMO FOR SCOWCROFT
X 90042515 OBE / STATUS ORIGINAL UNKNOWN

DECLASSIFIED
White House Guidelines
E.O. 12958, SEC 3.4 (B), September 11, 2006
By CAP NARA, Date 7/9/0

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PROFILE

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ID 8921118

RECEIVED 13 SEP 89 12

TO

SCOWCROFT

FROM EDELMAN, M

DOC DATE 12 SEP 89

COHEN, H

01 AUG 89

KEYWORDS: SOUTH AFRICA

ECONOMIC ASSISTANCE

SUBJECT: EXPANDING AID FOR DISADVANTAGED SOUTH AFRICANS

ACTION: PREPARE MEMO FOR SCOWCROFT DUE: 15 SEP 89 STATUS S FILES IF

FOR ACTION

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ATTACHMENTS

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REF#

LOG 8920600

NSCIFID NSR0015

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ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C 4/25

FRP ORB/ Status Original Unknown

DISPATCH W/ATTCH FILE (C)

Agency for International Development
Washington, D.C. 20523

21118

Office of
the Administrator

September 12, 1989

MEMORANDUM FOR HONORABLE BRENT SCOWCROFT
Assistant To The President
For National Security Affairs
The White House

SUBJECT: Expanding Aid for Disadvantaged South Africans

On June 30, 1989, in a White House press release issued in connection with Mrs. Albertina Sisulu's visit, the Administration signalled its commitment to an expansion of the U.S. aid program in South Africa. A formal proposal in this regard is under consideration in the current inter-agency review of NSR #15 (U.S. policy re South Africa).

We support the expansion of the A.I.D. program of assistance to "disadvantaged South Africans." But we also have serious concerns about the political, managerial, and budgetary implications of too rapid an expansion of this highly sensitive program. We must be very careful that, in our natural inclination to direct additional resources toward a problem, we do not make missteps that could undermine the credibility of our program with the very people we want so much to help.

Our concerns are spelled out in the attached memorandum from A.I.D.'s Acting Assistant Administrator for Africa, Walter G. Bollinger, to Hank Cohen. I hope you will find it useful background for your review of NSR #15. The key concerns discussed in the memo can be summarized as follows:

1. It is critical to maintain our strategic focus.
The A.I.D. program in South Africa has two broad political objectives:

- hastening an end to apartheid; and
- helping black South Africans prepare themselves for leadership in a non-racial democracy.

This document is to be considered LOU upon the removal of the attachment.

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Every activity we fund must contribute directly to the achievement of one or both of these objectives -- which rules out many worthwhile activities that might improve the living conditions of poor blacks. Our purpose is to help confront apartheid and prepare for a post-apartheid society, not to ameliorate the effects of apartheid. In our desire to "do something more", we must avoid being perceived by blacks as supportive of the South African Government's "Win their Hearts and Minds" programs of township and homeland development.

2. The absorptive capacity of the South African grantees is limited. Over the past three years, our USAID Mission in Pretoria has identified nearly all the credible organizations working in our current areas of activity that we might support. Some will simply not accept assistance from the USG. Most of the rest are already funded up to the limits of their capacities, from us and other donors. We must avoid making grants to new organizations which either have poor political credibility, or lack the administrative capability to effectively manage our funds.

3. Any additional funding for our program in South Africa will require corresponding reductions in one or more of our other country programs -- and present us with some very difficult trade-off decisions.

4. An expanded program will require more U.S. staff in Pretoria. The capabilities of our USAID Mission are already stretched to the limit, with more grants and contracts to manage per staff member than any other USAID in the world.

Mark L. Edelman

Mark L. Edelman
Acting Administrator

Attachment: a/s

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
02. Memo	Walter G. Bollinger to Herman Cohen Re: Expanding Aid for Disadvantaged South Africans (12 pp.)	8/1/89	(b)(1)	C

Collection:

Record Group: Bush Presidential Records
Office: National Security Council
Series: H-Files
Subseries: NSR Files
WHORM Cat.:
File Location: NSR-15 - April 10, 1989 - South Africa [2]

Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

I D F PROFILE

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ID 8920600

RECEIVED 07 JUN 89 16

TO SCOWCROFT FROM ROY, J

DOCDATE 06 JUN 89

KEYWORDS: SOUTH AFRICA

NSR

SUBJECT: INTERAGENCY RESPONSE TO NSR 15 SOUTH AFRICA

ACTION: APPROPRIATE ACTION

DUE: 10 JUN 89 STATUS S FILES IFR 

FOR ACTION

FOR CONCURRENCE

FOR INFO

PASSAGE

MILLER

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UNCLASSIFIED UPON
REMOVAL OF CLASSIFIED
ATTACHMENTS

COMMENTS

CAP

7/9/10

REF# 8912832

LOG 8920117

8920498

NSCIFID NSR0015

(G / )

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
 GATES	X 9/1	FOR DECISION		
HUGHES	X 9/7	ADD-ON / FOR SIGNATURE		
	C 9/12	GATES APPROVED RECOMM 		PASSAGE - DEM- LHAM

DISPATCH _____ W/ATTCH FILE _____ (C) 

**National Security Council
The White House**

PROOFED BY: Both LOG # 20600
 URGENT NOT PROOFED: _____ SYSTEM PRS NSC INT
 BYPASSED WW DESK: _____ DOCLOG _____ A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Dep Exec	<u>1</u>	<u>MD</u>	<u>A</u>
Philip Hughes	_____	_____	_____
Bob Gates	<u>2</u>	<u>8</u>	<u>A</u>
Brent Scowcroft	_____	_____	_____
Philip Hughes	_____	_____	_____
Situation Room	_____	_____	_____
West Wing Desk	<u>3</u>	<u>27.9/12</u>	<u>N</u>
NSC Secretariat	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

89 SEP 1 11:37 AM '66

A = Action I = Information D = Dispatch R = Retain N = No further Action

cc: VP Sununu Other _____

Should be seen by: _____
(Date/Time)

COMMENTS

9/18
3:00-4:00

Philip -
 Should we
 ask Diane for
 a date for the
 meeting and
 then ~~cancel~~
 ask Miller's office
 to prepare notification
 memo + at same
 time transmit this
 paper and agenda.
 Catches

RECEIVED
NSC SECRETARIAT

89 AUG 1 P4:23

68:31

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03a. Memo	David Passage to Robert M. Gates Re: NSR-15 (South Africa) (3 pp.)	9/1/89	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: National Security Council
Series: H-Files
Subseries: NSR Files
WHORM Cat.:
File Location: NSR-15 - April 10, 1989 - South Africa [2]

Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #:
AR Disposition:	MR Disposition:
AR Disposition Date:	MR Disposition Date:

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
 P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

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 (b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
 (b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
 (b)(9) Release would disclose geological or geophysical information



S/S 8912832
United States Department of State

Washington, D.C. 20520

20600

June 6, 1989

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MEMORANDUM FOR BRENT SCOWCROFT
THE WHITE HOUSE

Subject: National Security Review 15: South Africa

Attached is the interagency response to NSR 15: South Africa. The study was prepared by a Policy Coordinating Committee chaired by Assistant Secretary of State for African Affairs Herman J. Cohen. Agencies participating in the PCC were:

- The Department of State
- The Department of Defense, Office of the Secretary of Defense
- The Joint Chiefs of Staff
- The Central Intelligence Agency
- The Department of Commerce
- The Department of the Treasury
- The Agency for International Development
- The United States Information Agency
- National Security Council staff

As the attached is an interagency draft document, it has not been reviewed by the Secretary of State. It is the Department's understanding that the next step in the policy review process is a meeting of the Deputies Committee.

J. Stapleton Roy
J. Stapleton Roy
Executive Secretary

Attachment:
Draft interagency response to NSR 15

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By CAP NARA, Date 7/9/00

~~SECRET~~

DECL:OADR

WHITE HOUSE

89 JUN 7 A1:52

89 JUN 7 P4:21

SITUATION ROOM

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1. The process is a series of five phases: Committee
2. The first phase is the selection of the Committee
3. The second phase is the selection of the members of the Committee
4. The third phase is the selection of the members of the Committee
5. The fourth phase is the selection of the members of the Committee
6. The fifth phase is the selection of the members of the Committee

- The first phase is the selection of the Committee
- The second phase is the selection of the members of the Committee
- The third phase is the selection of the members of the Committee
- The fourth phase is the selection of the members of the Committee
- The fifth phase is the selection of the members of the Committee
- The sixth phase is the selection of the members of the Committee
- The seventh phase is the selection of the members of the Committee
- The eighth phase is the selection of the members of the Committee
- The ninth phase is the selection of the members of the Committee
- The tenth phase is the selection of the members of the Committee

2. The process is a series of five phases: Committee
3. The first phase is the selection of the Committee
4. The second phase is the selection of the members of the Committee
5. The third phase is the selection of the members of the Committee
6. The fourth phase is the selection of the members of the Committee
7. The fifth phase is the selection of the members of the Committee

3. The process is a series of five phases: Committee

4. The process is a series of five phases: Committee

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Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
03b. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: National Security Council

Series: H-Files

Subseries: NSR Files

WHORM Cat.:

File Location: NSR-15 - April 10, 1989 - South Africa [2]

**Document Partially Declassified
(Copy of Document Follows)**

By M.M. on 5/11/2022

Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 2010-2017-MR(500:02)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 9/23/2015

RESTRICTION CODES

Freedom of Information Act (FOIA) - [5 U.S.C. 552(b)]

- (b)(1) National security classified information
- (b)(2) Release would disclose internal personnel rules and practices of an agency
- (b)(3) Release would violate a Federal statute
- (b)(4) Release would disclose trade secrets or confidential or financial information
- (b)(6) Release would constitute a clearly unwarranted invasion of personal privacy
- (b)(7) Release would disclose information compiled for law enforcement purposes
- (b)(8) Release would disclose information concerning the regulation of financial institutions
- (b)(9) Release would disclose geological or geophysical information concerning wells

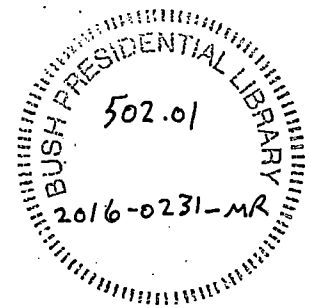
Deed of Gift Restrictions

- C(1) Closed by Executive Order 13526, governing access to national security information
- C(2) Closed by statute or by the agency which originated the information
- C(3) Closed in accordance with restrictions contained in donor's deed of gift [formerly listed as only C]
- PRM. Removed as a personal record misfile

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]

NATIONAL SECURITY REVIEW 15



SUBJECT: National Security Review: South Africa

PART I. ASSESSMENT

A. Current Situation and Trends

Iron-fisted repression has maintained order in South Africa's black townships over the past two years. Most of the internal leadership of the black opposition has been detained, restricted, neutralized through intimidation, or simply co-opted into political inactivity. The euphoric predictions of anti-apartheid militants in 1985-86 that the regime was on its last legs -- and could be toppled by international sanctions -- seem hopelessly naive today. Severe press censorship, especially of electronic media, has reduced South Africa's international visibility and ended apartheid's two-year run on the front pages of American newspapers.

The calm is probably deceptive. Government officials acknowledge the persistence of a "revolutionary climate" in South Africa. Virtually all forms of active dissent and peaceful protest remain outlawed. Heavy-handed South African government (SAG) efforts to engage credible black leaders in a national dialogue aimed at eventual constitutional revisions and reforms have found no takers so far. Similarly, a clear majority of ordinary blacks continues to boycott SAG-sponsored elections in their segregated municipalities. With all avenues to peaceful change apparently blocked, a radicalization of the black opposition is underway and is already evident among younger militants. Unless steps are taken to break the political deadlock, this radicalization will continue apace as the South African economy stagnates. The combination of international sanctions and a lack of new investment is holding annual growth to about two percent -- far below the five percent needed to provide jobs to the rapidly expanding pool of first-time, frustrated black job-seekers. The situation has been prevented from deteriorating even more sharply by the rapidly expanding informal economy which provides jobs to blacks in services, cottage industry and small business.

While security issues and maintenance of control are the paramount concern, the ruling National Party faces other urgent challenges as well. The white electorate is badly divided,

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with between 25 and 30 percent of white voters (nearly 50 percent of Afrikaans speakers) are now aligned with the far right Conservative Party. General elections are scheduled for September 6. The "Nats" are expected to win, albeit with a reduced majority in parliament. Ailing State President P.W. Botha will then step down, ending one of the most eventful and turbulent decades in South African history. His designated successor, F.W. de Klerk, has already spoken about the need for fundamental political change, triggering speculation that he plans to launch a new reform program with the backing of a younger generation of "Nat" politicians. De Klerk, however, is untested and his real plans are unclear.

South Africa has undertaken bold foreign policy initiatives in the past year. With considerable prompting and guidance from the U.S., South Africa has negotiated an end to its 73-year occupation of Namibia and is cooperating with the U.N. in the transition of the territory to independence. This U.S.-brokered negotiating process has brought South Africa into contact with a number of African states and with Soviet and Cuban officials as well. In the second half of 1988, State President Botha made unprecedented calls in four black African capitals. Major new South African initiatives to assist strife-torn Mozambique were also announced during this period. Overall, tensions between South Africa and its neighbors, related mostly to SAG fears of ANC cross-border infiltration, have eased in recent months. These developments would appear to validate policies which steer the SAG and neighboring states away from confrontational posturing toward increased diplomatic contact and dialogue.

B. Objectives and Strategy in the Reagan Years

American Strategic Interests. Our overriding interests in South Africa can be summarized in five points:

1. Already a major human rights problem, South Africa has the potential to become a large-scale humanitarian tragedy.

2. South Africa is a powerful moral issue in the U.S. and internationally, with a capacity for embittering our own politics, affecting our African relationships and becoming an Alliance issue.

3. The political and economic stability of the entire Southern Africa region from the Cape to Zaire, and Western security interests there, depend on developments in South Africa. Regional turmoil undercuts Western interests in economic, political and strategic terms.

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4. Certain of South Africa's strategic minerals are vital to U.S. industry, including defense-related industries.

5. Because of its weapons capability, South Africa poses a significant nuclear proliferation problem.

South Africa's importance in an East-West context has changed in recent years as the threat of local turmoil has come to the fore and the risks of sustained Soviet-Cuban intervention have waned. With the planned withdrawal of Cuban troops from Angola, the transition from insurgency to independence in Namibia, and Mozambique's efforts to diversify its sources of aid in favor of the West, South Africa can less credibly claim to have clear-cut Soviet-bloc adversaries to confront in the region. Exaggerated SAG claims to protecting U.S. and Western strategic interests have been further undercut by recent Soviet moves, including a rethinking of support for the ANC's externally-based armed struggle, public appeals for increased diplomatic contact between the SAG and Front-Line States (FLS), and calls for "political" (i.e., negotiated) solutions to South Africa's internal problems.

U.S. Policy In the Reagan Administration. Disagreements between Congress and the Executive branch have seriously impeded formulation of a coherent, credible U.S. policy towards South Africa in recent years. The Comprehensive Anti-Apartheid Act of 1986 -- one of the most dramatic congressional rebuffs of presidential foreign policy authority of the Reagan years -- is now generally perceived to have failed to produce the hoped-for result of promoting positive change. (To the extent the CAAA was perceived as a gesture of support for the anti-apartheid struggle, however, it may have helped to improve U.S. access to black opposition leadership.)

In terms of South Africa's external relations, U.S. objectives have been to work toward the reduction of regional tensions and cross border violence. The U.S.-brokered Angola/Namibia settlement has validated a policy approach which deals with South Africa in a regional context and which recognizes the SAG's centrality to regional stability and development. Simultaneously, the U.S. has continued to support the Southern Africa Development Coordination Conference (SADCC), whose member states are working to reduce their heavy economic dependence on South Africa's trade and transport routes. Overall, U.S. relations with virtually all governments in southern Africa are better today than they were a decade ago.

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With respect to South Africa's internal problems, success in attaining our goals has proven much more elusive. Sanctions and the voluntary withdrawal since 1984 of more than half the U.S. companies operating in South Africa have reduced U.S. influence. We have, nevertheless, expanded contacts across the political spectrum, particularly within the opposition camp. A large and innovative A.I.D. program in support of blacks includes the largest USG human rights program in the world (including legal assistance), education programs (including university scholarships), leadership training, and support for black businesses and labor unions. Because it is implemented largely by black-led community organizations and has been designed in close consultation with the black leadership, this program has become a crucial means of building bridges between the USG and South African blacks. The A.I.D. program is funded at \$35 million in FY 1989.

C. Opportunities and Problems

Our national furor over sanctions has obscured the fact that there are major elements of longstanding policy toward South Africa which enjoy broad bipartisan support in this country. There has been strong public and congressional backing for the leading role played by the U.S. in mediating regional conflicts and for the successes achieved in Angola and Namibia. Similarly, there is broad support for American efforts to lessen SADCC's economic dependence on South Africa. Our determination to develop ties to all parties in South Africa (including the Lusaka-based ANC leadership) has bipartisan support. Congress has upheld A.I.D. programs in South Africa to promote black economic empowerment (sometimes even overfunding particular projects, such as scholarships to South African refugees).

This combination of attention to regional problems, dialogue with all South Africans and efforts to build black bargaining power inside South Africa would have achieved even greater support had the U.S. been perceived as leading our major allies (the U.K., F.R.G. and Japan) and the international community more generally in a drive for change in South Africa. Charges of an absence of American leadership, though in many respects unjust, have been widespread in Congress.

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For many reasons, not least the distaste of our principal European allies for the congressional sanctions agenda, we have not succeeded in marshalling their collective support for improved (and more visible) coordination of our policies.

14(d)

[REDACTED] intra-EC politics, the press of other business and lack of a high-level push from the USG frustrated an effort to put South Africa on the agenda of the Summit Seven. The OECD secretariat and several members states brushed aside a low-key American effort to help coordinate efforts to support black economic development and empowerment in South Africa. No other suitable alliance fora for addressing these issues have been found. As a result, up to now, the Western allies have added up to less than the sum of their parts -- both defensively and offensively -- on such issues as sanctions, human rights developments, aid to black South Africans and models of political evolution. A key challenge for the Bush Administration in South Africa will be finding ways to concert policy with our major allies.

New possibilities for cooperation with the U.S.S.R. may also exist. By downplaying revolutionary rhetoric and calling for a more gradual, political approach to ending apartheid, the Soviets have already helped to erode the credibility of SAG hardliners who source South Africa's internal unrest to a Marxist "total onslaught" orchestrated from abroad and spear-headed by the communist-influenced ANC. If the Soviets are also willing to counsel restraint to those FLS most eager for an international showdown with South Africa, white South African fears would be further eased. The fact that the SAG is intensely interested in exploring the possibility of official relations with Moscow also gives the Soviets a degree of leverage with Pretoria.

Any assessment of opportunities and problems in South Africa must take into account the complexities and nuances of white politics. On the one hand, there is the reality of deeply-rooted Afrikaner resistance to advice and pressure from outsiders, especially when it is perceived that the survival of the Afrikaner culture and way of life itself is at stake. On the other hand, rivalries and disagreements within South Africa's fractious white community offer opportunities for bringing U.S. influence to bear. Political breakthroughs are far more likely to result from the discreet manipulation of these internal divisions than from heavy-handed pressure which forces South African whites to close ranks against a common, foreign enemy.

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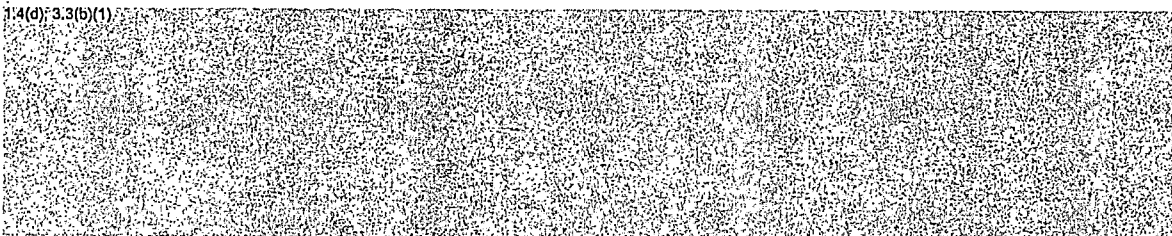
The failure of past sanctions policies against South Africa does not mean that diplomatic and economic pressure should be abandoned. It is ironic that the congressional push for total sanctions against South Africa has largely precluded the possibility of using carefully selected, limited sanctions as a lever to move South Africa in specific directions. Targeted on an attainable objective (e.g., one about which the South African establishment is divided) the threat of sanctions can tip the balance in favor of change. Directed at broader, less defined goals which white South Africans view as forcing capitulation to black demands or as threatening their political and economic security, sanctions engender nationalist backlash against foreign meddling rather than change.** Political divisions in the U.S. have effectively deprived us of the capacity to finetune pressure through the threat of sharply-focussed, issue-specific sanctions, such as the U.S. film industry's successful campaign to desegregate South Africa's movie houses by withholding distribution of U.S. films.

D. Strategy and Options

Long-Term U.S. Strategy. The U.S. should be prepared for a long siege prior to apartheid's demise. Long-range goals should be to ensure a substantial U.S. presence (both official and unofficial) in South Africa and maintenance of as much U.S. leverage as possible, both with the SAG and with its opponents. Our presence should serve the purpose of strengthening democratic elements and processes within South Africa and contributing to the progressive economic and political empowerment of the black majority. Continuation of an innovative and well-funded A.I.D. program is essential to this long-range goal. Our most important economic objective over the long term is continued access to South Africa's strategic minerals. The most important national security objective over the long term is preventing South Africa from becoming a full-fledged nuclear proliferation problem.

Near-Term U.S. Strategy. Both the SAG and its main black opponents insist on sweeping sets of preconditions before they would be prepared to meet at the bargaining table. Growing constituencies in both camps, however, believe that negotiations may be the only alternative to continuing political stalemate.

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A guiding principle for U.S. policy over the next 18 months to two years should be the promotion of negotiations or pre-negotiations. That talks between the SAG and genuine opposition leaders (in all probability the UDF and ANC) may take years and pass through many phases is less important than getting them started. The image of strong U.S. support for this goal is essential, whether or not we believe it to be achievable any time soon. Just reaching the starting line will require major conceptual breakthroughs by both black and white South Africans. An agreement to talk would also provide a huge boost to the many informal efforts now underway (such as talks between the ANC and Afrikaner intellectuals) to set common political and economic goals for a post-apartheid South Africa.

U.S. near-term strategy should also aim at a number of specific human rights objectives. Advances on this front would help to create momentum towards the longer-term goal of power sharing negotiations. These interim goals should include the repeal of laws and regulations which: ban almost all forms of effective opposition political activity, allow indefinite detention without charges or trial, encourage arbitrary and sweeping censorship of the media, and enforce racial segregation. In the latter category, U.S. pressure should be directed towards repeal of the Group Areas Act, the Separate Amenities Act and the Population Registration Act. Other near-term goals should include the release of Nelson Mandela and other prominent detainees and the abandonment of SAG efforts to disarm the peaceful opposition through so-called "treason" trials.

Key questions which must be addressed in drawing up an overall policy approach to South Africa include:

- o U.S. influence over internal developments in South Africa
- o U.S. interposition between South Africa and Front Line States
- o Coordination of the U.S. approach with key allies
- o The role of sanctions
- o Changing Soviet strategy toward South Africa and the region
- o The nuclear proliferation threat
- o Managing the official US-SAG relationship
- o The U.S. role in black empowerment

In the second section of this paper, each of these key questions is addressed in more detail.

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PART II: POLICY OPTIONS

1. The Focus of U.S. Policy Toward South Africa

Issue for Decision

How vigorously should the U.S. attempt to stimulate internal change in South Africa and what general methods should be used?

Background

South Africa's white ruling establishment has resisted the efforts of successive U.S. administrations to encourage changes in the apartheid system. The so-called "constructive engagement" strategy of the Reagan administration assumed a genuine desire on the part of National Party leadership to introduce major political and social reforms, albeit in piecemeal, gradual fashion. "Constructive engagement" aimed to create a climate in which the SAG felt secure enough in its external relations, particularly its relations with the U.S., to carry through with a program of accelerated, fundamental reforms. Many petty apartheid strictures were, in fact, eliminated in the early 1980s. Major political changes, such as the creation of the tri-cameral parliament, were also undertaken, although these fell far short of minimum opposition demands. During this period, U.S. diplomacy emphasized the need for a reduction of regional tensions, accommodation between South Africa and its neighbors, and firm opposition to punitive sanctions against Pretoria. This policy was strongly criticized by most third world states and sizeable segments of U.S. public opinion.

Violent black protest began in 1984 and had engulfed most of South Africa's black townships within a year, rendering some townships virtually "ungovernable." By mid-1986, township conflict (much of it black-on-black violence) and increasingly brutal SAG repression were daily features in U.S. television news broadcasts. In this emotionally-charged atmosphere, Congress passed the Comprehensive Anti-Apartheid Act, thus terminating definitively the "constructive engagement" approach. For most of President Reagan's second term, Congress and the Executive were sharply at odds over the correct policy approach toward South Africa. The result was that the U.S. both sanctioned and penalized South Africa as mandated by Congress and extended strong diplomatic and political support to Pretoria. Such support included frequent use of our Security Council veto and guidance on the Angola/Namibia talks

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and on attempts by Pretoria to better its relations with neighboring states.

The nature of South Africa's core problem -- race-based minority rule in a society which professes to identify strongly with Western democratic values -- ensures that popular pressures for an "activist" U.S. policy will continue. How to reconcile public and congressional demands for decisive action vis-a-vis South Africa with limited scope for effective intervention by outsiders will remain the key dilemma for U.S. policymakers.

Options

A. Accept the premise that the SAG will only agree to fundamental change if placed under intense pressure. Explore every non-military means to bring U.S. pressure to bear, including comprehensive U.S. and U.N. sanctions. Seize every opportunity to isolate and ostracize the SAG internationally. Cut back official relations with the SAG to a minimum level. Openly support the aims and methods of the ANC and/or the internal opposition. Reinforce moral and material support to these groups. Pressure allies to adopt similar policies.

PRO:

- o Wins support from Third World and black African governments.
- o Increases U.S. sway with opposition groups which will play decisive roles in the transitional and post-apartheid periods.

CON:

- o Marks radical change in existing U.S. policies, raises doubts about U.S. credibility.
- o Strongly opposed by the U.K. and other key allies.
- o Sharply reduces or eliminates U.S. access to and influence with the SAG. Disqualifies U.S. as facilitator or mediator in negotiations.
- o Could trigger SAG retaliation, such as cutting supply of strategic minerals.
- o Ends U.S. investment in and exports to South Africa. Loss of markets to foreign competitors.
- o Unless adopted by other major powers, is unlikely to force major changes from SAG.

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B. Accept that strong, externally-applied pressure is necessary to promote change but stop short of outright confrontation with the SAG. Accept, but do not promote, SAG's international isolation. Provide strong rhetorical, diplomatic and material support to black opposition. Explore possibility of coordinated action, including new but limited sanctions, with Front Line States, commonwealth nations, other like-minded parties

PRO:

- o As escalation of U.S. pressure, welcomed by black opposition, FLS, many Third World audiences.
- o Could win backing of Democratic majority in Congress.
- o Preserves a least a modest official and unofficial presence in South Africa.

CON:

- o Opposed by U.K. and allies.
- o Antagonizes SAG, reduces U.S. access and leverage.

C. Emphasize a balanced approach of pressure and incentives. Seek to position the U.S. to promote dialogue and eventual black/white negotiation. Continue to denounce apartheid policies and identify with black aspirations, but avoid temptation to "choose sides." Make access to white elites a high priority while continuing outreach to black community. Oppose further sanctions or disinvestment. Actively support U.S. business presence in South Africa. Sustain "positive measures" support for blacks.

PRO:

- o Continues many elements of existing policy, reassures allies and certain other international audiences
- o Preserves access to SAG, holds open possibility of U.S. mediating role.
- o Allows for continued access to internal opposition groups, does not prejudice expanded contact with the ANC.

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- o Flexibility of approach adapted to changing environment in South Africa. Does not foreclose on more coercive, or more lenient, policies at a later date.

CON:

- o Similarities to existing policy will disappoint many anti-apartheid activists, Third World audiences.
- o Will fail to win support of Congressional members seeking tougher U.S. action against South Africa.

(THIS OPTION IS SUPPORTED UNANIMOUSLY BY THE INTERAGENCY POLICY COORDINATING COMMITTEE.)

D. Concede that U.S. cannot manage a sustained and coherent policy approach to South Africa. Encourage U.K., possibly other allies, to take the lead in efforts to promote change in South Africa. Seek to reduce Administration's profile/exposure in South Africa and on the Hill. When necessary, urge Congress not to impede British or other efforts to promote realistic change in South Africa.

PRO:

- o Acknowledges debilitating effect of executive/congressional disputes over South Africa.
- o Simplifies complex issue by moving U.S. into a purely reactive mode vis-a-vis events in South Africa.
- o May have (wary) support of U.K. and other allies.

CON:

- o Dissatisfies majority in Congress which wants Administration to take lead on South Africa policy.
- o Difficult policy to articulate and justify publicly. Risks being interpreted as abdication of U.S. responsibility.
- o Could weaken U.S. regionally if FLS perceive lessened U.S. involvement and influence in South Africa.

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2. South Africa and the Region: The U.S. Role

Issue for Decision

Should the United States continue, as it has over the past eight years, to broker relations between South Africa and its neighbors?

Background

Conflicts in the southern Africa region have always been characterized by a high degree of external involvement. In the 1970s and 1980s, the Rhodesian problem, the Angola/Namibia negotiations, and the Renamo problem in Mozambique have garnered much diplomatic attention from the U.S. One of the premises of the "constructive engagement" approach was that regional problems were more susceptible to resolution by means of U.S. intervention than was the apartheid situation inside South Africa. By removing the sources of regional conflict, it was hoped that Afrikaner resistance to peaceful change inside South Africa could be lessened. Negotiated settlements in the region were meant to set positive examples for an eventual transition to majority rule in South Africa.

The Angola/Namibia accords have in fact established a potentially useful precedent for South Africa, although the transition process in Namibia -- not the negotiations which led to it -- will be the decisive point of reference for the future. The U.S. is an observer on the Joint Commission established to monitor implementation of the Angola/Namibia accords. The U.S. has also launched a low-key exploratory effort to determine if any basis exists for a possible U.S. role in mediating an end to the civil war in Mozambique.

In the meantime, the U.S. continues to provide substantial assistance to the Southern Africa Development Coordinating Conference (SADCC) in order to lessen these countries' near-total economic dependence on South Africa.

A key issue facing U.S. policymakers over the next 4 or 5 years will be the extent to which the U.S. tries to promote harmonious relations between all states in the region, despite the confrontational posture which the FLS insist upon in their dealings with the SAG.

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Options

A. Adopt the perspective of regional hardliners such as Zimbabwe President Robert Mugabe. Work with the Front Line States to reduce their economic and military vulnerabilities vis-a-vis South Africa and to enhance their ability to apply pressure on South Africa. Goal would be an FLS better able to resist SAG militarily and to support groups such as the ANC. Might require significant increases in U.S. spending to strengthen FLS economically and militarily. (This is the corollary to "Option A" -- maximum U.S. pressure on South Africa -- in "1. The Focus of U.S. Policy Toward South Africa")

PRO:

- o Would win support of Front Line States, most of Third World, ANC and internal black opposition groups.

CON:

- o Even with substantial external support, cost to FLS economies and populations of confrontational approach with SAG would be prohibitive.
- o FLS habitually misread SAG capabilities and intentions. Risk of military miscalculations on their part is high.
- o Unrealistic to expect U.S. to contribute significant funds.
- o Conflict between South Africa and neighbors decreases likelihood of orderly, negotiated transition to majority rule in South Africa.

B. Accept the need for some SADCC/FLS independence, but draw the line at impractical, redundant, politically-motivated projects. FLS vulnerabilities to SAG pressure should be reduced, but not by exacerbating the distortions and inefficiencies which already exist. At same time, FLS should be discouraged from pursuing confrontational strategies vis-a-vis the SAG.

PRO:

- o Stresses the reality of interdependence of the regional economy, seeks to minimize economic waste and inefficiencies

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- o By lessening somewhat FLS dependencies on South Africa, preserves a degree of political credibility
- o Is an acceptable formula for winning bipartisan Congressional support for a continued regional aid program
- o Lessens the risk of regional conflict by discouraging confrontational FLS posturing
- o Sustains a successful regional approach based on U.S. efforts to broker dialogue and negotiations.

CON:

- o Will not satisfy certain FLS and other anti-SAG forces.
- o Leaves intact asymmetrical economic relationships between SAG and FLS.
- o Doesn't increase U.S. leverage with FLS.

(THIS OPTION IS SUPPORTED BY STATE, ^{33(b)(1)}USIA, TREASURY, AID AND COMMERCE)

C. Press SADCC/FLS to accept South Africa's central position in the regional economy. Promote closer economic ties between the SAG and FLS. Work to remove barriers to more contact and dialogue between SAG and FLS.

PRO:

- o Gives all parties an increased material stake in regional stability. Reduces risks of miscalculation, confrontation.
- o Allows greater play to market forces, reduces inefficiencies in regional economy
- o Lays groundwork for post-apartheid regional cooperation.

CON:

- o Given likely resistance from the FLS, difficult policy to explain and justify publicly.
- o Risks overidentifying U.S. with SAG's foreign policy agenda
- o Could be distorted by those in SAG seeking license to exercise regional hegemony, resurrect old idea of "constellation of states" orbiting around Pretoria.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, JCS)

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3. Unilateral or Multilateral Approach

Issue for Decision

Should the U.S. adopt a solo approach to the South Africa problem, or should policy be coordinated with others?

Background

Multilateral diplomacy in Southern Africa has had its ups and downs. The most recent effort involving the U.S. was the "Contact Group" started during the Carter administration to find a way to implement UNSCR 435 for Namibian independence. The UK, France, FRG and Canada were our partners. The "Contact Group" carried over to the Reagan Administration but fell apart when Canada, France, and the FRG became uncomfortable with the linkage of Namibian independence to Cuban troop withdrawal from Angola. The Angola/Namibia negotiations were carried to a successful conclusion by the U.S. working as a lone mediator, with behind-the-scenes support from the U.K. and U.S.S.R. and a number of African governments.

In the Comprehensive Anti-Apartheid Act of 1986, Congress called for the U.S. to coordinate with allies in applying sanctions on South Africa. The Reagan administration rejected this recommendation. During the last two years of the Reagan administration, however, the U.S. made efforts to enlist key allies in development of a common approach to the apartheid problem. Our efforts centered on a project to develop an agreed set of principles on what we stand for in South Africa. We also sought to develop a common mechanism for monitoring human rights issues in South Africa. These efforts were unsuccessful mainly because of a UK refusal to link its policy to ours in the wake of the Comprehensive Anti-Apartheid Act of 1986.

In relative terms, Britain's interests in South Africa far outweigh those of the U.S. The Thatcher government, convinced that sanctions are at best futile and at worst counterproductive, will firmly resist any U.S. attempt to extend and/or multilateralize sanctions. In March, 1989, Prime Minister Thatcher travelled to southern Africa and left the strong impression that she intends to become more active in promoting negotiations to end apartheid.

Options

A. Continue the unilateral role developed during the Angola/Namibia negotiations, building on our reputation as an impartial mediator. Coordinate as necessary with South

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Africa's major trading partners, especially the UK, FRG, and Japan, but make it clear that we insist on total freedom of action.

PRO:

- o Keeps our options open; provides maximum flexibility.
- o Avoids association with Canadian, Scandinavian and other policies which lack objectivity and influence.

CON:

- o Places burden of conflict resolution in southern Africa on U.S.
- o Gives other players in the region leverage over us, as they know we need "results."
- o Risk of working at cross-purposes with UK or other key allies, who may also fear U.S. will drag them into unwanted policies.

(THIS OPTION IS SUPPORTED BY JCS.)

B. Submerge U.S. role into a comprehensive, multilateral approach along lines comparable to the "Contact Group."

PRO:

- o Fulfills spirit of CAAA which calls for U.S. to join with allies in pressuring the SAG.
- o Lowers U.S. profile on apartheid issue, over which we have little control in any case.
- o Collective action increases pressure on Pretoria.

CON:

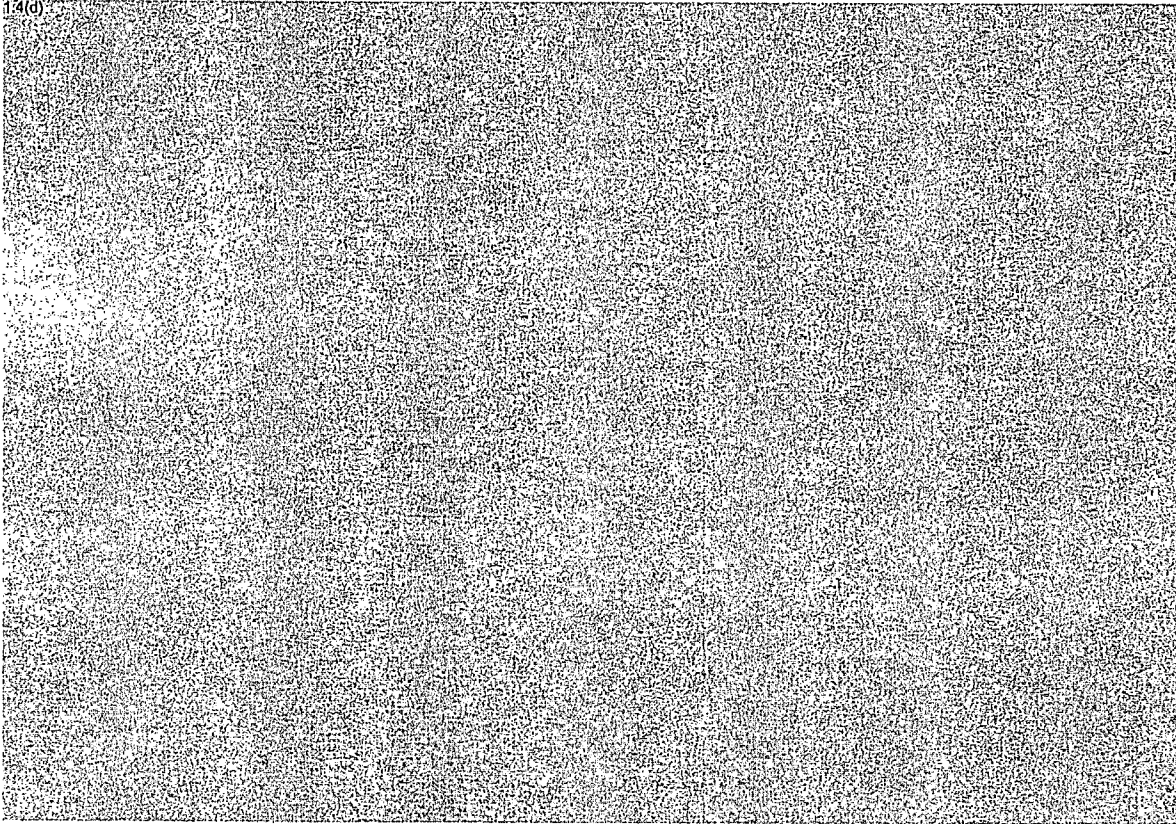
- o Risks reduction of policies/actions to lowest common denominator, or even paralysis.
- o Risks forcing U.S. to defend unpopular compromises with allies. Opens U.S. to charges of "hiding" behind more cautious partners of South Africa.

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- o Circumscribes U.S. freedom of action at the U.N. and elsewhere.



D. Formulate our own policies based on a U.S. view of the region, with special recognition of our unique domestic imperatives, but coordinating as closely as possible with South Africa's important trading partners, the FLS and other interested parties.

PRO:

- o Keeps our concern over apartheid, and our racial experiences, at the center of our policy.
- o Demonstrates desire for cooperation with allies when deemed useful.
- o Retains maximum freedom of action.
- o Allows for floating alliances to cope with changing circumstances. Keeps doors open for collaboration on specific issues in specific areas.

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CON:

- o May be insufficient to persuade pro-sanctions forces that we have "multilateralized" our approach.
- o Exposes administration to possible charges of "passivity."
- o Allows insufficient leverage over allies' actions.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, ^{3.3(b)(1)} NSC STAFF, USIA, AID, TREASURY AND COMMERCE)

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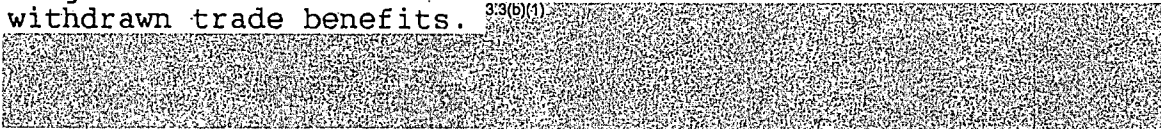
4. Sanctions

Issue for Decision

To what extent should sanctions against South Africa be a part of U.S. policy?

Background

U.S. diplomatic, political, economic and military sanctions against foreign adversaries are not unusual. Broad-based economic sanctions are currently in place against countries like Panama, Nicaragua, Cuba, Libya and South Africa, and a range of more limited pressures are exerted regularly by both Congress and the Executive in the form of withheld aid or withdrawn trade benefits. ^{3.3(b)(1)}



American sanctions against South Africa are not new. Prior to 1986 they were carefully limited in scope -- abolition of naval ship visits, cessation of military sales, blocking of computer sales to agencies that administer apartheid -- but the CAAA introduced broad-based economic sanctions for the first time. All of these actions effectively demonstrated U.S. disdain for apartheid, and the CAAA in particular sent a powerful message of American impatience to the white rulers of South Africa, contributing to their heightened sense of realism today. At the same time, sanctions have engendered a bitter, anti-American backlash among many whites and may have hardened their resistance to advice or pressure from outside the country.

The CAAA also contributed to a slowing of South Africa's economic growth. However, the economic reality of life in South Africa is that a large part of that cost is borne by the black population. Sanctions are also driving the U.S. business community -- the most notable proponent of liberal practices and a constructive advocate of change -- from the South African economy.

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Options

A. Accept the Dellums Bill which requires total disinvestment by all remaining US firms in South Africa and the cessation of all trade except strategic minerals, books and humanitarian supplies. (This is the corollary to Option A - maximum pressure on South Africa - in "1. The Focus of U.S. Policy Toward South Africa")

PRO:

- o Ends conflict with the Democratic majority in Congress over South Africa policy. Annual sanctions debate terminated.
- o Wins strong approval of most African states, raises U.S. prestige in parts of Third World.
- o Leads to new openings for political support by American black community.

CON:

- o Eliminates any possibility of U.S. role in influencing evolution of political power in South Africa as long as whites are in control.
- o Creates conflicts with UK and other allies, problems at the U.N. where U.S. no longer vetoes sanctions resolutions.
- o Mandates termination of valuable USG-SAG liaison relationships, including military attache arrangements, and would likely rupture other areas of the bilateral relationship.
- o Invites retaliation by South Africa, including possible disruption of U.S. access to strategic minerals or blockage of movement of goods to and from FLS that creates a regional crisis and calls for vastly increased U.S. assistance to affected states.

B. In our dialogue with the Congress and other groups interested in South Africa, point out that sanctions have produced mixed results, some positive (increasing psychological pressure on whites) and some negative (white backlash against the U.S.). Emphasize our continued commitment to compliance and effective enforcement, argue that further escalation of

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punitive sanctions would be counterproductive, do not rule out selective pressures and incentives in our future strategy depending on events in South Africa itself.

PRO:

- o Credits Congress for actions which many moderates and conservatives are proud of.
- o Buys time against congressional initiatives.
- o Places sanctions in a broader context containing both rewards and punishments.

CON:

- o Accepts the principle of sanctions. Likely to lead to demands for new rounds of sanctions if there is no relaxation of apartheid.
- o Risks accelerating the exodus of the American business community from South Africa and eliminating a constructive example of liberal practices.
- o Could rattle UK, other allies who fear potentially costly Administration compromises with Congress.

(THIS OPTION IS SUPPORTED BY AID)

C. Renew our commitment to effective enforcement of existing sanctions, but seek to divert the debate from sanctions per se and concentrate instead on what the U.S. can do to promote dialogue between the races in South Africa and to enhance black political leverage.

PRO:

- o Directs attention away from emotional debate on effects of sanctions.
- o Provides fresh approach to apartheid dilemma, one which concentrates on what all agree is a critical issue.
- o Provides basis for new consensus-building attempt with Congress.

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CON:

- o In a domestic political sense, exposes USG to charges of evading central issue of apartheid.
- o Too much emphasis on black empowerment risks being seen as tokenism and reluctance to address real issues.

(THIS OPTION IS SUPPORTED BY STATE, NSC STAFF ^{3.3(b)(1)} DOD/OSD, JCS, TREASURY, COMMERCE AND USIA)

D. Request the repeal of the CAAA and campaign actively for it.

PRO:

- o Provides huge boost to relations with the SAG and South African whites.
- o Increases U.S. access to and influence with governing elites, giving new measure of U.S. influence over evolution of events in South Africa.
- o Encourages U.S. firms to remain in South Africa and sustain their social spending there.

CON:

- o Undermines totally U.S. position among South African blacks and black governments in Africa.
- o Forfeits U.S. credibility with blacks as honest broker.
- o Vastly diminishes U.S. influence over ANC and other black liberation/opposition groups.
- o Creates bitterness and sense of betrayal among moderates in Congress who voted for sanctions in 1986 but believe further sanctions are counterproductive.
- o Probably eliminates any possibility of bi-partisan policy approach to South Africa.

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5. Nuclear Proliferation

Issue for Decision

How best to deal with the nuclear proliferation threat posed by South Africa.

Background

South Africa either possesses or could assemble on short notice several nuclear test devices or weapons. South Africa's capacity for designing and manufacturing weapons will continue to grow as its commercial nuclear program matures. South Africa is not a party to the Nuclear Non-Proliferation Treaty. Its commercial enrichment facility outside Pretoria is unsafeguarded.

In 1977, the Soviets discovered a probable nuclear explosives test facility under construction in the Kalahari desert. Following U.S. demarches to the SAG, activity at the site was halted. The SAG has not admitted that the Kalahari site is a test facility. Construction activity resumed at the site in August, 1988, although it is not clear if it is nuclear test-related.

Research ^{33(b)(1)}

[REDACTED] has failed to confirm that South Africa detonated a low-yield device, as some analysts originally believed.

In September, 1987, State President P.W. Botha announced South Africa's intent to consult with NPT depositary states with a view to adhering to the NPT. As result, the General Conference of the International Atomic Energy Agency voted down a motion to expel South Africa from that organization (one of the last significant international bodies in which South Africa is still a member.) South Africa won another reprieve in 1988, after the U.S., U.K. and U.S.S.R. jointly pledged to continue discussions with the SAG to obtain its adherence to the NPT.

South Africa's willingness to join the NPT remains in doubt. Debate is underway within the SAG, with those actively promoting adherence apparently in a minority.

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Options

A. Given pervasive doubts about the SAG's intention to adhere to the NPT or accept full-scope international safeguards, avoid taking the lead on this issue. Continue to participate in periodic, four-way discussions (U.S., U.K., U.S.S.R., and SAG) aimed at eventually drawing the SAG into the NPT regime.

PROS:

- o Fulfills our obligation to the IAEA to continue pressing for SAG adherence to the NPT.
- o Minimizes bilateral conflict with SAG
 - o Avoids actions which could complicate our relations with nuclear supplier states which continue to have limited dealings with South Africa (e.g. France)
- o Keeps alive the possibility of eventual SAG adherence to the NPT.

CON:

- o Is unlikely to prompt SAG adherence to the NPT or restrain South Africa's weapons program.
- o Too "mild" a U.S. effort could provoke Congress into passing tougher nuclear sanctions on South Africa

B. Work with U.K., U.S.S.R., EC, and possibly other states to identify mechanisms which fall short of specific guarantees but which respond to South Africa's demand for increased nuclear commerce in the context of NPT adherence.

PRO:

- o Provides those within SAG who favor accession with strong support
- o Removes the non-proliferation issue from the larger matrix of South African sanctions. Identifies non-proliferation as objective which transcends the immediate issue of opposing apartheid.
- o If it appeared that such efforts would facilitate increased nuclear trade with South Africa, the pressure on the SAG to join the NPT would be further increased.

(THIS OPTION IS SUPPORTED BY STATE, JCS, DOD/OSD AND NSC STAFF)

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- o If mechanisms fell short of entailing specific guarantees of increased nuclear cooperation, charges that the SAG was being offered "inducements" to join the NPT could be avoided.

CON:

- o South africa may want iron-clad assurances from the U.S. and other Western suppliers that the nuclear trade embargo would be abandoned if it agreed to join the NPT. It may not be possible to provide such assurances before the fact.

- o Providing the SAG with "guarantees" of increased nuclear commerce under the NPT could set an undesirable precedent for other non-parties. The U.S. rejects the concept that nuclear states are "required" by the NPT to engage in nuclear commerce with parties.

- o Could arouse opposition from Front Line States who would rather the SAG not accede to the NPT if it meant reducing Pretoria's isolation.

C. Concentrate efforts on new sanctions as way of compelling SAG adherence. Nuclear-related sanctions could include drastic reduction in U.S. visas issued to SAG nuclear scientists and technicians, plus concerted, multi-lateral effort to bring international sanctions to the same level as those of the U.S.

PRO:

- o Could shock the SAG into action if presented as a threat rather than a fait accompli.

- o If implemented, could slow and/or complicate possible South African weapons' programs.

- o Would probably win Congressional support.

CON:

- o Could lead to clashes with allies and nuclear suppliers. Consensus among suppliers unlikely.

- o Would evoke strong, negative reactions from the SAG, complicating other areas of the bilateral relationship.

D. Develop with U.K., USSR, EC and others a mixed package of incentives and disincentives. Disincentives (sanctions) would be held in reserve.

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PROS:

- o Clarifies choice for SAG. Lays out costs and benefits. Puts ball in SAG court.
- o Could win Congressional backing.

CON:

- o Hard to coordinate with allies in the current environment. May be impossible to fine tune the approach.
- o Would provoke a negative SAG reaction, but not as violent as "C" above.

(THIS OPTION IS SUPPORTED BY COMMERCE)

(FOOTNOTE: ~~33(6)(1)~~ USIA, AID AND TREASURY TOOK NO POSITION ON THIS ISSUE)

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6. U.S.- Soviet Cooperation

Issue for Decision.

In formulating and implementing our regional policies, should the U.S. strive for a more cooperative working relationship with the USSR?

Background.

Soviet strategy in southern Africa appears to be undergoing major revisions. The Soviets played an important supporting role in shaping the Angola/Namibia settlement. In the process, they initiated diplomatic contacts with the SAG and are likely to continue to expand the relationship. Parallel to this development, the Soviets have publicly de-emphasized their support for the ANC's armed struggle, called upon Front Line States to improve communications with Pretoria, and predicted that the dismantling of apartheid will be a drawn-out process composed of incremental steps and "partial victories." Moscow has reportedly made the same points privately to the ANC. The Soviets have also privately advised a number of regional governments to proceed cautiously with socialist economic experimentation. These actions have drawn sharp protests from some Front Line Governments and from the ANC.

As in other regions of traditional U.S.-Soviet rivalry, the Soviets in southern Africa are openly touting political solutions to existing situations of military conflict. The new Soviet thinking could signal fundamental changes in regional dynamics by muting superpower competition and promoting cooperation. A major remaining problem from our perspective is continuing Soviet arms deliveries to the MPLA in Angola.

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Options

A. Place cooperation with the USSR among our top priorities in formulating our policy approach to South Africa and the region. Seek to develop a "special relationship" with the Soviets on a range of regional problems: implementation of the Angola/Namibia accords, promotion of national reconciliation in Angola, mediating an end to the war in Mozambique, reducing cross-border violence and setting up talks between the SAG and credible black opponents, including the ANC.

PRO:

- o Provides opportunity to shape Soviet views and influence Soviet behavior on regional issues while testing "new thinking."
- o Could bring intense pressure to bear in certain problem areas, e.g. in Angola.
- o Renders it more difficult for regional governments/movements to play off one superpower against the other.

CON:

- o Need to consult Soviets limits U.S. freedom of action.
- o Soviets could gain increased access to region.
- o Net loss of U.S. influence in favor of Soviets possible.
- o Other parties, including U.S. allies, might perceive superpower condominium.

B. Accept the concept of enhanced cooperation with the USSR but proceed on a case-by-case basis. Choose problems and issues where Soviet assistance is desirable.

PRO:

- o A more flexible approach than "A". Allows U.S. more room for maneuver.

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CON:

- o Same as in "A" but to a lesser degree.
- o Also, less opportunity to restrain Soviets than in "A." Soviets also free to negotiate degree of cooperation with U.S.

(THIS OPTION IS SUPPORTED BY STATE, ^{33(b)(1)} JCS, TREASURY)

C. Assume that cooperation with the U.S.S.R. in the region has only limited potential. Limit cooperation to situations where it is unavoidable. Otherwise, do nothing to encourage increased Soviet contact in or access to the region.

PRO:

- o Provides U.S. with maximum freedom of action vis-a-vis Moscow.
- o Challenges Soviets to earn U.S. cooperation by means of further constructive behavior.
- o Lessens risks of misreading Soviet intentions.

CON:

- o Reduced opportunities to resolve conflicts.
- o Reduced opportunities to shape Soviet thinking/actions.
- o Makes it easier for Soviets to expand contacts/access without reference to U.S. views.
- o Ignores recent positive changes in Soviet behavior.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, USIA AND COMMERCE)

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7. Official Relations With the SAG

Issue for Decision

The U.S. has long used diplomatic pressure to attempt to force changes in South Africa's internal policies. Should this practice continue? If so, how should the pressure be applied?

Background

For many years it has been a central tenet of U.S. policy that no normalization of official relations with South Africa is possible without real progress toward ending apartheid. By maintaining its distance from the South African government, the U.S. has signalled strong disapproval of South Africa's racial policies. The underlying assumption of this approach is that relations could improve if Pretoria were to make fundamental changes in the apartheid system.

In the final years of the Carter Administration, official relations with South Africa were severely strained. High-level diplomatic contact was reduced to that necessary for the conduct of essential business. Working-level contacts in selected areas of the bilateral relationship, such as the Defense Attache relationship, were sharply circumscribed. Under the Reagan Administration, official contacts were upgraded in an effort to draw the SAG into regional negotiations and to provide a climate conducive to internal political reforms. This warming trend had ended by the time of the passage of the 1986 Comprehensive Anti-Apartheid Act. In line with the CAAA, official U.S. relations with the SAG are subject to increasingly close Congressional scrutiny and, in some cases, Congressional control. While recent government-to-government exchanges have been intensive as a result of the Angola/Namibia negotiations, contact at the highest levels of government has not occurred. The South African Department of Foreign Affairs continues to attach the highest importance to upgrading official relations with the U.S. and other western states and also increasing the number of states with which South Africa has relations.

Options

A. Limit official relations to the minimum necessary to conduct essential bilateral business. Impose strict ceilings on number of SAG personnel assigned to the U.S. Limit official visits to the U.S., strongly discourage non-essential USG visits to SA. Indicate to Pretoria that only substantial

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improvements in its domestic policies will allow restoration of a more normal official relationship.

PRO:

- o As a significant intensification of diplomatic pressure on SAG, would be welcomed by activist elements in Congress, U.S. public, black opposition in South Africa, Front Line States.
- o May have limited value as an incentive to change domestic policies.

CON:

- o Severely curtails U.S. ability to gather information in South Africa. Reduces our capacity for analyzing events and anticipating trends. Possible SAG expulsion of U.S. personnel. Cuts off communication with decision-makers in South Africa. Severely limits U.S. ability to bring influence to bear in a non-confrontational manner.
- o Restricts the existing relationship and is therefore a new sanction. Given current trends in SA and region, could appear illogical and/or ill-timed.
- o Puts U.S. out of step with U.K., other allies. Could encourage further SAG efforts to develop closer relations with Moscow.

B. Limit official contacts in specific areas, e.g., contact with security and apartheid-enforcing agencies, the SA nuclear program, military technology sectors, and other controversial milieu where restrictions currently apply or have applied in the past. Embassy staffing levels and frequency of working and senior-official level visits not subject to a priori limitations, although high-level, high-visibility exchanges would be avoided.

PRO:

- o Avoids unwarranted "normalization" of relationship but permits some access to SAG and a continuing, though less-than-adequate, flow of information.
- o Creates few new problems with SAG since it is essentially a continuation of the current policy.

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CON:

- o May not satisfy critics of current U.S. policy here and in the region because it falls short of new sanctions.
- o In absence of explicit controls, official contacts tend naturally to proliferate and escalate to higher levels. Selectivity in official relationship difficult to sustain.
- o Constrains U.S. ability to gather information on specific, important areas, in particular the security forces and security situation as well as important players in SAG decisionmaking.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, NSC STAFF, TREASURY, COMMERCE, USIA, AND AID)

C. Move towards normalization of the relationship by offering specific upgrades in conjunction with reforms, such as repeal of the Separate Amenities Act or Group Areas Act.

PRO:

- o By "fixing goalposts", U.S. offers clear sense of quid pro quo for reform.
- o Affords more extensive, higher-level access to the SAG and allows better reporting on political and other developments.
- o Could enhance U.S. influence in SAG decision-making.
- o Major U.S. allies (UK, FRG, Japan) would be supportive.

CON:

- o Difficult to establish realistic "goalposts." Commits U.S. to tradeoffs which, over time, may become politically irrelevant or subject to SAG manipulation.
- o Similarities to "constructive engagement" approach would draw criticism from U.S. public, Congress, black South African opposition.
- o Unlikely by itself to trigger meaningful changes in South African internal policies.

(THIS OPTION IS SUPPORTED BY JCS AND

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8. The U.S. Role in Black Empowerment

Issue for Decision

Should the U.S. aggressively expand programs in South Africa designed to: 1/strengthen multi-racial resistance to repression and apartheid, 2/ build black bargaining power, and 3/help blacks prepare themselves for leadership in a post-apartheid, non-racial democracy?

Background

Since 1982 the U.S. has maintained unique aid and public affairs programs in South Africa. No assistance is channeled through any agency of the South African government (SAG), nor are any entities connected to the SAG eligible for aid.

Our aid has been concentrated in five broad areas:

- Human Rights (legal assistance to political detainees and others non-violently opposing apartheid laws and regulations, support for press freedom, funding of legal advice centers, aid to families of victims of violence)
- Education (scholarships to U.S. and South African universities, educational innovation)
- Black Private Enterprise Development (credit and/or assistance for small, black-owned businesses, advocacy and support institutions)
- Labor Union Training (technical assistance and training for black trade unions)
- Community Development (small grants to develop community leadership and build local democratic institutions).

Total U.S. aid for FY 1989 is \$34.9 million.

The USAID program has drawn some political criticism. Until recently many affiliates of the UDF, South Africa's premier internal anti-apartheid movement, refused to accept U.S. aid. Several other black organizations have also kept their distance from the U.S. program. In most instances, the problem was due to disagreement with U.S. foreign policy in the region. In some instances, it was also due to the misperception that U.S. assistance was somehow meant to "co-opt" the black opposition. Some Congressional members and staff and anti-apartheid activists in the U.S. have also complained that U.S. assistance is, at best, a poor substitute for more direct USG action to end apartheid. At worst, they claim, U.S. aid is a deliberate attempt to "buy off" black opposition to the apartheid regime.

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From time to time the SAG has complained about U.S. and other nations' aid to the black majority. Thus far, however, the SAG has done nothing to impede the flow of assistance. Recent legislation in South Africa could change this. New laws will require that all South African organizations which receive any funding from abroad, regardless of these organizations' orientations or functions, provide a full accounting of such funding to the SAG upon demand. Some members of Congress and other observers in the U.S., echoing the SAG's uneasiness over foreign involvement with the black opposition, have charged that USAID programs are an unacceptable form of interference in South Africa's internal affairs.

These particular problems notwithstanding, USAID programs in South Africa enjoy broad, bipartisan support in the U.S. They have been of direct assistance to many thousands of apartheid's victims, have helped to stiffen popular resistance to apartheid and have solidified American links to the black majority. These programs stand as a strong, tangible U.S. commitment to combatting apartheid and extending democracy in South Africa.

The U.S. Information Service conducts an active public affairs program of information and exchanges, designed both to clarify U.S. policy in Southern Africa and to complement USAID's efforts in areas vital to South Africa's future. USIS disseminates news, information, and otherwise unavailable viewpoints through publications, speakers and consultants, WORLDNET satellite programs, Voice of America broadcasts, and USIS libraries (in Pretoria, Johannesburg, Durban, and Cape Town). A USIS-sponsored reading room in Soweto not only supplies information, but can also serve as a venue (possibly an illegal one from a SAG perspective) for U.S. contact with the opposition. A proposal to strengthen VOA's medium-wave signal from neighboring Botswana is currently in suspension. The necessary construction funds are not included in USIA's projected budgets. Additional funds from other sources would be required in order to realize this project, and OMB's current stricture against transferring VOA funds for this purpose would have to be lifted.

Options

A. Keep U.S. "positive measures" program at about the current level, allowing for gradual increases in accordance with the evolving situation in South Africa and as overall A.I.D. resources grow. Continue emphasis on current programs, avoiding new initiatives that might increase the likelihood of a hostile SAG response and a curtailment of activities.

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PRO:

- o Probably reflects accurately current absorptive capacity of USAID recipients.
- o Can be managed by currently approved level of staffing.
- o Will probably avoid antagonizing the SAG.

CON:

- o Does not seize possible opportunities to enlarge U.S. access to the black opposition.
- o Passes up potentially valuable means of focusing debate (both in U.S. and in South Africa) on black empowerment/incremental change/negotiations, rather than more sanctions.

(THIS OPTION IS SUPPORTED BY AID AND JCS)

B. Actively expand U.S. programs. Enlarge program of assistance for university scholarships, human rights, and community leadership. Investigate possibility of a U.S. "foundation" for South Africa which would pool private and public U.S. efforts to bolster black empowerment. Make VOA upgrading a top priority. Work with Congress to permit more U.S. investment in black-owned firms in South Africa. Explore other means to increase U.S. "positive measures" in South Africa.

PRO:

- o Provides new impetus to U.S. efforts in South Africa. Relieves pressures to disengage generally from South Africa. Redirects focus away from sanctions.
- o Holds potential for increased access to black audiences and increased influence in shaping black opposition strategies.

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CON:

- o Would require increased funding and staff.
- o Could provoke negative SAG reactions as U.S. mission expands largely experimental programs at the edges of the law.
- o May exceed absorptive capacity of South African NGO community. Quality of average A.I.D. grant could decline. May result in audit/vulnerability problems.
- o Could result in cuts in U.S. assistance to other African countries, given the current limitations on overall funding.

(THIS OPTION IS SUPPORTED BY STATE^{33(b)(1)} NSC STAFF, USIA, COMMERCE, TREASURY, AND DOD/OSD)

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NATIONAL SECURITY COUNCIL
EXECUTIVE SECRETARIAT STAFFING DOCUMENT

TIME STAMP

89 JUN 7 P 4: 20

SYSTEM LOG NUMBER: 20600

ACTION OFFICER: PASSAGE

DUE: 10 JUN 89

☐ Prepare Memo For Scowcroft/Gates

☒ Appropriate Action

☐ Prepare Memo For Cicconi

☐ Prepare Memo for Hughes

☐ Prepare Memo _____ to _____

CONCURRENCES/COMMENTS*

PHONE* to action officer at ext. 3391

FYI

☐ Basora
☐ Beers
☐ Blackwill
☐ Briggs
☐ Brooks
☐ Charles
☐ Coulson
☐ Deal
☐ Donley
☐ Dyke
☐ Ebner
☐ Grant
☐ Haass
☐ Hoffmann
☐ Hutchings
☐ Jackson
☐ LaMagna
☐ Kanter

FYI

☐ Lampley
☐ Leach
☐ Levin
☐ Lewis
☐ Mahley
☐ Mandel
☐ McCue
☐ Melby
☐ Menan
☒ Miller
☐ Miskel
☐ Needels
☐ Paal
☐ Pacelli
☐ Passage
☐ Popadiuk
☐ Porter
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FYI

☐ Rademaker
☐ Reiss
☐ Rice
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INFORMATION

☒ Hughes

☐ Scowcroft (advance)

☐ Gates (advance)

☐ Secretariat

☐ Exec. Sec. Desk

☐ _____

COMMENTS

crw 8920117 / 8920552 / 8920552

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RECORD ID: 8920600
RECEIVED: 07 JUN 89 16

TO: AGENCIES

FROM: HUGHES

DOC DATE: 07 SEP 89
SOURCE REF:

KEYWORDS: SOUTH AFRICA
DC

NSR

PERSONS:

SUBJECT: NOTIFICATION OF DC MTG ON 18 SEP RE NSR 15 / SOUTH AFRICA

ACTION: HUGHES SGD MEMO TO AGENCIES DUE DATE: 10 JUN 89 STATUS: C
STAFF OFFICER: PASSAGE LOGREF: 8920117 8920498
FILES: IFM O NSCP: DC057 NSR0015 CODES:

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FOR CONCURRENCE

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CAO ASSIGNED ACTION REQUIRED

001 PASSAGE

Z 89060716 APPROPRIATE ACTION

002 HUGHES

Z 89090710 FOR SIGNATURE

003

X 90062814 HUGHES SGD MEMO TO AGENCIES

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S/S 8912832
United States Department of State

Washington, D.C. 20520

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June 6, 1989

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MEMORANDUM FOR ERENT SCOWCROFT
THE WHITE HOUSE

Subject: National Security Review 15: South Africa

Attached is the interagency response to NSR 15: South Africa. The study was prepared by a Policy Coordinating Committee chaired by Assistant Secretary of State for African Affairs Herman J. Cohen. Agencies participating in the PCC were:

- The Department of State
- The Department of Defense, Office of the Secretary of Defense
- The Joint Chiefs of Staff
- The Central Intelligence Agency
- The Department of Commerce
- The Department of the Treasury
- The Agency for International Development
- The United States Information Agency
- National Security Council staff

As the attached is an interagency draft document, it has not been reviewed by the Secretary of State. It is the Department's understanding that the next step in the policy review process is a meeting of the Deputies Committee.

J. Stapleton Roy
J. Stapleton Roy
Executive Secretary

Attachment:
Draft interagency response to NSR 15

DECLASSIFIED
Department of State Guidelines
E.O. 12958, SEC 3.4 (B), July 21, 1997
By CAP NARA, Date 7/9/10

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DECL:OADR

Withdrawal/Redaction Sheet

(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
04. Paper	Re: National Security Review: South Africa [FOIA restrictions redacted] (36 pp.)	n.d.	(b)(1)	S

Collection:

Record Group: Bush Presidential Records

Office: National Security Council

Series: H-Files

Subseries: NSR Files

WHORM Cat.:

File Location: NSR-15 - April 10, 1989 - South Africa [2]

**Document Partially Declassified
(Copy of Document Follows)**

By MM on 5/11/2022

Date Closed: 7/9/2010	OA/ID Number: 90007-002
FOIA/SYS Case #: 2010-1905-S	Appeal Case #:
Re-review Case #:	Appeal Disposition:
P-2/P-5 Review Case #:	Disposition Date:
AR Case #:	MR Case #: 2010-2017-MR(500.02)
AR Disposition:	MR Disposition: Released in Part
AR Disposition Date:	MR Disposition Date: 9/23/2015

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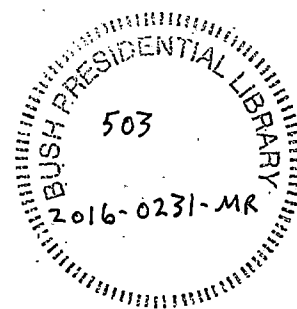
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- (b)(2) Release would disclose internal personnel rules and practices of an agency
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- (b)(8) Release would disclose information concerning the regulation of financial institutions
- (b)(9) Release would disclose geological or geophysical information concerning wells

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- C(1) Closed by Executive Order 13526, governing access to national security information
- C(2) Closed by statute or by the agency which originated the information
- C(3) Closed in accordance with restrictions contained in donor's deed of gift [formerly listed as only C]
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- P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]



SUBJECT: National Security Review: South Africa

PART I. ASSESSMENT

A. Current Situation and Trends

Iron-fisted repression has maintained order in South Africa's black townships over the past two years. Most of the internal leadership of the black opposition has been detained, restricted, neutralized through intimidation, or simply co-opted into political inactivity. The euphoric predictions of anti-apartheid militants in 1985-86 that the regime was on its last legs -- and could be toppled by international sanctions -- seem hopelessly naïve today. Severe press censorship, especially of electronic media, has reduced South Africa's international visibility and ended apartheid's two-year run on the front pages of American newspapers.

The calm is probably deceptive. Government officials acknowledge the persistence of a "revolutionary climate" in South Africa. Virtually all forms of active dissent and peaceful protest remain outlawed. Heavy-handed South African government (SAG) efforts to engage credible black leaders in a national dialogue aimed at eventual constitutional revisions and reforms have found no takers so far. Similarly, a clear majority of ordinary blacks continues to boycott SAG-sponsored elections in their segregated municipalities. With all avenues to peaceful change apparently blocked, a radicalization of the black opposition is underway and is already evident among younger militants. Unless steps are taken to break the political deadlock, this radicalization will continue apace as the South African economy stagnates. The combination of international sanctions and a lack of new investment is holding annual growth to about two percent -- far below the five percent needed to provide jobs to the rapidly expanding pool of first-time, frustrated black job-seekers. The situation has been prevented from deteriorating even more sharply by the rapidly expanding informal economy which provides jobs to blacks in services, cottage industry and small business.

While security issues and maintenance of control are the paramount concern, the ruling National Party faces other urgent challenges as well. The white electorate is badly divided,

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with between 25 and 30 percent of white voters (nearly 50 percent of Afrikaans speakers) are now aligned with the far right Conservative Party. General elections are scheduled for September 6. The "Nats" are expected to win, albeit with a reduced majority in parliament. Ailing State President P.W. Botha will then step down, ending one of the most eventful and turbulent decades in South African history. His designated successor, F.W. de Klerk, has already spoken about the need for fundamental political change, triggering speculation that he plans to launch a new reform program with the backing of a younger generation of "Nat" politicians. De Klerk, however, is untested and his real plans are unclear.

South Africa has undertaken bold foreign policy initiatives in the past year. With considerable prompting and guidance from the U.S., South Africa has negotiated an end to its 73-year occupation of Namibia and is cooperating with the U.N. in the transition of the territory to independence. This U.S.-brokered negotiating process has brought South Africa into contact with a number of African states and with Soviet and Cuban officials as well. In the second half of 1988, State President Botha made unprecedented calls in four black African capitals. Major new South African initiatives to assist strife-torn Mozambique were also announced during this period. Overall, tensions between South Africa and its neighbors, related mostly to SAG fears of ANC cross-border infiltration, have eased in recent months. These developments would appear to validate policies which steer the SAG and neighboring states away from confrontational posturing toward increased diplomatic contact and dialogue.

B. Objectives and Strategy in the Reagan Years

American Strategic Interests. Our overriding interests in South Africa can be summarized in five points:

1. Already a major human rights problem, South Africa has the potential to become a large-scale humanitarian tragedy.

2. South Africa is a powerful moral issue in the U.S. and internationally, with a capacity for embittering our own politics, affecting our African relationships and becoming an Alliance issue.

3. The political and economic stability of the entire Southern Africa region from the Cape to Zaire, and Western security interests there, depend on developments in South Africa. Regional turmoil undercuts Western interests in economic, political and strategic terms.

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4. Certain of South Africa's strategic minerals are vital to U.S. industry, including defense-related industries.

5. Because of its weapons capability, South Africa poses a significant nuclear proliferation problem.

South Africa's importance in an East-West context has changed in recent years as the threat of local turmoil has come to the fore and the risks of sustained Soviet-Cuban intervention have waned. With the planned withdrawal of Cuban troops from Angola, the transition from insurgency to independence in Namibia, and Mozambique's efforts to diversify its sources of aid in favor of the West, South Africa can less credibly claim to have clear-cut Soviet-bloc adversaries to confront in the region. Exaggerated SAG claims to protecting U.S. and Western strategic interests have been further undercut by recent Soviet moves, including a rethinking of support for the ANC's externally-based armed struggle, public appeals for increased diplomatic contact between the SAG and Front-Line States (FLS), and calls for "political" (i.e., negotiated) solutions to South Africa's internal problems.

U.S. Policy In the Reagan Administration. Disagreements between Congress and the Executive branch have seriously impeded formulation of a coherent, credible U.S. policy towards South Africa in recent years. The Comprehensive Anti-Apartheid Act of 1986 -- one of the most dramatic congressional rebuffs of presidential foreign policy authority of the Reagan years -- is now generally perceived to have failed to produce the hoped-for result of promoting positive change. (To the extent the CAAA was perceived as a gesture of support for the anti-apartheid struggle, however, it may have helped to improve U.S. access to black opposition leadership.)

In terms of South Africa's external relations, U.S. objectives have been to work toward the reduction of regional tensions and cross border violence. The U.S.-brokered Angola/Namibia settlement has validated a policy approach which deals with South Africa in a regional context and which recognizes the SAG's centrality to regional stability and development. Simultaneously, the U.S. has continued to support the Southern Africa Development Coordination Conference (SADCC), whose member states are working to reduce their heavy economic dependence on South Africa's trade and transport routes. Overall, U.S. relations with virtually all governments in southern Africa are better today than they were a decade ago.

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With respect to South Africa's internal problems, success in attaining our goals has proven much more elusive. Sanctions and the voluntary withdrawal since 1984 of more than half the U.S. companies operating in South Africa have reduced U.S. influence. We have, nevertheless, expanded contacts across the political spectrum, particularly within the opposition camp. A large and innovative A.I.D. program in support of blacks includes the largest USG human rights program in the world (including legal assistance), education programs (including university scholarships), leadership training, and support for black businesses and labor unions. Because it is implemented largely by black-led community organizations and has been designed in close consultation with the black leadership, this program has become a crucial means of building bridges between the USG and South African blacks. The A.I.D. program is funded at \$35 million in FY 1989.

C. Opportunities and Problems

Our national furor over sanctions has obscured the fact that there are major elements of longstanding policy toward South Africa which enjoy broad bipartisan support in this country. There has been strong public and congressional backing for the leading role played by the U.S. in mediating regional conflicts and for the successes achieved in Angola and Namibia. Similarly, there is broad support for American efforts to lessen SADCC's economic dependence on South Africa. Our determination to develop ties to all parties in South Africa (including the Lusaka-based ANC leadership) has bipartisan support. Congress has upheld A.I.D. programs in South Africa to promote black economic empowerment (sometimes even overfunding particular projects, such as scholarships to South African refugees).

This combination of attention to regional problems, dialogue with all South Africans and efforts to build black bargaining power inside South Africa would have achieved even greater support had the U.S. been perceived as leading our major allies (the U.K., F.R.G. and Japan) and the international community more generally in a drive for change in South Africa. Charges of an absence of American leadership, though in many respects unjust, have been widespread in Congress.

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For many reasons, not least the distaste of our principal European allies for the congressional sanctions agenda, we have not succeeded in marshalling their collective support for improved (and more visible) coordination of our policies.

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[REDACTED] intra-EC politics, the press of other business and lack of a high-level push from the USG frustrated an effort to put South Africa on the agenda of the Summit Seven. The OECD secretariat and several members states brushed aside a low-key American effort to help coordinate efforts to support black economic development and empowerment in South Africa. No other suitable alliance fora for addressing these issues have been found. As a result, up to now, the Western allies have added up to less than the sum of their parts -- both defensively and offensively -- on such issues as sanctions, human rights developments, aid to black South Africans and models of political evolution. A key challenge for the Bush Administration in South Africa will be finding ways to concert policy with our major allies.

New possibilities for cooperation with the U.S.S.R. may also exist. By downplaying revolutionary rhetoric and calling for a more gradual, political approach to ending apartheid, the Soviets have already helped to erode the credibility of SAG hardliners who source South Africa's internal unrest to a Marxist "total onslaught" orchestrated from abroad and spear-headed by the communist-influenced ANC. If the Soviets are also willing to counsel restraint to those FLS most eager for an international showdown with South Africa, white South African fears would be further eased. The fact that the SAG is intensely interested in exploring the possibility of official relations with Moscow also gives the Soviets a degree of leverage with Pretoria.

Any assessment of opportunities and problems in South Africa must take into account the complexities and nuances of white politics. On the one hand, there is the reality of deeply-rooted Afrikaner resistance to advice and pressure from outsiders, especially when it is perceived that the survival of the Afrikaner culture and way of life itself is at stake. On the other hand, rivalries and disagreements within South Africa's fractious white community offer opportunities for bringing U.S. influence to bear. Political breakthroughs are far more likely to result from the discreet manipulation of these internal divisions than from heavy-handed pressure which forces South African whites to close ranks against a common, foreign enemy.

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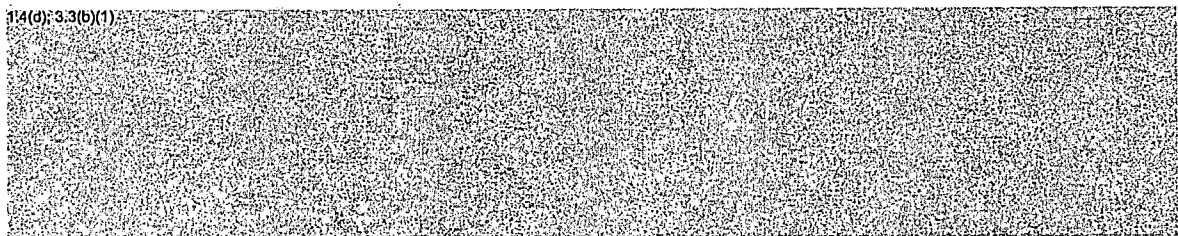
The failure of past sanctions policies against South Africa does not mean that diplomatic and economic pressure should be abandoned. It is ironic that the congressional push for total sanctions against South Africa has largely precluded the possibility of using carefully selected, limited sanctions as a lever to move South Africa in specific directions. Targeted on an attainable objective (e.g., one about which the South African establishment is divided) the threat of sanctions can tip the balance in favor of change. Directed at broader, less defined goals which white South Africans view as forcing capitulation to black demands or as threatening their political and economic security, sanctions engender nationalist backlash against foreign meddling rather than change.** Political divisions in the U.S. have effectively deprived us of the capacity to finetune pressure through the threat of sharply-focussed, issue-specific sanctions, such as the U.S. film industry's successful campaign to desegregate South Africa's movie houses by withholding distribution of U.S. films.

D. Strategy and Options

Long-Term U.S. Strategy. The U.S. should be prepared for a long siege prior to apartheid's demise. Long-range goals should be to ensure a substantial U.S. presence (both official and unofficial) in South Africa and maintenance of as much U.S. leverage as possible, both with the SAG and with its opponents. Our presence should serve the purpose of strengthening democratic elements and processes within South Africa and contributing to the progressive economic and political empowerment of the black majority. Continuation of an innovative and well-funded A.I.D. program is essential to this long-range goal. Our most important economic objective over the long term is continued access to South Africa's strategic minerals. The most important national security objective over the long term is preventing South Africa from becoming a full-fledged nuclear proliferation problem.

Near-Term U.S. Strategy. Both the SAG and its main black opponents insist on sweeping sets of preconditions before they would be prepared to meet at the bargaining table. Growing constituencies in both camps, however, believe that negotiations may be the only alternative to continuing political stalemate.

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A guiding principle for U.S. policy over the next 18 months to two years should be the promotion of negotiations or pre-negotiations. That talks between the SAG and genuine opposition leaders (in all probability the UDF and ANC) may take years and pass through many phases is less important than getting them started. The image of strong U.S. support for this goal is essential, whether or not we believe it to be achievable any time soon. Just reaching the starting line will require major conceptual breakthroughs by both black and white South Africans. An agreement to talk would also provide a huge boost to the many informal efforts now underway (such as talks between the ANC and Afrikaner intellectuals) to set common political and economic goals for a post-apartheid South Africa.

U.S. near-term strategy should also aim at a number of specific human rights objectives. Advances on this front would help to create momentum towards the longer-term goal of power sharing negotiations. These interim goals should include the repeal of laws and regulations which: ban almost all forms of effective opposition political activity, allow indefinite detention without charges or trial, encourage arbitrary and sweeping censorship of the media, and enforce racial segregation. In the latter category, U.S. pressure should be directed towards repeal of the Group Areas Act, the Separate Amenities Act and the Population Registration Act. Other near-term goals should include the release of Nelson Mandela and other prominent detainees and the abandonment of SAG efforts to disarm the peaceful opposition through so-called "treason" trials.

Key questions which must be addressed in drawing up an overall policy approach to South Africa include:

- o U.S. influence over internal developments in South Africa
- o U.S. interposition between South Africa and Front Line States
- o Coordination of the U.S. approach with key allies
- o The role of sanctions
- o Changing Soviet strategy toward South Africa and the region
- o The nuclear proliferation threat
- o Managing the official US-SAG relationship
- o The U.S. role in black empowerment

In the second section of this paper, each of these key questions is addressed in more detail.

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PART II: POLICY OPTIONS

1. The Focus of U.S. Policy Toward South Africa

Issue for Decision

How vigorously should the U.S. attempt to stimulate internal change in South Africa and what general methods should be used?

Background

South Africa's white ruling establishment has resisted the efforts of successive U.S. administrations to encourage changes in the apartheid system. The so-called "constructive engagement" strategy of the Reagan administration assumed a genuine desire on the part of National Party leadership to introduce major political and social reforms, albeit in piecemeal, gradual fashion. "Constructive engagement" aimed to create a climate in which the SAG felt secure enough in its external relations, particularly its relations with the U.S., to carry through with a program of accelerated, fundamental reforms. Many petty apartheid strictures were, in fact, eliminated in the early 1980s. Major political changes, such as the creation of the tri-cameral parliament, were also undertaken, although these fell far short of minimum opposition demands. During this period, U.S. diplomacy emphasized the need for a reduction of regional tensions, accommodation between South Africa and its neighbors, and firm opposition to punitive sanctions against Pretoria. This policy was strongly criticized by most third world states and sizeable segments of U.S. public opinion.

Violent black protest began in 1984 and had engulfed most of South Africa's black townships within a year, rendering some townships virtually "ungovernable." By mid-1986, township conflict (much of it black-on-black violence) and increasingly brutal SAG repression were daily features in U.S. television news broadcasts. In this emotionally-charged atmosphere, Congress passed the Comprehensive Anti-Apartheid Act, thus terminating definitively the "constructive engagement" approach. For most of President Reagan's second term, Congress and the Executive were sharply at odds over the correct policy approach toward South Africa. The result was that the U.S. both sanctioned and penalized South Africa as mandated by Congress and extended strong diplomatic and political support to Pretoria. Such support included frequent use of our Security Council veto and guidance on the Angola/Namibia talks

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and on attempts by Pretoria to better its relations with neighboring states.

The nature of South Africa's core problem -- race-based minority rule in a society which professes to identify strongly with Western democratic values -- ensures that popular pressures for an "activist" U.S. policy will continue. How to reconcile public and congressional demands for decisive action vis-a-vis South Africa with limited scope for effective intervention by outsiders will remain the key dilemma for U.S. policymakers.

Options

A. Accept the premise that the SAG will only agree to fundamental change if placed under intense pressure. Explore every non-military means to bring U.S. pressure to bear, including comprehensive U.S. and U.N. sanctions. Seize every opportunity to isolate and ostracize the SAG internationally. Cut back official relations with the SAG to a minimum level. Openly support the aims and methods of the ANC and/or the internal opposition. Reinforce moral and material support to these groups. Pressure allies to adopt similar policies.

PRO:

- o Wins support from Third World and black African governments.
- o Increases U.S. sway with opposition groups which will play decisive roles in the transitional and post-apartheid periods.

CON:

- o Marks radical change in existing U.S. policies, raises doubts about U.S. credibility.
- o Strongly opposed by the U.K. and other key allies.
- o Sharply reduces or eliminates U.S. access to and influence with the SAG. Disqualifies U.S. as facilitator or mediator in negotiations.
- o Could trigger SAG retaliation, such as cutting supply of strategic minerals.
- o Ends U.S. investment in and exports to South Africa. Loss of markets to foreign competitors.
- o Unless adopted by other major powers, is unlikely to force major changes from SAG.

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B. Accept that strong, externally-applied pressure is necessary to promote change but stop short of outright confrontation with the SAG. Accept, but do not promote, SAG's international isolation. Provide strong rhetorical, diplomatic and material support to black opposition. Explore possibility of coordinated action, including new but limited sanctions, with Front Line States, commonwealth nations, other like-minded parties

PRO:

- o As escalation of U.S. pressure, welcomed by black opposition, FLS, many Third World audiences.
- o Could win backing of Democratic majority in Congress.
- o Preserves at least a modest official and unofficial presence in South Africa.

CON:

- o Opposed by U.K. and allies.
- o Antagonizes SAG, reduces U.S. access and leverage.

C. Emphasize a balanced approach of pressure and incentives. Seek to position the U.S. to promote dialogue and eventual black/white negotiation. Continue to denounce apartheid policies and identify with black aspirations, but avoid temptation to "choose sides." Make access to white elites a high priority while continuing outreach to black community. Oppose further sanctions or disinvestment. Actively support U.S. business presence in South Africa. Sustain "positive measures" support for blacks.

PRO:

- o Continues many elements of existing policy, reassures allies and certain other international audiences
- o Preserves access to SAG, holds open possibility of U.S. mediating role.
- o Allows for continued access to internal opposition groups, does not prejudice expanded contact with the ANC.

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- o Flexibility of approach adapted to changing environment in South Africa. Does not foreclose on more coercive, or more lenient, policies at a later date.

CON:

- o Similarities to existing policy will disappoint many anti-apartheid activists, Third World audiences.
- o Will fail to win support of Congressional members seeking tougher U.S. action against South Africa.

(THIS OPTION IS SUPPORTED UNANIMOUSLY BY THE INTERAGENCY POLICY COORDINATING COMMITTEE.)

D. Concede that U.S. cannot manage a sustained and coherent policy approach to South Africa. Encourage U.K., possibly other allies, to take the lead in efforts to promote change in South Africa. Seek to reduce Administration's profile/exposure in South Africa and on the Hill. When necessary, urge Congress not to impede British or other efforts to promote realistic change in South Africa.

PRO:

- o Acknowledges debilitating effect of executive/congressional disputes over South Africa.
- o Simplifies complex issue by moving U.S. into a purely reactive mode vis-a-vis events in South Africa.
- o May have (wary) support of U.K. and other allies.

CON:

- o Dissatisfies majority in Congress which wants Administration to take lead on South Africa policy.
- o Difficult policy to articulate and justify publicly. Risks being interpreted as abdication of U.S. responsibility.
- o Could weaken U.S. regionally if FLS perceive lessened U.S. involvement and influence in South Africa.

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2. South Africa and the Region: The U.S. Role

Issue for Decision

Should the United States continue, as it has over the past eight years, to broker relations between South Africa and its neighbors?

Background

Conflicts in the southern Africa region have always been characterized by a high degree of external involvement. In the 1970s and 1980s, the Rhodesian problem, the Angola/Namibia negotiations, and the Renamo problem in Mozambique have garnered much diplomatic attention from the U.S. One of the premises of the "constructive engagement" approach was that regional problems were more susceptible to resolution by means of U.S. intervention than was the apartheid situation inside South Africa. By removing the sources of regional conflict, it was hoped that Afrikaner resistance to peaceful change inside South Africa could be lessened. Negotiated settlements in the region were meant to set positive examples for an eventual transition to majority rule in South Africa.

The Angola/Namibia accords have in fact established a potentially useful precedent for South Africa, although the transition process in Namibia -- not the negotiations which led to it -- will be the decisive point of reference for the future. The U.S. is an observer on the Joint Commission established to monitor implementation of the Angola/Namibia accords. The U.S. has also launched a low-key exploratory effort to determine if any basis exists for a possible U.S. role in mediating an end to the civil war in Mozambique.

In the meantime, the U.S. continues to provide substantial assistance to the Southern Africa Development Coordinating Conference (SADCC) in order to lessen these countries' near-total economic dependence on South Africa.

A key issue facing U.S. policymakers over the next 4 or 5 years will be the extent to which the U.S. tries to promote harmonious relations between all states in the region, despite the confrontational posture which the FLS insist upon in their dealings with the SAG.

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Options

A. Adopt the perspective of regional hardliners such as Zimbabwe President Robert Mugabe. Work with the Front Line States to reduce their economic and military vulnerabilities vis-a-vis South Africa and to enhance their ability to apply pressure on South Africa. Goal would be an FLS better able to resist SAG militarily and to support groups such as the ANC. Might require significant increases in U.S. spending to strengthen FLS economically and militarily. (This is the corollary to "Option A" -- maximum U.S. pressure on South Africa -- in "1. The Focus of U.S. Policy Toward South Africa")

PRO:

- o Would win support of Front Line States, most of Third World, ANC and internal black opposition groups.

CON:

- o Even with substantial external support, cost to FLS economies and populations of confrontational approach with SAG would be prohibitive.
- o FLS habitually misread SAG capabilities and intentions. Risk of military miscalculations on their part is high.
- o Unrealistic to expect U.S. to contribute significant funds.
- o Conflict between South Africa and neighbors decreases likelihood of orderly, negotiated transition to majority rule in South Africa.

B. Accept the need for some SADCC/FLS independence, but draw the line at impractical, redundant, politically-motivated projects. FLS vulnerabilities to SAG pressure should be reduced, but not by exacerbating the distortions and inefficiencies which already exist. At same time, FLS should be discouraged from pursuing confrontational strategies vis-a-vis the SAG.

PRO:

- o Stresses the reality of interdependence of the regional economy, seeks to minimize economic waste and inefficiencies

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- o By lessening somewhat FLS dependencies on South Africa, preserves a degree of political credibility
- o Is an acceptable formula for winning bipartisan Congressional support for a continued regional aid program
- o Lessens the risk of regional conflict by discouraging confrontational FLS posturing
- o Sustains a successful regional approach based on U.S. efforts to broker dialogue and negotiations.

CON:

- o Will not satisfy certain FLS and other anti-SAG forces.
- o Leaves intact asymmetrical economic relationships between SAG and FLS.
- o Doesn't increase U.S. leverage with FLS.

(THIS OPTION IS SUPPORTED BY STATE, ^{33(b)(1)} USIA, TREASURY, AID AND COMMERCE)

C. Press SADCC/FLS to accept South Africa's central position in the regional economy. Promote closer economic ties between the SAG and FLS. Work to remove barriers to more contact and dialogue between SAG and FLS.

PRO:

- o Gives all parties an increased material stake in regional stability. Reduces risks of miscalculation, confrontation.
- o Allows greater play to market forces, reduces inefficiencies in regional economy
- o Lays groundwork for post-apartheid regional cooperation.

CON:

- o Given likely resistance from the FLS, difficult policy to explain and justify publicly.
- o Risks overidentifying U.S. with SAG's foreign policy agenda
- o Could be distorted by those in SAG seeking license to exercise regional hegemony, resurrect old idea of "constellation of states" orbiting around Pretoria.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, JCS)

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3. Unilateral or Multilateral Approach

Issue for Decision

Should the U.S. adopt a solo approach to the South Africa problem, or should policy be coordinated with others?

Background

Multilateral diplomacy in Southern Africa has had its ups and downs. The most recent effort involving the U.S. was the "Contact Group" started during the Carter administration to find a way to implement UNSCR 435 for Namibian independence. The UK, France, FRG and Canada were our partners. The "Contact Group" carried over to the Reagan Administration but fell apart when Canada, France, and the FRG became uncomfortable with the linkage of Namibian independence to Cuban troop withdrawal from Angola. The Angola/Namibia negotiations were carried to a successful conclusion by the U.S. working as a lone mediator, with behind-the-scenes support from the U.K. and U.S.S.R. and a number of African governments.

In the Comprehensive Anti-Apartheid Act of 1986, Congress called for the U.S. to coordinate with allies in applying sanctions on South Africa. The Reagan administration rejected this recommendation. During the last two years of the Reagan administration, however, the U.S. made efforts to enlist key allies in development of a common approach to the apartheid problem. Our efforts centered on a project to develop an agreed set of principles on what we stand for in South Africa. We also sought to develop a common mechanism for monitoring human rights issues in South Africa. These efforts were unsuccessful mainly because of a UK refusal to link its policy to ours in the wake of the Comprehensive Anti-Apartheid Act of 1986.

In relative terms, Britain's interests in South Africa far outweigh those of the U.S. The Thatcher government, convinced that sanctions are at best futile and at worst counterproductive, will firmly resist any U.S. attempt to extend and/or multilateralize sanctions. In March, 1989, Prime Minister Thatcher travelled to southern Africa and left the strong impression that she intends to become more active in promoting negotiations to end apartheid.

Options

A. Continue the unilateral role developed during the Angola/Namibia negotiations, building on our reputation as an impartial mediator. Coordinate as necessary with South

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Africa's major trading partners, especially the UK, FRG, and Japan, but make it clear that we insist on total freedom of action.

PRO:

- o Keeps our options open; provides maximum flexibility.
- o Avoids association with Canadian, Scandanavian and other policies which lack objectivity and influence.

CON:

- o Places burden of conflict resolution in southern Africa on U.S.
- o Gives other players in the region leverage over us, as they know we need "results."
- o Risk of working at cross-purposes with UK or other key allies, who may also fear U.S. will drag them into unwanted policies.

(THIS OPTION IS SUPPORTED BY JCS.)

B. Submerge U.S. role into a comprehensive, multilateral approach along lines comparable to the "Contact Group."

PRO:

- o Fulfills spirit of CAAA which calls for U.S. to join with allies in pressuring the SAG.
- o Lowers U.S. profile on apartheid issue, over which we have little control in any case.
- o Collective action increases pressure on Pretoria.

CON:

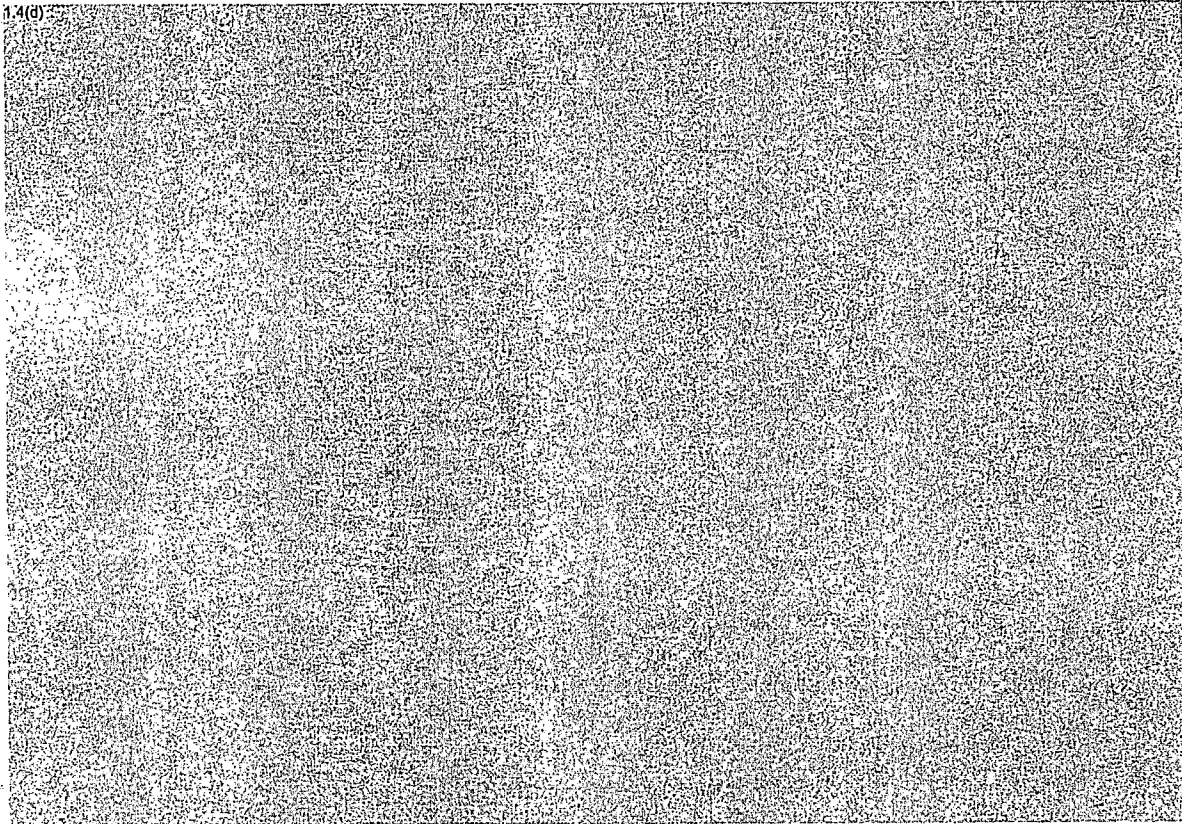
- o Risks reduction of policies/actions to lowest common denominator, or even paralysis.
- o Risks forcing U.S. to defend unpopular compromises with allies. Opens U.S. to charges of "hiding" behind more cautious partners of South Africa.

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- o Circumscribes U.S. freedom of action at the U.N. and elsewhere.



D. Formulate our own policies based on a U.S. view of the region, with special recognition of our unique domestic imperatives, but coordinating as closely as possible with South Africa's important trading partners, the FLS and other interested parties.

PRO:

- o Keeps our concern over apartheid, and our racial experiences, at the center of our policy.
- o Demonstrates desire for cooperation with allies when deemed useful.
- o Retains maximum freedom of action.
- o Allows for floating alliances to cope with changing circumstances. Keeps doors open for collaboration on specific issues in specific areas.

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CON:

- o May be insufficient to persuade pro-sanctions forces that we have "multilateralized" our approach.
- o Exposes administration to possible charges of "passivity."
- o Allows insufficient leverage over allies' actions.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, ^{3.3(b)(1)} NSC STAFF, USIA, AID, TREASURY AND COMMERCE)

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4. Sanctions

Issue for Decision

To what extent should sanctions against South Africa be a part of U.S. policy?

Background

U.S. diplomatic, political, economic and military sanctions against foreign adversaries are not unusual. Broad-based economic sanctions are currently in place against countries like Panama, Nicaragua, Cuba, Libya and South Africa, and a range of more limited pressures are exerted regularly by both Congress and the Executive in the form of withheld aid or withdrawn trade benefits. ^{3.3(b)(1)}



American sanctions against South Africa are not new. Prior to 1986 they were carefully limited in scope -- abolition of naval ship visits, cessation of military sales, blocking of computer sales to agencies that administer apartheid -- but the CAAA introduced broad-based economic sanctions for the first time. All of these actions effectively demonstrated U.S. disdain for apartheid, and the CAAA in particular sent a powerful message of American impatience to the white rulers of South Africa, contributing to their heightened sense of realism today. At the same time, sanctions have engendered a bitter, anti-American backlash among many whites and may have hardened their resistance to advice or pressure from outside the country.

The CAAA also contributed to a slowing of South Africa's economic growth. However, the economic reality of life in South Africa is that a large part of that cost is borne by the black population. Sanctions are also driving the U.S. business community -- the most notable proponent of liberal practices and a constructive advocate of change -- from the South African economy.

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Options

A. Accept the Dellums Bill which requires total disinvestment by all remaining US firms in South Africa and the cessation of all trade except strategic minerals, books and humanitarian supplies. (This is the corollary to Option A - maximum pressure on South Africa - in "1. The Focus of U.S. Policy Toward South Africa").

PRO:

- o Ends conflict with the Democratic majority in Congress over South Africa policy. Annual sanctions debate terminated.
- o Wins strong approval of most African states, raises U.S. prestige in parts of Third World.
- o Leads to new openings for political support by American black community.

CON:

- o Eliminates any possibility of U.S. role in influencing evolution of political power in South Africa as long as whites are in control.
- o Creates conflicts with UK and other allies, problems at the U.N. where U.S. no longer vetoes sanctions resolutions.
- o Mandates termination of valuable USG-SAG liaison relationships, including military attache arrangements, and would likely rupture other areas of the bilateral relationship.
- o Invites retaliation by South Africa, including possible disruption of U.S. access to strategic minerals or blockage of movement of goods to and from FLS that creates a regional crisis and calls for vastly increased U.S. assistance to affected states.

B. In our dialogue with the Congress and other groups interested in South Africa, point out that sanctions have produced mixed results, some positive (increasing psychological pressure on whites) and some negative (white backlash against the U.S.). Emphasize our continued commitment to compliance and effective enforcement, argue that further escalation of

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punitive sanctions would be counterproductive, do not rule out selective pressures and incentives in our future strategy depending on events in South Africa itself.

PRO:

- o Credits Congress for actions which many moderates and conservatives are proud of.
- o Buys time against congressional initiatives.
- o Places sanctions in a broader context containing both rewards and punishments.

CON:

- o Accepts the principle of sanctions. Likely to lead to demands for new rounds of sanctions if there is no relaxation of apartheid.
- o Risks accelerating the exodus of the American business community from South Africa and eliminating a constructive example of liberal practices.
- o Could rattle UK, other allies who fear potentially costly Administration compromises with Congress.

(THIS OPTION IS SUPPORTED BY AID)

C. Renew our commitment to effective enforcement of existing sanctions, but seek to divert the debate from sanctions per se and concentrate instead on what the U.S. can do to promote dialogue between the races in South Africa and to enhance black political leverage.

PRO:

- o Directs attention away from emotional debate on effects of sanctions.
- o Provides fresh approach to apartheid dilemma, one which concentrates on what all agree is a critical issue.
- o Provides basis for new consensus-building attempt with Congress.

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CON:

- o In a domestic political sense, exposes USG to charges of evading central issue of apartheid.
- o Too much emphasis on black empowerment risks being seen as tokenism and reluctance to address real issues.

(THIS OPTION IS SUPPORTED BY STATE, NSC STAFF, ^{33(b)(1)} DOD/OSD, JCS, TREASURY, COMMERCE AND USIA)

D. Request the repeal of the CAAA and campaign actively for it.

PRO:

- o Provides huge boost to relations with the SAG and South African whites.
- o Increases U.S. access to and influence with governing elites, giving new measure of U.S. influence over evolution of events in South Africa.
- o Encourages U.S. firms to remain in South Africa and sustain their social spending there.

CON:

- o Undermines totally U.S. position among South African blacks and black governments in Africa.
- o Forfeits U.S. credibility with blacks as honest broker.
- o Vastly diminishes U.S. influence over ANC and other black liberation/opposition groups.
- o Creates bitterness and sense of betrayal among moderates in Congress who voted for sanctions in 1986 but believe further sanctions are counterproductive.
- o Probably eliminates any possibility of bi-partisan policy approach to South Africa.

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5. Nuclear Proliferation

Issue for Decision

How best to deal with the nuclear proliferation threat posed by South Africa.

Background

South Africa either possesses or could assemble on short notice several nuclear test devices or weapons. South Africa's capacity for designing and manufacturing weapons will continue to grow as its commercial nuclear program matures. South Africa is not a party to the Nuclear Non-Proliferation Treaty. Its commercial enrichment facility outside Pretoria is unsafeguarded.

In 1977, the Soviets discovered a probable nuclear explosives test facility under construction in the Kalahari desert. Following U.S. demarches to the SAG, activity at the site was halted. The SAG has not admitted that the Kalahari site is a test facility. Construction activity resumed at the site in August, 1988, although it is not clear if it is nuclear test-related.

Research

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has failed to confirm that South Africa detonated a low-yield device, as some analysts originally believed.

In September, 1987, State President P.W. Botha announced South Africa's intent to consult with NPT depositary states with a view to adhering to the NPT. As result, the General Conference of the International Atomic Energy Agency voted down a motion to expel South Africa from that organization (one of the last significant international bodies in which South Africa is still a member.) South Africa won another reprieve in 1988, after the U.S., U.K. and U.S.S.R. jointly pledged to continue discussions with the SAG to obtain its adherence to the NPT.

South Africa's willingness to join the NPT remains in doubt. Debate is underway within the SAG, with those actively promoting adherence apparently in a minority.

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Options

A. Given pervasive doubts about the SAG's intention to adhere to the NPT or accept full-scope international safeguards, avoid taking the lead on this issue. Continue to participate in periodic, four-way discussions (U.S., U.K., U.S.S.R., and SAG) aimed at eventually drawing the SAG into the NPT regime.

PROS:

- o Fulfills our obligation to the IAEA to continue pressing for SAG adherence to the NPT.
- o Minimizes bilateral conflict with SAG
 - o Avoids actions which could complicate our relations with nuclear supplier states which continue to have limited dealings with South Africa (e.g. France)
- o Keeps alive the possibility of eventual SAG adherence to the NPT.

CON:

- o Is unlikely to prompt SAG adherence to the NPT or restrain South Africa's weapons program.
- o Too "mild" a U.S. effort could provoke Congress into passing tougher nuclear sanctions on South Africa

B. Work with U.K., U.S.S.R., EC, and possibly other states to identify mechanisms which fall short of specific guarantees but which respond to South Africa's demand for increased nuclear commerce in the context of NPT adherence.

PRO:

- o Provides those within SAG who favor accession with strong support
- o Removes the non-proliferation issue from the larger matrix of South African sanctions. Identifies non-proliferation as objective which transcends the immediate issue of opposing apartheid.
- o If it appeared that such efforts would facilitate increased nuclear trade with South Africa, the pressure on the SAG to join the NPT would be further increased.

(THIS OPTION IS SUPPORTED BY STATE, JCS, DOD/OSD AND NSC STAFF)

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- o If mechanisms fell short of entailing specific guarantees of increased nuclear cooperation, charges that the SAG was being offered "inducements" to join the NPT could be avoided.

CON:

- o South africa may want iron-clad assurances from the U.S. and other Western suppliers that the nuclear trade embargo would be abandoned if it agreed to join the NPT. It may not be possible to provide such assurances before the fact.

- o Providing the SAG with "guarantees" of increased nuclear commerce under the NPT could set an undesirable precedent for other non-parties. The U.S. rejects the concept that nuclear states are "required" by the NPT to engage in nuclear commerce with parties.

- o Could arouse opposition from Front Line States who would rather the SAG not accede to the NPT if it meant reducing Pretoria's isolation.

C. Concentrate efforts on new sanctions as way of compelling SAG adherence. Nuclear-related sanctions could include drastic reduction in U.S. visas issued to SAG nuclear scientists and technicians, plus concerted, multi-lateral effort to bring international sanctions to the same level as those of the U.S.

PRO:

- o Could shock the SAG into action if presented as a threat rather than a fait accompli.

- o If implemented, could slow and/or complicate possible South African weapons' programs.

- o Would probably win Congressional support.

CON:

- o Could lead to clashes with allies and nuclear suppliers. Consensus among suppliers unlikely.

- o Would evoke strong, negative reactions from the SAG, complicating other areas of the bilateral relationship.

D. Develop with U.K., USSR, EC and others a mixed package of incentives and disincentives. Disincentives (sanctions) would be held in reserve.

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PROS:

- o Clarifies choice for SAG. Lays out costs and benefits. Puts ball in SAG court.
- o Could win Congressional backing.

CON:

- o Hard to coordinate with allies in the current environment. May be impossible to fine tune the approach.
- o Would provoke a negative SAG reaction, but not as violent as "C" above.

(THIS OPTION IS SUPPORTED BY COMMERCE)

(FOOTNOTE: 3.3(b)(1) USIA, AID AND TREASURY TOOK NO POSITION ON THIS ISSUE)

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6. U.S.- Soviet Cooperation

Issue for Decision.

In formulating and implementing our regional policies, should the U.S. strive for a more cooperative working relationship with the USSR?

Background.

Soviet strategy in southern Africa appears to be undergoing major revisions. The Soviets played an important supporting role in shaping the Angola/Namibia settlement. In the process, they initiated diplomatic contacts with the SAG and are likely to continue to expand the relationship. Parallel to this development, the Soviets have publicly de-emphasized their support for the ANC's armed struggle, called upon Front Line States to improve communications with Pretoria, and predicted that the dismantling of apartheid will be a drawn-out process composed of incremental steps and "partial victories." Moscow has reportedly made the same points privately to the ANC. The Soviets have also privately advised a number of regional governments to proceed cautiously with socialist economic experimentation. These actions have drawn sharp protests from some Front Line Governments and from the ANC.

As in other regions of traditional U.S.-Soviet rivalry, the Soviets in southern Africa are openly touting political solutions to existing situations of military conflict. The new Soviet thinking could signal fundamental changes in regional dynamics by muting superpower competition and promoting cooperation. A major remaining problem from our perspective is continuing Soviet arms deliveries to the MPLA in Angola.

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Options

A. Place cooperation with the USSR among our top priorities in formulating our policy approach to South Africa and the region. Seek to develop a "special relationship" with the Soviets on a range of regional problems: implementation of the Angola/Namibia accords, promotion of national reconciliation in Angola, mediating an end to the war in Mozambique, reducing cross-border violence and setting up talks between the SAG and credible black opponents, including the ANC.

PRO:

- o Provides opportunity to shape Soviet views and influence Soviet behavior on regional issues while testing "new thinking."
- o Could bring intense pressure to bear in certain problem areas, e.g. in Angola.
- o Renders it more difficult for regional governments/movements to play off one superpower against the other.

CON:

- o Need to consult Soviets limits U.S. freedom of action.
- o Soviets could gain increased access to region.
- o Net loss of U.S. influence in favor of Soviets possible.
- o Other parties, including U.S. allies, might perceive superpower condominium.

B. Accept the concept of enhanced cooperation with the USSR but proceed on a case-by-case basis. Choose problems and issues where Soviet assistance is desirable.

PRO:

- o A more flexible approach than "A". Allows U.S. more room for maneuver.

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CON:

- o Same as in "A" but to a lesser degree.
- o Also, less opportunity to restrain Soviets than in "A." Soviets also free to negotiate degree of cooperation with U.S.

(THIS OPTION IS SUPPORTED BY STATE, ^{33(b)(1)} JCS, TREASURY)

C. Assume that cooperation with the U.S.S.R. in the region has only limited potential. Limit cooperation to situations where it is unavoidable. Otherwise, do nothing to encourage increased Soviet contact in or access to the region.

PRO:

- o Provides U.S. with maximum freedom of action vis-a-vis Moscow.
- o Challenges Soviets to earn U.S. cooperation by means of further constructive behavior.
- o Lessens risks of misreading Soviet intentions.

CON:

- o Reduced opportunities to resolve conflicts.
- o Reduced opportunities to shape Soviet thinking/actions.
- o Makes it easier for Soviets to expand contacts/access without reference to U.S. views.
- o Ignores recent positive changes in Soviet behavior.

(THIS OPTION IS SUPPORTED BY NSC STAFF, DOD/OSD, USIA AND COMMERCE)

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7. Official Relations With the SAG

Issue for Decision

The U.S. has long used diplomatic pressure to attempt to force changes in South Africa's internal policies. Should this practice continue? If so, how should the pressure be applied?

Background

For many years it has been a central tenet of U.S. policy that no normalization of official relations with South Africa is possible without real progress toward ending apartheid. By maintaining its distance from the South African government, the U.S. has signalled strong disapproval of South Africa's racial policies. The underlying assumption of this approach is that relations could improve if Pretoria were to make fundamental changes in the apartheid system.

In the final years of the Carter Administration, official relations with South Africa were severely strained. High-level diplomatic contact was reduced to that necessary for the conduct of essential business. Working-level contacts in selected areas of the bilateral relationship, such as the Defense Attache relationship, were sharply circumscribed. Under the Reagan Administration, official contacts were upgraded in an effort to draw the SAG into regional negotiations and to provide a climate conducive to internal political reforms. This warming trend had ended by the time of the passage of the 1986 Comprehensive Anti-Apartheid Act. In line with the CAAA, official U.S. relations with the SAG are subject to increasingly close Congressional scrutiny and, in some cases, Congressional control. While recent government-to-government exchanges have been intensive as a result of the Angola/Namibia negotiations, contact at the highest levels of government has not occurred. The South African Department of Foreign Affairs continues to attach the highest importance to upgrading official relations with the U.S. and other western states and also increasing the number of states with which South Africa has relations.

Options

A. Limit official relations to the minimum necessary to conduct essential bilateral business. Impose strict ceilings on number of SAG personnel assigned to the U.S. Limit official visits to the U.S., strongly discourage non-essential USG visits to SA. Indicate to Pretoria that only substantial

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improvements in its domestic policies will allow restoration of a more normal official relationship.

PRO:

- o As a significant intensification of diplomatic pressure on SAG, would be welcomed by activist elements in Congress, U.S. public, black opposition in South Africa, Front Line States.

- o May have limited value as an incentive to change domestic policies.

CON:

- o Severely curtails U.S. ability to gather information in South Africa. Reduces our capacity for analyzing events and anticipating trends. Possible SAG expulsion of U.S. personnel. Cuts off communication with decision-makers in South Africa. Severely limits U.S. ability to bring influence to bear in a non-confrontational manner.

- o Restricts the existing relationship and is therefore a new sanction. Given current trends in SA and region, could appear illogical and/or ill-timed.

- o Puts U.S. out of step with U.K., other allies. Could encourage further SAG efforts to develop closer relations with Moscow.

B. Limit official contacts in specific areas, e.g., contact with security and apartheid-enforcing agencies, the SA nuclear program, military technology sectors, and other controversial milieu where restrictions currently apply or have applied in the past. Embassy staffing levels and frequency of working and senior-official level visits not subject to a priori limitations, although high-level, high-visibility exchanges would be avoided.

PRO:

- o Avoids unwarranted "normalization" of relationship but permits some access to SAG and a continuing, though less-than-adequate, flow of information.

- o Creates few new problems with SAG since it is essentially a continuation of the current policy.

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CON:

- o May not satisfy critics of current U.S. policy here and in the region because it falls short of new sanctions.
- o In absence of explicit controls, official contacts tend naturally to proliferate and escalate to higher levels. Selectivity in official relationship difficult to sustain.
- o Constrains U.S. ability to gather information on specific, important areas, in particular the security forces and security situation as well as important players in SAG decisionmaking.

(THIS OPTION IS SUPPORTED BY STATE, DOD/OSD, NSC STAFF, TREASURY, COMMERCE, USIA, AND AID)

C. Move towards normalization of the relationship by offering specific upgrades in conjunction with reforms, such as repeal of the Separate Amenities Act or Group Areas Act.

PRO:

- o By "fixing goalposts", U.S. offers clear sense of quid pro quo for reform.
- o Affords more extensive, higher-level access to the SAG and allows better reporting on political and other developments.
- o Could enhance U.S. influence in SAG decision-making.
- o Major U.S. allies (UK, FRG, Japan) would be supportive.

CON:

- o Difficult to establish realistic "goalposts." Commits U.S. to tradeoffs which, over time, may become politically irrelevant or subject to SAG manipulation.
- o Similarities to "constructive engagement" approach would draw criticism from U.S. public, Congress, black South African opposition.
- o Unlikely by itself to trigger meaningful changes in South African internal policies.

(THIS OPTION IS SUPPORTED BY JCS AND

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8. The U.S. Role in Black Empowerment

Issue for Decision

Should the U.S. aggressively expand programs in South Africa designed to: 1/strengthen multi-racial resistance to repression and apartheid, 2/ build black bargaining power, and 3/help blacks prepare themselves for leadership in a post-apartheid, non-racial democracy?

Background

Since 1982 the U.S. has maintained unique aid and public affairs programs in South Africa. No assistance is channeled through any agency of the South African government (SAG), nor are any entities connected to the SAG eligible for aid.

Our aid has been concentrated in five broad areas:

- Human Rights (legal assistance to political detainees and others non-violently opposing apartheid laws and regulations, support for press freedom, funding of legal advice centers, aid to families of victims of violence)
- Education (scholarships to U.S. and South African universities, educational innovation)
- Black Private Enterprise Development (credit and/or assistance for small, black-owned businesses, advocacy and support institutions)
- Labor Union Training (technical assistance and training for black trade unions)
- Community Development (small grants to develop community leadership and build local democratic institutions).

Total U.S. aid for FY 1989 is \$34.9 million.

The USAID program has drawn some political criticism. Until recently many affiliates of the UDF, South Africa's premier internal anti-apartheid movement, refused to accept U.S. aid. Several other black organizations have also kept their distance from the U.S. program. In most instances, the problem was due to disagreement with U.S. foreign policy in the region. In some instances, it was also due to the misperception that U.S. assistance was somehow meant to "co-opt" the black opposition. Some Congressional members and staff and anti-apartheid activists in the U.S. have also complained that U.S. assistance is, at best, a poor substitute for more direct USG action to end apartheid. At worst, they claim, U.S. aid is a deliberate attempt to "buy off" black opposition to the apartheid regime.

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From time to time the SAG has complained about U.S. and other nations' aid to the black majority. Thus far, however, the SAG has done nothing to impede the flow of assistance. Recent legislation in South Africa could change this. New laws will require that all South African organizations which receive any funding from abroad, regardless of these organizations' orientations or functions, provide a full accounting of such funding to the SAG upon demand. Some members of Congress and other observers in the U.S., echoing the SAG's uneasiness over foreign involvement with the black opposition, have charged that USAID programs are an unacceptable form of interference in South Africa's internal affairs.

These particular problems notwithstanding, USAID programs in South Africa enjoy broad, bipartisan support in the U.S. They have been of direct assistance to many thousands of apartheid's victims, have helped to stiffen popular resistance to apartheid and have solidified American links to the black majority. These programs stand as a strong, tangible U.S. commitment to combatting apartheid and extending democracy in South Africa.

The U.S. Information Service conducts an active public affairs program of information and exchanges, designed both to clarify U.S. policy in Southern Africa and to complement USAID's efforts in areas vital to South Africa's future. USIS disseminates news, information, and otherwise unavailable viewpoints through publications, speakers and consultants, WORLDNET satellite programs, Voice of America broadcasts, and USIS libraries (in Pretoria, Johannesburg, Durban, and Cape Town). A USIS-sponsored reading room in Soweto not only supplies information, but can also serve as a venue (possibly an illegal one from a SAG perspective) for U.S. contact with the opposition. A proposal to strengthen VOA's medium-wave signal from neighboring Botswana is currently in suspension. The necessary construction funds are not included in USIA's projected budgets. Additional funds from other sources would be required in order to realize this project, and OMB's current stricture against transferring VOA funds for this purpose would have to be lifted.

Options

A. Keep U.S. "positive measures" program at about the current level, allowing for gradual increases in accordance with the evolving situation in South Africa and as overall A.I.D. resources grow. Continue emphasis on current programs, avoiding new initiatives that might increase the likelihood of a hostile SAG response and a curtailment of activities.

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PRO:

- o Probably reflects accurately current absorptive capacity of USAID recipients.
- o Can be managed by currently approved level of staffing.
- o Will probably avoid antagonizing the SAG.

CON:

- o Does not seize possible opportunities to enlarge U.S. access to the black opposition.
- o Passes up potentially valuable means of focusing debate (both in U.S. and in South Africa) on black empowerment/incremental change/negotiations, rather than more sanctions.

(THIS OPTION IS SUPPORTED BY AID AND JCS)

B. Actively expand U.S. programs. Enlarge program of assistance for university scholarships, human rights, and community leadership. Investigate possibility of a U.S. "foundation" for South Africa which would pool private and public U.S. efforts to bolster black empowerment. Make VOA upgrading a top priority. Work with Congress to permit more U.S. investment in black-owned firms in South Africa. Explore other means to increase U.S. "positive measures" in South Africa.

PRO:

- o Provides new impetus to U.S. efforts in South Africa. Relieves pressures to disengage generally from South Africa. Redirects focus away from sanctions.
- o Holds potential for increased access to black audiences and increased influence in shaping black opposition strategies.

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CON:

- o Would require increased funding and staff.
- o Could provoke negative SAG reactions as U.S. mission expands largely experimental programs at the edges of the law.
- o May exceed absorptive capacity of South African NGO community. Quality of average A.I.D. grant could decline. May result in audit/vulnerability problems.
- o Could result in cuts in U.S. assistance to other African countries, given the current limitations on overall funding.

(THIS OPTION IS SUPPORTED BY STATE^{33(b)(1)} NSC STAFF, USIA, COMMERCE, TREASURY, AND DOD/OSD)

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