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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting between the President and Nelson Mandela, President of African National Congress (ANC) (U)

PARTICIPANTS: The President
The Vice President
James A. Baker, III, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs
Herman J. Cohen, Assistant Secretary of State for African Affairs
Walter H. Kansteiner, NSC Director for African Affairs (notetaker)

Nelson Mandela, President of the African National Congress (ANC)
Thabo Mbeki, ANC Director for International Affairs
Thomas Nkobi, ANC Treasure General
Lindiwe Mabuza, ANC Representative to the U.S.

DATE, TIME December, 5, 1991, 10:00 - 10:45 am
AND PLACE: The Oval Office

The President: Welcome back to Washington. (U)

Mr. Mandela: Thank you. It's good to be here. As you know, we cannot solve all of our problems overnight. The Convention for a Democratic South Africa is speaking with one voice on this question. We must address our problems as quickly as possible.

We have a number of agenda items including 1) constitutional principles, 2) mechanisms to implement principles, 3) supervision of the transition process. We are in agreement as the foundation of one-man one-vote.

The transformation will come through as an interim government. I think we all agree on this, we just use different terms than President de Klerk uses. But the substance is the same. But the present government is discredited because it is a minority government.

We also need to discuss other issues at the Convention, such as Bantustans and time frames.

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The President: What do the time lines look like? (U)

Mr. Mandela: Nothing has been firmly established, but it's understood by all that we must move quickly. We also want the international community to play a role. The UN, EC, OAU, NAM and Commonwealth plus all the embassies in South Africa. ~~(S)~~

The President: We understand that this is an internal thing, and we respect that but do you see any specific role for the U.S.? ~~(S)~~

Mr. Mandela: Your ambassador is doing a good job. Democratization is complex. One thing is political prisoners. We need to pressure de Klerk to release the 20 or so prisoners Pretoria has and the hundred that Bop has. We will be criticized by our own members if we don't get this done. ~~(S)~~

Assistant Secretary Cohen: We've been working on this, about half of the Bop prisoners are released. (U)

Mr. Mandela: We need a climate for political activity. Violence makes it tough. The government is not using its efforts to put an end to the violence. We see no reason why the government can't end this violence. When whites are killed they track the criminals immediately. De Klerk's failure on the violence issue is of great concern. ~~(S)~~

I am also concerned with state controlled broadcasting. They are highly critical. ~~(S)~~

The President: Of the ANC? (U)

Mr. Mandela: Yes, very critical with speeches attacking the ANC. They always give more time and space to forces hostile to us. This is of grave concern to us. ~~(S)~~

Now the Peace Accord of September 14 is an important milestone. It will help stop the violence. Strong support of this would go a long way. We have lost 11,000 people since 1984. Not one of them was a member of the National Party. Not a single National Party member has gotten a bruise. ~~(S)~~

The government blames the violence on ethnic rivalries - Xhosa and Zulu. But the violence started in Natal where it's only Zulu. It spread to the Transvaal where it was black on black violence, possibly spearheaded by the state security forces. Maybe not whole, but elements of the security forces are involved. ~~(S)~~

The President: What would be their motivation? Is it right-wing dominated? ~~(S)~~

Mr. Mandela: That is a factor. But the government has lost control or doing it on purpose. They are worried about ANC Popularity. We have had 10 meetings with the government lately and they are very worried about our strength. The government

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wants to devise a troika - the National Party, Inkatha, and the ANC. But we objected. We want to use the principle of all political parties participating. ~~(S)~~

The government's motive is to prevent the ANC from sweeping into power. But our policy accommodates all population groups. South Africa belongs to all the groups. ~~(S)~~

We believe also in individual rights. So why does the National Party fear us? Majority rule is the democratic principle we want to use. ~~(S)~~

Our economy has 7 million unemployed out of 30 million. 9U)

The President: That's 25%. (U)

Mr. Mandela: We have a continuing recession and this is unacceptable. Reconstruction is what we need, like Eastern Germany. ~~(S)~~

We need a climate to inspire investors. I don't want to take our time talking of sanctions, but we are in favor of phased lifting of sanctions. Once an interim government is introduced all sanctions will be lifted. We want the West to press de Klerk on this. ~~(S)~~

The President: Your interest and commitment to foreign investment is good. But sanctions work against investment. The sooner you make an unequivocal statement on an open, free market economy, the sooner you will get investors. An investor, in my experience, needs assurances. He needs to know it's O.K. He needs to know his investment and property are safe. ~~(S)~~

The quicker you give the investors the signal, the quicker the capital will flow. Freedom of property, and the freedom to invest and make a profit is what makes a free market work. This is a philosophy that we adhere to and it's the most rapid way you are going to attract U.S. investors. ~~(S)~~

Mr. Mandela: We have declared our support for free enterprise. But in our policies from 1955, we do talk about nationalization of specific sectors of the economy: finance houses and monopolies. But we are aware of the changes around the world. ~~(S)~~

The President: Good. (U)

Mr. Mandela: We are keen to have investors, and we want them not to think they'll lose their property. (U)

We are going to have an economic conference on nationalization soon. (U)

But we do believe that we need state intervention, not always in the form of nationalization. We want to say to business, "Let's work together." (U)

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The President: Why don't you and Secretary Baker spend some time on this in your meeting? Jim, O.K.? (U)

Secretary Baker: Yes, we look forward to that. (U)

Mr. Mandela: Mr. President, the interim government idea is crucial. We will need support on that. (U)

Thabo Mbeki: Do you want to raise the Solarz letter? 9U)

Mr. Mandela: Yes. We believe the Solarz initiative is good. Also, the Rockefeller bank idea. The ANC has accepted this idea. I have written to the G-7 member and hope you look at it. 9U)

The President: We'll take a look. (U)

Mr. Mandela: The idea of an interim government is the first step. We will lift the sanctions when that happens. (U)

President Bush: What does de Klerk say about that? ~~(S)~~

Mr. Mandela: De Klerk is also talking about interim arrangements. ~~(S)~~

President Bush: Well, I am certainly glad you stopped by. Thank you and good luck. (U)

-- End of Conversation --

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