MEMO

TO: PAUL

FROM: CHRIS C.

RE: RADIO INTERVIEW ON DIVESTITURE

1. Foreign Relations Committee update-

Helms wants the chairmanship badly, but would have to give up Agriculture and Percy would have to back off and take Government Affairs.

A Javits staffer told me that Percy will take the slot despite the poor re-election chances of a moderate sitting on Foreign Relations.

The staff is still in shock.

Pauline Baker is leaving - she says she does not want to be a

"minority within a minority".

Others intend to try to stay on with the minority or, in a few rare cases, with the new majority. Many of course will have no choice but to leave. The present minority staff has an uncertain fate, especially Javits' people.

2. The Encouraging signs from South Africa:

Botha has appointed an executive council to advise him on the constitutional future of the country. Indians and coloureds are members with whites, but no blacks. David Thebahali, "mayor of Soweto", and in thick with Botha, says that blacks will be given some official role although I have not yet seen it happen.

Botha has appointed a new cabinet which he calls "reform" and others

call a power play.

Botha has submitted legislation to the Parliament which he claims does away with the legal status of urban blacks as "temporary sojourners", thus making thier tenure in "white" S.A. more secure.

Botha has announced that he will introduce legislation that will do away with "pass books" for Blacks. (This sort of reform was done last year, but all it was, was a change in the name of the document, not its function - to control the movement of black people)

Botha has submitted legislation which will permit urban blacks to move more freely from one township to the next if they have housing. (This responds to the need of higher labor mobility in a high labor

demand boom economy)

3. The Discouraging Signs from S.A.

Namibia is still stalled over S.A. questions about the "impartiality of the U.N. and its monitoring forces and on the nature of the DMZ.

Press reports of the near demise of the original UN plan for a transition abound because the notion of an "all parties conference" modeled after Zimbabwe is favored by S.A. and by the internal groups in Nambia supported by S.A.

The ANC blew some passenger rail lines into Soweto a couple of weeks

ago.

Tutu and other Soweto notables have received eviction notices from the government because they refuse to pay the recently raised rents for their homes.

All race conscription in Namibia has been announced.

4. Other News:

The S.a. economy is booming.

Government tax receipts are running way ahead of projections and should

4. (cont.)

reach 4 billion rand above the FY total.

Mugabe had told the Soviets that they can establish an embassy in Zimbabwe.

Botha's approach to the economy mirrors Thatcher, Reagan and others - re-emphasis of the private sector, less government ownership. This spills over into race relations - Botha has announced that free trade areas can be created in white municipalities whre all races can own and operate businesses. (The municipalities still have to initiate these changes)

The At blow some masses