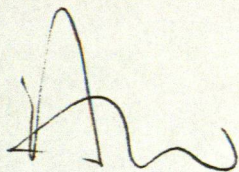


MR. SCHOLAR

PRIVATISATION: HOW TO EAT YOUR CAKE AND HAVE IT

We privatised Cable and Wireless about two years ago. The Treasury retained 45% of the stock. Now the Stock Market evaluation of that 45% exceeds the issue price of the 100% equity of Cable and Wireless. Thus the proceeds from selling it off and privatisation has so increased the value of our holdings that we have literally eaten our cake and had it as well.

Can anything more dramatic demonstrate the efficacy of privatisation in rapidly expanding industry?



ALAN WALTERS  
21 April 1983

Prime Minister 2  
For the Sheffield  
Speech? Or for another?  
MS 22/4