

CONFIDENTIAL COMMERCIAL IN CONFIDENCE

PRIME MINISTER

VISIT TO CHINA

I wrote to you on 11 August, asking whether you would consider stopping off in Canton for a ceremony to mark the establishment of the microwave network for which Cable and Wireless have won the contract.

I have been speaking this week to Eric Sharp, who told me that following C & W's success on the Guangdong microwave link, they have just pulled off another coup. This is a 3-way partnership with the Guangdong Post and Telecomms and S.China oil exploration authorities to set up communications in the offshore oilfields in the South China sea. This is not yet publicly known.

Cable and Wireless have made great progress in the Chinese market, and represent one of the major successes of privatisation. I therefore do hope you will be able to include Canton in your programme.

K.B.

KENNETH BAKER 27 August 1982