



10 DOWNING STREET

THE PRIME MINISTER

8 July 1985

Je MS  
C/o  
DIT/rsp  
BT

Dear John.

Thank you for your letter of 21 June about the problems we have with the Malaysians on the terms on which MAS will be able to operate a fifth weekly frequency between Kuala Lumpur and London.

Nicholas Ridley has sent me a full report on the developments since Dr Mahathir and I agreed in principle that MAS should be allowed to operate a fifth frequency to London. I understand that Colin Marshall will be having a further meeting with Abdul Aziz, Managing Director of MAS, on 8 July and I very much hope that they will make every effort to agree the detailed arrangements. This would clearly facilitate the official negotiations which have been arranged for the end of July.

It is of course deplorable that the Malaysians should link our attitude on air services to their attitude in relation to major export contracts. We shall continue to do our best to discourage these tactics, which are simply one of the factors in a difficult situation which we all have to take into account. I note that the Malaysians have also



raised the question of possible 6th and 7th frequencies;  
this formed no part of my agreement with Dr Mahathir.

Y.  
Linnarsson

Rayan

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The Lord King of Wartnaby