MG

10 DOWNING STREET

Prime Minister

You should see the attached which was in this evening's Standard. The Press Office line has been that, as Sir A. Parsons has said, there has been speculation on this matter; but no decisions have been taken.

I think that we will need to resolve all this as soon as we can after the Party Conference.

F.E.R.B.

30.9.

LONDONER'S
DIARY

Three Wise Men bearing gifts for Mrs T?

THE PRIME MINISTER'S passion for advice is seemingly only equalled by her reluctance to accept any of it. So I am intrigued to discover that yet another conclave of cardinals is being assembled. They include Sir Anthony Parsons and Sir Frank Cooper. The third man is authoritatively said to be Sir Anthony Duff, deputy-secretary at the Cabinet office.

Just what the Three Wise Men will get up to remains something of a mystery. However the trio's experience is wide ranging: Parsons was until recently our ambassador to the UN in New York, where he was responsible for handling the delicate Falkland Islands negotiations, and was due to become the next British ambassador in Washington until he had second thoughts. Cooper was until two months ago Permanent Under Secretary at the MoD. Duff is a career diplomat.

Obviously, the group will consider some aspects of foreign policy but I gather that the Foreign Secretary Francis Pym is playing no part in its organisation. Relations between the Prime Minister and the Foreign Secretary are strained as evidenced by his absence from the Far East tour.

Indeed, I understand that when Pym heard of the proposed set-up he apparently counselled Parsons against becoming involved. It was only the threat of banker Ronnie Grierson, a favourite with Mrs T, being recruited in some capacity that made Pym calm down.

A diplomatic silence prevails. Parsons smoothly would only agree that there had been "a lot of speculation about him joining a new policy unit." When I asked whether he had been approached informally, he said: "I think this conversation has gone far enough." But added, apparently informedly, that he didn't think the new unit would be concerned with defence.

Govt Mach

Mary thanks. I will raise with Sir R. Armstrong. Pl. B.F. in 1 week.

Robin

FERB
30-9

Re your letter to Jim Buckley dated 9/9/82. For consideration of the timing of the Rayner announcement.

Ann.

30/9/82