



House of Commons
Public Administration Select
Committee

**Who does UK National
Strategy?**

First Report of Session 2010–11

*Report, together with formal minutes, oral and
written evidence*

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Summary

Strategy is today a ubiquitous a term. Consequently it has lost its precision and become detached from its original military meaning. Every organisation, at almost every level, has strategies for dealing with perceived risks and taking forward opportunities. This report is not concerned with these sorts of plans or lists of actions. It looks instead into the capacity we have as a country to devise and sustain a continuing process which can promote our national interest.

This was once defined as ‘Grand Strategy’. However, while its imperial, and potentially hubristic associations, may prove a hindrance, the notion inherent in it, that of an overarching process intrinsic to good governance, remains of value. It can best be described as ‘National Strategy’.

It has long been assumed that UK national interests are best served by the touchstones of the US special relationship and our economic interests within the European Union. Uncritical acceptance of these assumptions has led to a waning of our interests in, and ability to make, National Strategy. Recent events such as 9/11, climate change and the banking crisis are making us think differently about the world, but require us to find the means by which we can anticipate and understand these challenges and devise an appropriate response to them.

If we now have a renewed need for National Strategy, we have all but lost the capacity to think strategically. We have simply fallen out of the habit, and have lost the culture of strategy making.

The new Government’s aspiration to think strategically is most welcome but to restore strategic leadership ministers must invest time and energy into this. It is the only way to stimulate demand for strategic analysis and assessment within government. It must be supported by the establishment of specific mechanisms with appropriate authority.

Therefore, we propose that the recently established National Security Council and the post of National Security Adviser should have their remit widened to encompass National Strategy with a central coordinating role.

The single most important thing which can be done to restore our strategic capacity is to have a community of strategists, both inside and outside Whitehall. To foster such a community, government will need to look at its recruitment practices. We propose that the Civil Service and defence training establishments should come together to deliver an education programme and a career appraisal system should recognise and reward strategic skills.

For this reason we welcome the efforts of the previous Chief of the Defence Staff to engender a culture of strategic thinking. We encourage the new Chief to sustain and enhance this initiative and invite him to report to us on progress.

The disparate and uncoordinated elements for analysis and assessment which currently exist in government also need to be harnessed. We propose that the tested Whitehall audit

tool of a capability review should be employed to ensure that capacity in departments is properly brought together. We anticipate that, in time, this cross-Whitehall capability can be developed into a new agency as a resource available to the whole of government.

We propose that research funding to universities in this area is at least maintained to ensure there is sufficient external input into strategy making in government. Interchange with outside bodies and academia must be positively encouraged and facilitated.

We also propose that parliamentary accountability and scrutiny is adequate to the task by widening the remit of the Joint Committee on National Security Strategy. Its makeup should also reflect the diverse interests in National Strategy with membership drawn from appropriate select committees, including ours.

We are conscious of the current financial circumstances. Our proposals have therefore sought to be largely cost neutral. However, we propose a small budget to enable central coordination of departmental contributions to National Strategy in a coherent fashion.

1 Introduction

Strategy without tactics is the slowest route to victory. Tactics without strategy is the noise before defeat.

Sun Tzu

1. On 26th May this year, the Rt Hon William Hague MP, Foreign and Commonwealth Secretary told the House of Commons:

This Government reject the idea of strategic shrinkage. We believe that this would be to retreat as a nation at the moment when a more ambitious approach is required.¹

Later, in July, in the first of four major speeches, he proposed “*a distinctive British Foreign Policy that extends our global reach and influence*”. He claimed that “the previous government had neglected to lift its eyes to the wider strategic needs of this country, to take stock of British interests...”.²

2. He said that the Strategic Defence and Security Review, “*will be a fundamental reappraisal of Britain’s place in the world and how we operate within it*”. He continued: “*the increasingly multipolar world [...] means [...] that we must become more active*”.³

In what he called “*our new Government’s vision of foreign affairs*”, he concluded:

So we are raising our sights for the longer term, looking at the promotion of British interests in the widest sense. In the coming months, we will develop a national strategy for advancing our goals in the world [...].⁴

3. This is the context in which we decided to hold an inquiry into, “Who does UK Grand Strategy?” in order to provide a fresh appraisal of the qualities of strategic thinking in government and any recommendations for improvements.

4. PASC’s 2007 inquiry on ‘Governing the Future’ examined strategic thinking within government. That report noted that:

Future thinking is an uncertain business. Strategies should be kept under review so that they take account of new information and developments in research. Willingness to adjust policy in light of new evidence or changing circumstances should be seen as a sign of strength, not of weakness.⁵

1 HC Deb, 26 May 2010, col 174

2 *Britain’s Foreign Policy in a Networked World*, 1 July 2010 , <http://www.fco.gov.uk/en/news/latest-news/?view=Speech&id=22472881>.

3 Ibid

4 Ibid

5 Public Administration Select Committee, Second Report of Session 2006–07, *Governing the Future*, HC 123–I

5. The previous Government published the first National Security Strategy in March 2008, followed by a second a year later.⁶ One of the first acts of the new Government was to establish a National Security Council (NSC). An early priority for the NSC has been to oversee the development of a new version of the National Security Strategy alongside a Strategic Defence and Security Review (SDSR).

6. However, concerns continue to be expressed, publicly and strongly, that the UK has long since lost both the ability to articulate its national interests and the capacity to think strategically about how to meet them. **In a lecture delivered last December, the then Chief of the Defence Staff (CDS), Sir Jock Stirrup, drew particular attention to the fact that, in his view, the UK has “lost an institutionalised capacity for, and culture of, strategic thought”.**⁷ Whilst acknowledging that the UK did have people who could think strategically, Sir Jock considered that we had become “*hunter-gatherers of strategic talent, rather than nurturers and husbandmen*”.⁸ He went on to explain how this lack of strategic thought made it much more difficult for us to formulate strategy to deal with problems in today’s rapidly-changing world, and just how important it was to re-create the culture of strategic thought within Whitehall.

7. The implications of the CDS’s judgement should be worrying for the whole of government and his concern is one of the main reasons for our inquiry. This report examines: what the term ‘strategy’ means; how it should be made, sustained, challenged and adapted; and whether the Government has the capacity and the skills to do so.

8. We took oral evidence from the Rt Hon William Hague, the Foreign Secretary and the Rt Hon Baroness Neville-Jones, the Security Minister as well as key senior officials including Sir Peter Ricketts, the National Security Adviser and Sir Jock Stirrup, the then Chief of the Defence Staff. We also heard from former officers involved in strategic planning, Sir Robert Fry and Steven Jermy and three eminent historians in this field, Professors Peter Hennessy, Hew Strachan and Julian Lindley-French. We also hosted an expert seminar with participation from government, the military, academia and the corporate world. We received twelve memoranda. We would like to thank all those who gave evidence as well as to our specialist adviser on this inquiry, Chris Donnelly.

6 Cabinet Office, *The National Security Strategy of the United Kingdom: Security in an Interdependent World*, Cm. 7291, March 2008 and Cabinet Office, *Security of the Next Generation: The National Security Strategy of the United Kingdom: Update 2009*, Cm 7590, June 2009

7 Annual Chief of the Defence Staff Lecture, 3 December 2009, <http://www.rusi.org/cdslectures>

8 Ibid

2 Defining Strategy

Origins

9. The term strategy has a very precise meaning and origin. It derives from *strategia*, the function of a *strategos*, the Greek for general. *Strategia* is the general's office and by extension the skill of generalship and therefore of waging war. Subsequently, with the separation of political and military leadership in modern states there has been a distinction made in the literature between two types of strategy:

- Grand Strategy—which determines how the policy for war and peace will be accomplished; and
- Military Strategy—which determines and assigns the military forces to achieve the objectives of the Grand Strategy.

10. Strategy therefore originates, and has been best understood, in military terms. However, this term has been broadened in recent years. The term strategy has been so widely applied, to all sorts of activities, that it has become devoid of real value. Before 1950, “Strategy” was a term used only by the military or military-political circles. Since then the word has been absorbed into the business lexicon and general usage. The term has therefore lost its original, solely military, meaning and has become a wider and more ill-defined term. This makes it difficult to agree on a single, clear definition of strategy. Professor Prins suggested that, “[...] *it is a recognition of unchanging geopolitical truths and their translation into shaping principles and a hierarchy of priorities, which may change in expression from time to time*”.⁹ The then CDS saw it in terms of immutable principles, although the way they are given effect might change.¹⁰ Professor Cornish proposed that “*strategy is what gives policy its ways and means, and [...] action its ends*” although this definition may not be comprehensive enough.¹¹

Strategy as process

11. As the term ‘strategy’ has moved out of its narrow military meaning and into general use, it has lost precision. The idea of strategy as ‘strategic thinking’ (i.e. a process) is confused with ‘a strategy’, which has come to mean more often than not, a plan or merely a document. Although, inevitably it might be necessary to document current strategy, the overwhelming view from our witnesses was that strategy was a concept not a plan or a list. For Professor Prins “*Strategy is a culture of thinking [...]*”.¹² According to Commodore Jermy “*Strategy lives; it is organic. It is a collection of ideas, judgments and decisions, and it lives. So yes, it is absolutely ongoing; indeed, that is key*”.¹³ For the former CDS “*it is*

9 Ev 91

10 Q 269

11 Ev 84

12 Ev 92

13 Q 203

dynamic” and “... *should evolve in the face of reality*”.¹⁴ Cat Tully, a former FCO official, saw strategy-making as “[...] *a process of alignment—not a piece of paper*”.¹⁵ **Strategy is therefore about dealing with uncertainty, complexity and the dynamic. It is not a plan or a paper. In modern politics it is about ensuring that the whole of government identifies and acts effectively upon the national interest.**

Confusing strategy and policy

12. There has been a tendency to confuse ‘strategy’ with ‘policy’. The Foreign Secretary said that there “*can*” be a difference between strategy and policy but was concerned that too often strategy failed to inform policy. To avoid this disconnect he believed they should be undertaken by the same people. However, this is a failure to appreciate fully the distinction between the two which we hope the Foreign Secretary will accept.¹⁶ There has always been a symbiotic relationship between the two. Professor Strachan noted that the “*relationship between policy and strategy is likely to be an iterative and a dynamic one*”.¹⁷ However, to confuse the ‘end’ (policy) with the ‘ways and means’ (strategy) is not conducive to clear thinking in government”. **Strategy is not policy, but is the means of effecting it.** That this confusion is met with so often confirms the need for establishing a clear understanding of these two distinct elements in government. It also makes the case for returning to the formal study and teaching of strategy. Otherwise there is a risk, as Professor Hennessy observed that, “*policy without strategy is, to a high degree, flying blind, [...]*”.¹⁸ We have no doubt the Foreign Secretary accepts this.

The value of the term ‘Grand Strategy’

13. The title of our inquiry was originally, ‘Who does UK Grand Strategy?’ We began by examining whether the concept of ‘Grand Strategy’ was still of value and if there was a common understanding of the term. It was quickly evident that the very meaning of the word ‘Strategy’ has changed considerably in recent years. In fact, the term ‘Grand Strategy’ met with mixed reactions.

14. In its written evidence to the Committee the Cabinet Office explained that:

Grand Strategy is no longer a term that is in widespread usage; but it is understood to mean the purposeful and coordinated employment of all instruments of power available to the state, to exploit the changing opportunities and to guard against the changing threat it faces.¹⁹

15. In the seminar discussions it was observed that, historically, the idea of ‘Grand Strategy’ was linked to times of warfare with all the economic, military and diplomatic resources of

14 Q 246

15 Ev 94

16 Q 76

17 Q 3

18 Q 4

19 Ev 64

the state focused on one goal—victory. Professor Strachan also placed it in the context of the Second World War where government was seeking to achieve total victory and to coordinate several theatres of war.²⁰ The concept of victory clearly does not have the same relevance when we are broadly at peace; nations aim to be successful, and perhaps to compete successfully with other nations, but not to be ‘victorious’.

16. The historical connotations of ‘Grand Strategy’ could prove to be a hindrance because the term is associated with Empire and in some quarters is seen as hubristic. Nonetheless the term has proved to be a useful means by which this inquiry has been able to explore the concept of an overarching process; a concept intrinsic to good governance. This process today can better be described as ‘National Strategy’ and we have therefore adopted this term as the title for our report.

3 Do we need a 'National Strategy'?

17. The Foreign Secretary set out the need for a concept of this sort. He explained to us that:

the way I think about it and in terms of the way we are going about our work is that we have to have a national strategy for extending our influence, for maintaining our presence in the world and for ensuring that we can look after the security and prosperity of the British people. That requires something more than just dealing with things on a day-to-day basis. [...] there should be something that is overarching [...]. There should be some sense of what we are trying to achieve as a country over a longer period.²¹

We welcome this recognition, that National Strategy is a vital component of the process of government if policies and actions are to respond to changing challenges.

18. In his first major speech last July, the Foreign Secretary stated that the SDSR would be a fundamental reappraisal of Britain's place in the world and how we operate within it. He warned that the world had changed. If Britain did not change with it, its role would decline. He enumerated five factors of change:

- i. economic power and opportunity was shifting to countries in the East and South;
- ii. the circle of international decision-making had become wider and more multilateral;
- iii. ensuring security has become more complex in the face of new threats;
- iv. the nature of conflict was changing; and
- v. the emergence of a networked world.²²

19. We recognise many of the factors that the Foreign Secretary outlined in his speech but the ways and means by which these could be met remain unclear.

Examples of strategic failure: Iraq and Afghanistan

20. The unpopularity of the war in Iraq, coupled with the public's lack of understanding of the reasons for the war in Afghanistan, have drawn attention to the lack of a strategic rationale and deficiencies in strategic preparation for those conflicts. Lack of consistent strategy goes a long way towards explaining why the conflicts have not gone well for the UK. For example Sir Robert Fry, who was Deputy CDS (Plans) when the first Helmand

21 Q 53

22 *Britain's Foreign Policy in a Networked World*, 1 July 2010, <http://www.fco.gov.uk/en/news/latest-news/?view=Speech&id=22472881>.

deployment was being planned, described “...a general mood within Whitehall at the time” for “*shifting the main military effort from Iraq to Afghanistan*”.²³ Asked whether there was anyone generating thinking and challenging from within the MoD, or elsewhere in Whitehall, he gave an unequivocal “No”.²⁴

21. The initial plan was for a three year deployment with 3,150 troops and a budget of £1.5 billion. During this time the UK was meant to lead the reconstruction of Helmand. 340 British soldiers have died, all but seven of them since the incursion into Helmand. Before the deployment in Helmand only two service personal had been killed in combat.

22. Despite the initial plan for a three year campaign, Sir Robert Fry indicated that the deployment to Helmand showed “*an absence of Grand Strategy*” and no “*sense of national interest*”.²⁵ Commodore Jermy, who was serving in the office of the CDS at the time, confirmed the impression of the lack of strategy within NATO. In 2007, after asking Regional centres in two separate areas of Afghanistan about the strategy they were using to design this campaign, he was told “*There’s no plan, Sir. We’re just getting on with it.*” He described the consequences of this lack of strategy as follows: “*if you think about the South, Kandahar is by far the most important province there, and it had 1,200 Canadian troops. Helmand is not the most important but it had 5,500 British troops. That does not make sense*”.²⁶

23. He continued:

I think the position in Afghanistan is the classic example. The fact that we were not concerned that there was not a coalition strategy in Afghanistan is a demonstration to me that we must be more concerned. We are not going to win this campaign if there is not an overall strategy.²⁷

24. The failure to develop a strategy after the initial deployment in Afghanistan left the UK and NATO unprepared to deal with the “*long-term political problem*” of altering the internal balance of power in Afghanistan between the north and south. It allowed the Northern Alliance a far greater primacy than had previously existed in Afghanistan. Commodore Jermy expressed his disappointment “*that we didn’t do any broader military analysis and that we moved for purely military reasons*”.²⁸

25. The failure of government to take account of the impact of its Middle East policy on a sizable proportion of the UK’s ethnic community, and the repercussions that has had for national security, is another example of lack of strategic thinking in government. As Steven Jermy observed:

I think we have probably over the last five years not really thought enough about the broad political context in which we are operating and whether, for example, it makes

23 Q 197

24 Q 200

25 Q 208

26 Q 196

27 Q 215

28 Q 198

good sense to have large bodies of western troops marching about the lands of Islam. It might feel right tactically, but strategically I am quite nervous about it. As Eliza Manningham-Buller said, this is a recruiting sergeant and we have really got to try to think about this strategically for once.²⁹

The evolving strategic context

26. The strategic ‘certainties’ of the Cold War led to a reliance on the two touchstones of modern British diplomacy. On the one hand the ‘special relationship’ with the US with the associated defence framework around our membership of NATO; and on the other, the primacy of our economic interests being identified as falling largely within the European Union. The Foreign Secretary considered that—even after independent thought—we would soon reach the conclusion that, “[...] *our alliance with the United States is of extreme importance to us and that our membership of the European Union is desirable for the country. So yes, those things—the relationship with the United States and the European Union—are, if you like, givens in our approach to the world*”.³⁰

27. Those assumptions are shifting and should now perhaps be challenged. Professor Lindley-French considered that:

For the last 50 or 60 years, our penchant for balancing others has tended to lead us to seek common ground between the American worldview and the French European view, to put it bluntly, but those pillars are changing. Those assumptions that we’ve had for 50 or 60 years about where our best national effort should be made to achieve the most likely security for our citizens are themselves in question.³¹

28. Furthermore the recent financial crisis had thrown into sharp focus not only the interconnection and interdependency of the global economy, but also how unpredictable the source of the threat to our society’s prosperity and well-being can be. Sir Robert Fry identified ‘strategic shocks’:

[...] something that happens that makes us think entirely differently: [...]. 9/11 was one of those and then the financial collapse was another. It seems to me that the world in which we live, which is globalised, networked and increasingly anarchistic, is likely to have more rather than fewer strategic shocks, so at best we create a mechanism which allows us to absorb them as and when they happen.³²

29. A possible response in a less certain environment could be, as Dr Niblett noted, to focus on effective crisis management and contingency planning. However, as he went on to observe, the right response was to be proactive in the face of such changes based on clear strategic thinking. “*Otherwise, the UK will condemn itself to becoming a victim to the negative aspects of those changes while potentially foregoing opportunities to promote its*

29 Q 236

30 Q 96

31 Q 4

32 Q 231

interests in a changed world".³³ We therefore need to adopt assessment methods which reliably identify risks and opportunities and can suggest ways to address them.

30. Plotting the UK's path through these uncertain times needs clear, deep and sustained strategic thinking which adapts to changes in our strategic environment. It needs to be articulated constantly and updated regularly. If the UK is to navigate its way successfully through the networked world, and to "lift its eyes to the wider strategic needs of this country", we need a National Strategy. It must be well founded, coherent and responsive to events as they occur as well also capable of anticipating opportunities. As things stand there is little idea of what the UK's national interest is, and therefore what our strategic purpose should be.

Principles of good strategy making

31. In taking evidence we sought to identify the defining elements of good strategy-making. Therefore we have distilled the contributions we have received into a set of principles which we hope can form the basis for an agreed 'grammar' for a renewed strategic literacy amongst practitioners.

Fig 1: Principles of good strategy making

- | |
|---|
| <ul style="list-style-type: none"> i. investment of time and energy by ministers to create an 'appetite' for strategic thinking; ii. a definition of long-term national interests both domestic and international; iii. consideration of all options and possibilities, including those which challenge established thinking and settled policies; iv. consideration of the constraints and limitations which apply to such options and possibilities; v. a comprehensive understanding of the resources available; vi. good quality staff work to develop strategy; vii. access to the widest possible expertise beyond government; viii. a structure which ensures the process happens; ix. audit, evaluation and critical challenge; and x. Parliamentary oversight to ensure scrutiny and accountability. |
|---|

We go on to consider how far these 'principles' are adhered to in government.

4 Capacity to make strategy

32. **The overwhelming view from our witnesses was that the UK is not good at making National Strategy and there is little sense of a national direction or purpose.** Sir Robert Fry thought that “*we have a national tradition of being good at Grand Strategy, but we have not illustrated that recently*”.³⁴

33. We heard evidence of the UK’s capacity for strategy making in the recent past. Professors Hennessy and Prins both referred to the Committee on Imperial Defence created by the Prime Minister, A J Balfour, in 1902. It was as an attempt and a precedent to create a standing capacity for strategic thinking necessary to spot potential trouble—and potential opportunities—for our diverse imperial interests.³⁵

34. Professor Hennessy also referred us to more recent attempts to undertake a fundamental reappraisal of Britain’s position the world: Harold MacMillan’s Study on Future Policy. Commissioned in 1959, it assessed where Britain would be by 1970 on the basis of current policies. However its candid assessment led to it eventually being pulled from discussion by Cabinet.³⁶ Similarly the Centre for Policy Review Staff in the 1970s provided No. 10 with the capacity for a no-holds-barred appraisal of the issues facing the country at that time.

35. The ending of the Cold War and the absence of a clearly identifiable ‘enemy’ threatening our existence has meant there was little incentive to devise a new ‘Grand Strategy’. The view after the fall of the Soviet Union was, if anything, of a ‘new world order’. Sir Robert Fry believed that:

[...] you fall out of the habit of Grand Strategy, and I think that is what happened to us in the second part of the 20th century. Also larger strategies that were extra-national—so NATO, the cold war—took over and really took the place of any Grand Strategy.³⁷

36. Instead we have seen a much more reactive approach to dealing with the threats and crisis which we have faced over the last decades, with no capacity to assess potential risks. The then CDS lamented that the UK did not have nearly sufficient capacity for strategy making at the moment. He did not think “*we have inculcated the art of strategic thinking [...] the default mode of thinking is tactical*”.³⁸ Instead much of our effort has been, and is, directed at ‘fire-fighting’ and contingency planning, necessary but not sufficient.³⁹

34 Q 188

35 Qq 8 – 9 and Ev 90

36 Q 22

37 Q 215

38 Q 270

39 Q 25 [Julian Lindley French and Peter Hennessy] and Ev 79

Professor Paul Cornish described it in a slightly different way, “*The British preference has been for incrementalism in strategy—‘ad hocery’ or ‘muddling through’*”.⁴⁰

37. There is some evidence for the existence of good practice and new approaches. For example, the Office for Security and Counter Terrorism is seeking to promote better cross-departmental approach in this area. Departments themselves, as the Departmental Capability Reviews have identified, have got better at horizon scanning and strategy making, but respond to the changing strategic context independently. Moreover many desk officers have good networks across Whitehall and work effectively with their counterparts in different departments on their day-to-day work.⁴¹ However, Cat Tully noted that such, “*practice[s are] ad-hoc across Whitehall, reinvents the wheel frequently and depends on the individuals involved*”.⁴²

38. In his evidence to us, the Foreign Secretary asserted that strategic thinking not only had to be done at the highest circles of government but was being done by the new Government. He explained that “*there is a national strategy [...] which the Prime Minister and the Cabinet discuss together and pursue together, central to which is the deficit reduction without which we will not have a credible national position in the world on very much at all*”.⁴³ Senior ministers were discussing strategic issues and some of this thinking was reflected in his July speech.

39. The new Government’s aspiration to think strategically is most welcome, but we have yet to see how this marks any significant improvement in qualitative strategic thinking from its immediate predecessors. Apart from the creation of the NSC, which we go on to discuss below, **we have found little evidence of sustained strategic thinking or a clear mechanism for analysis and assessment. This leads to a culture of fire-fighting rather than long-term planning.**

40. **This leads us to the profoundly disturbing conclusion that an understanding of National Strategy and an appreciation of why it is important has indeed largely been lost. As a consequence, strategic thinking has atrophied. We have failed to maintain the education of strategic thinkers, both in academia and in governmental institutions. The UK lacks a body of knowledge on strategy. Our processes for making strategy have become weakened and the ability of the military and the Civil Service to identify those people who are able to operate and think at the strategic level is poor.**

40 Ev 85

41 Ev 94

42 Ev 94

43 Q 110

5 The way forward

41. The previous chapters have examined: the concept of National Strategy; the importance of having such a National Strategy; and the lack of capacity currently in the UK to generate and sustain National Strategy. This Chapter considers how the Government might restore this capacity.

Strategic Leadership

42. The importance of political leadership was a theme which emerged from the seminar we hosted. The challenge is securing coherence. Strategy making should be more than the sum of individual departmental strategies.

43. There was a view that the incoherence in strategy had been due to the absence of adequate political leadership. This view blames ‘sofa-government’, presidential-style foreign policy decision-making, the break-down in Cabinet government and rifts between relevant ministers, for the lack of clear strategic vision.⁴⁴ This may be too pessimistic. The previous Government did commission and published two National Security Strategies in 2008 and 2009. The previous Prime Minister also established the National Security, International Relations and Development cabinet committee (NSID), albeit it rarely met, and even more rarely under the chairmanship of the Prime Minister himself.

44. The Foreign Secretary was clear that strategic leadership had to come from the top of government and that the Prime Minister and senior colleagues were providing it. In his view, *“The person at the top of the organisation has to be doing the essential thinking about the long-term, otherwise it is not possible to implement strategy”*.⁴⁵ He told us that the current Government was doing just that. *“That is the single most important consideration here, because I feel that in the current Government [...] there is a strong sense of the need for strategic thinking”*.⁴⁶ Previous failures in strategy making were the consequence of political failure to lead in this way and therefore led to a failure to ask or expect officials to think strategically.⁴⁷ This is certainly true. We agree with Steven Jermy’s proposition that *“[...] one of the most important things in strategy is that politicians must engage early and continually”*.⁴⁸

45. It is therefore essential for ministers to invest time and energy into strategy making. It is the demand from ministers for strategic appraisals which will create the “strategic appetite” within departments and Whitehall more generally for better and soundly based strategic analysis. In turn this will promote the culture of strategic thinking we have identified as necessary.

44 Ev 93

45 Q 65

46 Q 57

47 Q 113

48 Q 216

46. **There is a second and equally important element about strategy: the need to ensure democratic legitimacy and to recognise the political limits of what strategy and our national interests can achieve.** As Dr Niblett put it to us:

In the end, however, the Government will need the British public's support if it is to marshal the financial resources and the political legitimacy with which to pursue a bold Grand Strategy. The Government should talk frequently, openly and honestly about how the world is changing, about the challenges, opportunities and choices that this presents and the resources that the UK should be prepared to allocate to promote its future prosperity and security.⁴⁹

47. **Participants at our seminar also noted, it is elected politicians and ministers that have the democratic legitimacy for such decisions.** Elected representatives are best placed to articulate an understanding of what the electorate will find acceptable.

Structure and Frameworks

48. In recent years, the creation of departmental strategy units has recognised the necessity for taking a long-term view. We do not doubt that the Civil Service has sought to grapple with the need to instil strategy making as a skill; we question whether the effort has been correctly focused. It is telling that the weakest element of the strategic “function” in the Departmental Capacity Reviews is “building common purpose”.⁵⁰

49. Answers to parliamentary questions about several departments' contribution to national strategy, show there was neither consistency nor clarity. In particular, HM Treasury refers to its “*central role in the development and implementation of strategy on a national scale, on both the economy and the public finances*” but makes no reference whatsoever to any other strategic priorities which it might be required to fund.⁵¹

Where should strategy reside?

50. The Foreign Secretary was robust in his view about the central role he envisaged for the Foreign Office in driving National Strategy “[...] *with the responsibility of doing the thinking, of having creativity and producing long-term thinking [...]*” to ensure that foreign affairs run through the “*veins of all domestic departments*”.⁵²

51. **We understand the logic of the Foreign Secretary's aspiration, and we welcome his drive to create more coherence across government. We strongly disagree with the idea that any single department, even FCO, can drive National Strategy. For intuitive strategic thinking to flourish; for it to be effectively harnessed, and for coherent National Strategy to be made and implemented, requires the establishment of specific mechanisms with the appropriate authority.**

49 Ev 83

50 Cabinet Office, *Capability Reviews: An overview of progress and next steps*, December 2009, pp 19-24.

51 Appendix 1

52 Qq 56 and 63

A role for the NSC?

52. The new Government has established a National Security Council (NSC) made up of senior ministers and served by a revamped National Security Secretariat. The Secretariat is headed by the new post of National Security Adviser, Sir Peter Ricketts. The first two tasks for the NSC will be the delivery of the SDSR and the publication of a new National Security Strategy.

53. **The creation of the NSC has been broadly welcomed by all those from whom we took evidence. However from the perspective of National Strategy, the NSC is only a start.** Firstly its remit is restricted to matters of national security. Baroness Neville-Jones sought to give national security a wide definition and ‘reach’.⁵³ We accept that issues like immigration, climate change and energy security can pose security as well as environmental or economic problems to the UK. However the excessive use of “security” labelling for issues can be dangerous. We accept that national security will be among the largest component of National Strategy. However, as the Foreign Secretary and Sir Peter Ricketts among others conceded, national security is merely a subset of National Strategy. As Peter Hennessy observed, the NSC “*won’t work, it won’t rise to the level of events, unless it broadens this notion of strategy*”.⁵⁴

54. Sir Peter Ricketts confirmed that “[...] *the only place where [National Strategy] comes together finally is in the Cabinet*”.⁵⁵ However, the Cabinet is not the best forum for iterative exploration and reflection. **The functioning of National Strategy requires a proper deliberative forum with access to proper analysis and assessment. As a decision-making body the Cabinet is best suited to discussing and approving options. We recommend that a senior committee, such as the NSC, should have the task of developing those options relating to strategy. The Government should expand the remit of the NSC and of the National Security Adviser to take on a central coordinating role for National Strategy.**

55. **Moreover, we recommend that the Foreign Secretary, with the Prime Minister, should focus his leadership of National Strategy more explicitly through the NSC rather than relying too much on his own department.**

Improving cross-departmental working

56. To undertake such a role, the NSC needs to be supported by a cross-Whitehall organisation that operates coherently and as one body. The evidence to date, and especially in regard to the SDSR, is that the NSC functions more as a clearing house than as an organ of critical assessment. Sir Peter Ricketts sought to explain that he was “[...] *part of the Cabinet Office and so national security is my bit, but Gus O’Donnell and the other parts of the Cabinet Secretariat and the policy unit and the strategy unit and the other bodies that are*

53 Q 311

54 Q 8

55 Q 175

available to them are where strategic thinking would be done in preparation for decisions”.⁵⁶ It appears to us that national strategic thinking is divided and uncoordinated.

57. Related to this, we are also concerned that the NSC lacks its own independent source of assessment and analysis of the strategic environment in which it should be operating. Professor Strachan posed a key question about the NSC, “*It should then think about how it generates the thinking capacity. If the NSC says, ‘We need a bit of work on this, or we need to understand that’, how is that now done?*”⁵⁷ Asking for this information from departments run the risk in his view of “balkanisation”, advice reflecting their particular departmental agenda.

58. The Cabinet Office described recent efforts at improving cross-departmental strategic working as being reflected in initiatives such as the Whitehall Strategy Programme (WHISPER) and the Future Intelligence and Security Outlook Network (FUSION). It claims that these groups recently brought together the strategy and the analyst communities from across government.⁵⁸

59. We acknowledge the notion that Whitehall operates in silos may be an exaggeration. Certainly, we accept that there have been attempts to overcome the traditional barriers such as the Office for Security and Counter-Terrorism (OSCT) and the UK’s counter-terrorism strategy (CONTEST). However this is insufficient for creating National Strategy which must harness the necessary capabilities and resources already existing in Whitehall.

60. Evidence to us, including the answers to Parliamentary Questions at Appendix 1, suggested that in fact cross-departmental collaboration is variable, analytical resources are underutilised, and that different departments understand and discuss strategy in different and incompatible ways. Departmental collaboration therefore falls short of what individual departments can do independently. The whole is less than the sum of the individual parts. The emerging Strategic Defence and Security Review would seem to be a case in point.

SDSR and strategy

61. It is clear that the main priority of government is deficit reduction and the Treasury is bent to that task. However, SDSR is meant to be “strategic”. The Foreign Secretary told us that what he was seeking to ensure over the next few years is that the Foreign Office has the capability to do long-term thinking. “*That means, for instance, that if I have to choose [] between reducing some programme expenditure now [and the] capability to do the sort of things I am just describing in the future, I will stress preserving the capability for the long-term future*”.⁵⁹

62. And yet our colleagues in the Defence Select Committee have felt compelled to seek assurances that “*the outcomes of the SDSR will be fully funded*”. Moreover given the novelty and complexities of the SDSR’s pan-Departmental nature, and its coincidence in time with

56 Q178

57 Q 29

58 Ev 65

59 Q 56

the CSR, they have expressed concern “*that the rapidity with which the SDSR process is being undertaken is quite startling*”, leading them to conclude that “*serious mistakes will be made*”.⁶⁰

63. This seems to reflect a collision between the isolated ‘strategies’ of different government departments, notably with HM Treasury. It is to be hoped that the outcome of SDSR will reflect the ability of NSC and the Cabinet to resolve these differences in sympathy with a genuine National Strategy. As Sir Robert Fry observed, “[...] *when you have to husband your resources and really define the ends that you want to pursue, Grand Strategy is much more important than when you are in more prosperous times*”.⁶¹

Strategic Thinking Skills

64. The Cabinet Office said “*Strategic thinking is a valued skill in the Civil Service. It is one of the six core requirements in the Senior Civil Service competency framework*”.⁶² William Nye conceded that while there was training available in the Civil Service, it was not as uniform or established as it used to be.⁶³

65. The Institute for Government considered that joint working by strategy units in departments has led to an embryonic “strategy community”. However, it saw current arrangements for providing training on strategy, planning and national security issues as ad hoc. There was an absence of joint training and strong cultural and skills differences between departments with relatively little movement between them.⁶⁴

66. Professors Hennessy, Lindley-French and Prins were more dismissive of the idea of what Cabinet Office meant by strategic thinking. For Peter Hennessy “*It’s something much more narrow and meagre and management consultant contaminated*”.⁶⁵ Professor Lindley-French thought “*they probably mean ‘management’, when they talk ‘strategy’*”.⁶⁶ Professor Prins called for removal of “[...] *the faux-commercial language of targets, contracts and deliverables*”.⁶⁷

67. We heard from the former CDS how he set up a strategic advisory panel for the Chiefs of Staff and a programme of education for middle-ranking officers with the aim of developing “the habit” of strategic thinking.⁶⁸ The former CDS explained that there was no real enthusiasm in Whitehall more widely:

[...] the Permanent Secretary and myself had a go at setting up something along these lines [a Whitehall wide forum for the practice of strategy] about two and a half or

60 Defence Committee, First Report of Session 2010-11, *The Strategic Defence and Security Review*, HC 345, paras 12 and 14

61 Q 215

62 Ev 65

63 Q 334

64 Ev 75

65 Q 21

66 Ibid

67 Ev 91

68 Q 273

three years ago across Whitehall and it did not really garner much support. As a consequence, I decided that the way to do it was to start something off our own bat and make it such a success that everybody wanted to pile into it, so we hope to expand that over the next two, three or four years.⁶⁹

68. We strongly support the efforts of the former CDS to engender the culture of strategic thinking. We commend his initiatives of setting up a strategic advisory group and a forum for the practice of strategy. It is disappointing and telling that his broader Whitehall efforts gained so little support. It has served to reveal the apathy and intellectual weakness, even antipathy, towards strategic thinking in the rest of Whitehall. We invite the new CDS to ensure that this initiative is maintained and if possible enhanced and to explain personally to us how he plans to do so. We would also exhort the rest of Whitehall to engage in the process.

69. We found a critical gap in current thinking skills required in government. Different evidence demands different types of analysis. Strategy is about dealing with uncertainty. Professor Prins pointed out that an increasing number of the current challenges are not amenable to neat ‘solution’ because they comprise “[...]open system issues, incompletely understood with no bounded data set, no stopping rule for research, no possibility for iterative experimentation and notorious for producing perverse, unintended consequences when governments try to act on them”.⁷⁰ Without recognition of this there is a dangerous tendency to form strategy in a comfort zone, treating all problems as ‘tame’.

70. The Foreign Secretary acknowledged the value of trained staff and ensuring that strategic skills are recognised. He emphasised that ministers should: demand such skills from their staff; ensure that civil servants feel they have the freedom to express their views; and recognise these skills in their evaluation of their performance.

71. The best strategists will not always be the most senior officials. However, an ability to think strategically is an essential quality of senior leadership. Such a leader will ensure that their organisation welcomes and nurtures strategic thinking at all levels. Selecting and promoting senior officials for their capacity for strategic thinking, and not just their management skills, is a crucial factor in regenerating the practice of strategy within government.

72. It is essential to recruit, train and promote a community of strategists from across Whitehall with different experiences and expertise who can work collectively. Without this, strategic thinking will be misinformed leading to a mis-appreciation of the true strategic situation, particularly when we are hit by ‘strategic shocks’. Moreover, strategy is a skill that can be learned. We recommend that the Royal College of Defence Studies and the National School for Government and others should consider how best to devise a joint forum and programme of education to provide the cultural change that is necessary.

69 Q 261

70 Ev 88

73. **Strategic skills should not only be valued but properly recognised in the appraisal system. Such skills would help provide the UK with greater sense of strategic direction and national purpose.**

A national strategic assessment capability?

74. The Foreign Secretary thought it was a mistake to have a separate strategy unit in his department. He wanted strategic thinking to be infused throughout the entire organisation. He considered that strategy was something best done by every official. Asked if even the ambassador in Washington should be a contributor to UK National Strategy, he was emphatic: “*Absolutely, yes*”. When asked if this meant “*strategy is better done on the hoof*”, he responded, “*No, it is better done all the time*”.⁷¹ However, we suspect that relying too much on busy line managers for strategic analysis and assessment, and too little on dedicated assessment staff, is what contributes to ‘ad hocery’ and ‘muddling through’.

75. We strongly disagree that politicians and civil servants should do strategy on their own. The Foreign Secretary made reference to the fact that “*Napoleon did not have a strategy unit. He worked it out; he made his strategy*”.⁷² This would seem to be a mistaken parallel. Napoleon did have a cadre of officers—who he kept outside the command chain—to provide him with independent sources, so that he might evaluate strategic advice offered and form his own views.⁷³ Moreover, Napoleon utterly failed to turn success on the battlefield into a more sustainable political success. As the Foreign Secretary conceded, “*He came a cropper in the end*”.⁷⁴

76. There is a further overriding consideration affecting ministers and their senior officials. Modern politics is a world away from the relatively leisured pace of events before global communications. Ministers and key officials today are pressed in by the speed and intensity of events and 24 hour rolling news. This distracts from their ability to “pause and reflect” and to engage in strategic thinking and discussion in the way their forebears could. Moreover, the problems and challenges of international politics, economics and society are ever more complex, requiring an ever broader body of experience and technical expertise in order to form a comprehensive understanding. **Ministers will always have the decisive and crucial role in National Strategy. Consequently, to make the best of the time they devote to strategy making, they must have the information, analysis and assessment available—supplied by trained staff—in order to make rational, long-term strategic judgements.**

77. Our inquiry has clearly exposed the absence of means for detailed consideration about the risks and threats we may face now and may face in the future, as well as about opportunities for the UK to extend its influence and prosperity. Furthermore, the mechanisms for cross departmental working are still inadequate.

71 Qq 82 – 83

72 Q 65

73 Martin van Creveld, *Command in war*, Harvard University Press, 1985

74 Q 66

78. It is essential that the Government's currently disparate elements for strategising are harnessed in a way that will enable them to contribute to National Strategy making. Professor Hennessy proposed a capability review to examine linkages between the NSC and those providing input. The capability review should also be used to determine the effectiveness of strategic thinking in No. 10 and the Cabinet Office.

79. We therefore recommend that a capability review of National Strategy should start as soon as possible. It should report within a year. It should examine the various parts of Whitehall which should be contributing to National Strategy, as well as in No. 10 and the Cabinet Office. The capability review should determine how far the strategy functions in each department consider themselves part of a wider strategist 'profession'; to what degree there is shared training, ways of working; and ensure there is 'strategic literacy' to support National Strategy.

80. **In the longer term, we would hope that enhanced Whitehall collaboration will lead to the development of a new agency to complement the existing arrangements. The new agency's Director would be a key player in Whitehall with regard to National Strategy, and whose inputs and assessments would complement the joint intelligence assessments.** It would not make policy but be a resource available to the whole of government. This would avoid creating a rival power centre as feared by the Foreign Secretary. We welcome the fact that the Foreign Secretary conceded to us that the idea of joint strategic assessment staff was "worthy of debate".⁷⁵

External Input to National Strategy.

81. One notable difference between the strategist "communities" here and elsewhere, is the ease with which there is flow between the Government, think tanks and other institutions. The former CDS noted that in America:

[...] people flow between [government and outside], so the ideas and the thinking flows into and out of government and between these different organisations in a way that it does not here. The thinking goes on here, but it goes on in compartments and it is very hard to get it shifted from one field into another—from the academic to government and vice versa.⁷⁶

82. The Institute for Government endorsed this view, "*Compared to some other countries, the UK was much less porous, with less interchange between the outside world (think tanks, academia) and Whitehall*".⁷⁷ The Foreign Secretary recognised this too.⁷⁸ Professor Lindley-French summarised the situation as either "*ivory towers or policy bunkers; we don't have much in between*".⁷⁹ However, Professor Prins documented how, within the (former) Defence Evaluation and Research Agency (DERA) real progress had been made before the break-up of that agency interrupted it. The (former) Advanced Research & Assessment

75 Q 90

76 Q 284

77 Ev 74

78 Q 91

79 Q 31

Group (ARAG) at Shrivenham Defence Academy had likewise built such bridges before it was disbanded.⁸⁰

83. The Foreign Secretary described how people from outside were invited to speak to the National Security Council during its meeting at Chequers on Afghanistan at the end of May, precisely because they favoured either withdrawal or a different strategy. We welcome the interchange and challenge which such an occasion provided but this was a one-off. **There needs to be a constant refreshment of thinking, with genuinely challenging analysis and ideas. This must be regularly within reach of the Prime Minister and other ministers. There should be greater interchange between outside experts and Whitehall and career progression should involve spending time both within and outside of government as part of a wide and diverse strategy community.**

84. Some of our witnesses regretted the passing of sponsorship for professorial chairs at universities. More particularly, Professor Strachan saw real pressure on strategic thinking outside Whitehall created by the current arrangement for both university funding and research assessment. This is because, within a politics department, engagement in public policy does not figure within the UK as something that counts in the research assessment exercises. *“Very few academics are therefore put in a position where it is seen to be productive in terms of research assessment and research income to engage with the Government”*.⁸¹ **We are realistic about the prospects of providing any additional funding directly to university departments to support strategic studies. However, the Government must ensure that funding for research into National Strategy and strategy making is not squeezed out by funding for more fashionable or profitable academic programmes. The reallocation of funding required is minimal and would be in the national interest.**

Accountability and scrutiny

85. We have already discussed the importance of democratic legitimacy as part of the National Strategy making process. Parliamentary scrutiny and oversight is essential. Additionally the scrutiny role will only be effective if it has recourse to analytical capacity.

86. The Joint Committee on National Security Strategy (NSS) is envisaged as the way by which Parliament will scrutinise the development and implementation of the NSS. We are extremely disappointed that it has not met. **We recommended earlier that the role of the NSC should be broadened to encompass national strategy. We would invite Parliament to consider that the Joint Committee on National Security Strategy should likewise have its remit broadened to become the Joint Committee on National Strategy and Security. We would also invite the House to re-consider its membership. Contributions to National Strategy and National Security derive from a variety of departments, not least from the Cabinet Office. We suggest that membership of the Joint Committee should therefore be drawn from all appropriate departmental select committees. It would include this Committee, which oversees process at the heart of National Strategy and National Security.**

80 Latterly named the Research and Assessment Branch (R&AB).

81 Q 31

87. **In our view, reinvigorated strategic studies in universities and elsewhere will be essential for the Joint Committee to carry out its scrutiny and accountability role, and to give authority and support to external challenge.**

88. **In the meantime, in the absence of formalised scrutiny structures for National Strategy, we intend to continue to scrutinise the development of strategy making in Whitehall as part of our future work and we will return to this topic periodically.**

Funding National Strategy and strategy making

89. The Cabinet Office is vague about the funding of national strategy-making. It merely states that well developed strategy and effective strategic thinking will be essential to make the most of scarce resources. The Cabinet Office argued that this can be achieved by identifying the Government's key priorities and focussing resources where they can have the most impact.

90. However in a candid admission to us, Sir Peter Ricketts noted that cross Whitehall cooperation "*works up to, but not including, the point where money becomes involved, because departmental budgets and the tradition of accounting officers to this Parliament and departmental responsibility for the money can be a real obstacle to genuinely joined up work*".⁸²

91. **Ensuring that national strategic priorities, once identified, are adequately resourced is an important corollary to strategy making. The allocation of resources must be embedded in the process of National Strategy. In this way, decision making will reflect the limitations of resources, but priorities when set, will attract the funding they require.** The absence of such a process is reflected in the fears that many have expressed about the SDSR. As Sir Jock Stirrup graphically told us "*Ideas that do not have the adequate resource put into them are not a strategy; they are a fantasy*".⁸³

92. As for strategy making itself, we are conscious in these financially constrained times of the need to recommend proposals which are affordable and practical. We would anticipate that the reorganisation and redeployment of these resources, which are already funded, should be cost neutral. There can be no excuse for the Government to neglect the necessity for, and value of, properly marshalled staff work.

93. We do not believe that National Strategy can be identified as a separate government programme. It is National Strategy, and the making of that strategy, which must be "in the veins" of every government department, including HM Treasury. **We would, however, support a small, central budget allocated to National Strategy making; either under the control of the Cabinet Secretary, or the National Security Adviser in his a wider, National Strategy, role. This funding would be enable coordination of National Strategy making in each department, to ensure that departmental contributions to National Strategy are compatible, to promote common training, and to draw all those involved into a 'community' of Whitehall strategic thinkers.**

82 Q 164

83 Q 294

6 Conclusion

94. The answer we received to the question, “Who does UK Grand Strategy?” is: no-one. This should be a matter of great concern for the Government, Parliament and the country as a whole. The assumptions on which we have based our perceptions of our national interest in the last fifty years or so are now being challenged in new ways. We need to redefine what the UK’s national interests are in the emerging new and uncertain environment. We need also to be able to think strategically about how to ensure they are promoted. This is the stated aspiration of the new Government but, as yet we have seen no evidence that they will be able to achieve it. As things stand there is little idea of what the UK’s national interest is, and therefore what our strategic purpose should be.

95. Our interventions in Iraq and Afghanistan are prominent examples of where our lack of consistent strategy goes a long way towards explaining why the conflicts have not gone well for the UK. This underlines the need for a coherent National Strategy.

96. Time is not on our side. The Government have been considering a Strategic Defence and Security Review over the summer. An announcement is imminent and the tensions are palpable in the rush of media stories and leaks. Our colleagues on the Defence Committee have expressed their concern at the speed at which the SDSR is being conducted. Sir Robert Fry reflected on how the Foreign Secretary over the summer made speeches on a broad manifesto for foreign policy for the future as ambitious as it has ever been. On the other hand he considered that, “*We are about to embark upon sets of reviews and Government cuts that are actually going to disassociate completely the means of supporting those ends, and I cannot think of a better example of the vacuum in strategic thinking than that*”.⁸⁴ We share that concern. The Foreign Secretary has said that “*The Government rejects the idea of strategic shrinkage*”.⁸⁵ It is however impossible to conceive of any strategic rationale that could reconcile this with the widely canvassed possibility of substantial cuts in defence capability, as defence spending declines below 2 per cent of GDP. We question therefore whether the Government has the capacity to deliver an SDSR which is in any way strategic.

97. Having a community of strategically ‘literate’ officials in Whitehall is essential. It will be a competence which we will expect to see encouraged and nurtured. We intend to reconsider strategy making in light of the outcome of the SDSR and as we inquire into the development of the Civil Service and good governance in this Parliament.

84 Q 226

85 HC Deb, 26 May 2010, col 174

Conclusions and recommendations

Introduction

1. In a lecture delivered last December, the then Chief of the Defence Staff (CDS), Sir Jock Stirrup, drew particular attention to the fact that, in his view, the UK has “lost an institutionalised capacity for, and culture of, strategic thought” (Paragraph 6)
2. The implications of the CDS’s judgement should be worrying for the whole of government and his concern is one of the main reasons for our inquiry. (Paragraph 7)

Defining Strategy

3. Strategy is about dealing with uncertainty, complexity and the dynamic. It is not a plan or a paper. In modern politics it is about ensuring that the whole of government identifies and acts effectively upon the national interest. (Paragraph 11)
4. Strategy is not policy, but is the means of effecting it. (Paragraph 12)
5. The historical connotations of ‘Grand Strategy’ could prove to be a hindrance because the term is associated with Empire and in some quarters is seen as hubristic. Nonetheless the term has proved to be a useful means by which this inquiry has been able to explore the concept of an overarching process; a concept intrinsic to good governance. This process today can better be described as ‘National Strategy’ and we have therefore adopted this term as the title for our report. (Paragraph 16)

Do we need a National Strategy?

6. We recognise many of the factors for change that the Foreign Secretary outlined in his speech but the ways and means by which these could be met remain unclear. (Paragraph 19)
7. Plotting the UK’s path through these uncertain times needs clear, deep and sustained strategic thinking which adapts to changes in our strategic environment. It needs to be articulated constantly and updated regularly. If the UK is to navigate its way successfully through the networked world, and to “lift its eyes to the wider strategic needs of this country”, we need a National Strategy. It must be well founded, coherent and responsive to events as they occur as well also capable of anticipating opportunities. As things stand there is little idea of what the UK’s national interest is, and therefore what our strategic purpose should be. (Paragraph 30)

Capacity to make strategy

8. The overwhelming view from our witnesses was that the UK is not good at making National Strategy and there is little sense of a national direction or purpose. (Paragraph 32)

9. The new Government's aspiration to think strategically is most welcome, but we have yet to see how this marks any significant improvement in qualitative strategic thinking from its immediate predecessors. Apart from the creation of the NSC, which we go on to discuss below, we have found little evidence of sustained strategic thinking or a clear mechanism for analysis and assessment. This leads to a culture of fire-fighting rather than long-term planning. (Paragraph 39)
10. This leads us to the profoundly disturbing conclusion that an understanding of National Strategy and an appreciation of why it is important has indeed largely been lost. As a consequence, strategic thinking has atrophied. We have failed to maintain the education of strategic thinkers, both in academia and in governmental institutions. The UK lacks a body of knowledge on strategy. Our processes for making strategy have become weakened and the ability of the military and the Civil Service to identify those people who are able to operate and think at the strategic level is poor. (Paragraph 40)

Strategic leadership

11. It is therefore essential for ministers to invest time and energy into strategy making. It is the demand from ministers for strategic appraisals which will create the "strategic appetite" within departments and Whitehall more generally for better and soundly based strategic analysis. In turn this will promote the culture of strategic thinking we have identified as necessary. (Paragraph 45)
12. There is a second and equally important element about strategy: the need to ensure democratic legitimacy and to recognise the political limits of what strategy and our national interests can achieve. (Paragraph 46)
13. Elected representatives are best placed to articulate an understanding of what the electorate will find acceptable. (Paragraph 47)

Where should strategy reside

14. We understand the logic of the Foreign Secretary's aspiration, and we welcome his drive to create more coherence across government. We strongly disagree with the idea that any single department, even FCO, can drive the National Strategy. For intuitive strategic thinking to flourish; for it to be effectively harnessed, and for coherent National Strategy to be made and implemented, requires the establishment of specific mechanisms with the appropriate authority. (Paragraph 51)

A role for the NSC

15. The creation of the NSC has been broadly welcomed by all those from whom we took evidence. However from the perspective of National Strategy, the NSC is only a start. (Paragraph 53)
16. The functioning of National Strategy requires a proper deliberative forum with access to proper analysis and assessment. As a decision-making body the Cabinet is best suited to discussing and approving options. We recommend that a senior

committee, such as the NSC, should have the task of developing those options relating to strategy. The Government should expand the remit of the NSC and of the National Security Adviser to take on a central coordinating role for National Strategy. (Paragraph 54)

17. Moreover, we recommend that the Foreign Secretary, with the Prime Minister, should focus his leadership of National Strategy more explicitly through the NSC rather than relying too much on his own department. (Paragraph 55)

Improving cross-departmental working

18. Evidence to us suggested that in fact cross-departmental collaboration is variable, analytical resources are underutilised, and that different departments understand and discuss strategy in different and incompatible ways. Departmental collaboration therefore falls short of what individual departments can do independently. The whole is less than the sum of the individual parts. The emerging Strategic Defence and Security Review would seem to be a case in point. (Paragraph 60)
19. We strongly support the efforts of the former CDS to engender the culture of strategic thinking. We commend his initiatives of setting up a strategic advisory group and a forum for the practice of strategy. It is disappointing and telling that his broader Whitehall efforts gained so little support. It has served to reveal the apathy and intellectual weakness, even antipathy, towards strategic thinking in the rest of Whitehall. We invite the new CDS to ensure that this initiative is maintained and if possible enhanced and to explain personally to us how he plans to do so. We would also exhort the rest of Whitehall to engage in the process. (Paragraph 68)

Strategic thinking skills

20. It is essential to recruit, train and promote a community of strategists from across Whitehall with different experiences and expertise who can work collectively. Without this, strategic thinking will be misinformed leading to a mis-appreciation of the true strategic situation, particularly when we are hit by 'strategic shocks'. Moreover, strategy is a skill that can be learned. We recommend that the Royal College of Defence Studies and the National School for Government and others should consider how best to devise a joint forum and programme of education to provide the cultural change that is necessary. (Paragraph 72)
21. Strategic skills should not only be valued but properly recognised in the appraisal system. Such skills would help provide the UK with greater sense of strategic direction and national purpose. (Paragraph 73)

A national strategic assessment capability

22. Ministers will always have the decisive and crucial role in National Strategy. Consequently, to make the best of the time they devote to strategy making, they must have the information, analysis and assessment available—supplied by trained staff—in order to make rational, long-term strategic judgements. (Paragraph 76)

23. We therefore recommend that a capability review of National Strategy should start as soon as possible. It should report within a year. It should examine the various parts of Whitehall which should be contributing to National Strategy, as well as in No. 10 and the Cabinet Office. The capability review should determine how far the strategy functions in each department consider themselves part of a wider strategist 'profession'; to what degree there is shared training, ways of working; and ensure there is 'strategic literacy' to support national strategy. (Paragraph 79)
24. In the longer term, we would hope that enhanced Whitehall collaboration will lead to the development of a new agency to complement the existing arrangements. The new agency's Director would be a key player in Whitehall with regard to National Strategy, and whose inputs and assessments would complement the joint intelligence assessments. (Paragraph 80)

External input to National Strategy

25. There needs to be a constant refreshment of thinking, with genuinely challenging analysis and ideas. This must be regularly within reach of the Prime Minister and other ministers. There should be greater interchange between outside experts and Whitehall and career progression should involve spending time both within and outside of government as part of a wide and diverse strategy community. (Paragraph 83)
26. We are realistic about the prospects of providing any additional funding directly to university departments to support strategic studies. However, the Government must ensure that funding for research into National Strategy and strategy making is not squeezed out by funding for more fashionable or profitable academic programmes. The reallocation of funding required is minimal and would be in the national interest. (Paragraph 84)

Accountability and scrutiny

27. We recommended earlier that the role of the NSC should be broadened to encompass national strategy. We would invite Parliament to consider that the Joint Committee on National Security Strategy should likewise have its remit broadened to become the Joint Committee on National Strategy and Security. We would also invite the House to re-consider its membership. Contributions to National Strategy and National Security derive from a variety of departments, not least from the Cabinet Office. We suggest that membership of the Joint Committee should therefore be drawn from all appropriate departmental select committees. It would include this Committee, which oversees process at the heart of National Strategy and National Security. (Paragraph 86)
28. In our view, reinvigorated strategic studies in universities and elsewhere will be essential for the Joint Committee to carry out its scrutiny and accountability role, and to give authority and support to external challenge. (Paragraph 87)
29. In the meantime, in the absence of the formalised scrutiny structures for National Strategy, we intend to continue to scrutinise the development of strategy making in

Whitehall as part of our future work and we will return to this topic periodically. (Paragraph 88)

Funding National Strategy and strategy-making

- 30.** Ensuring that national strategic priorities, once identified, are adequately resourced is an important corollary to strategy making. The allocation of resources must be embedded in the process of National Strategy. In this way, decision making will reflect the limitations of resources, but priorities when set, will attract the funding they require. (Paragraph 91)
- 31.** As for strategy making itself, we are conscious in these financially constrained times of the need to recommend proposals which are affordable and practical. We would anticipate that the reorganisation and redeployment of these resources, which are already funded, should be cost neutral. There can be no excuse for the Government to neglect the necessity for, and value of, properly marshalled staff work. (Paragraph 92)
- 32.** We would support a small, central budget allocated to National Strategy making; either under the control of the Cabinet Secretary, or the National Security Adviser in his a wider, National Strategy, role. This funding would enable coordination of National Strategy making in each department, to ensure that departmental contributions to National Strategy are compatible, to promote common training, and to draw all those involved into a 'community' of Whitehall strategic thinkers. (Paragraph 93)

Appendix 1

Parliamentary Questions about departmental capacity for National Strategy

Mr Jenkin: To ask the Secretary of State for Defence how many staff his Department employs to consider (a) departmental and (b) national strategy; what output such staff are required to produce; and if he will make a statement.

Dr Fox: The Director General Strategy is responsible for the Defence contribution to cross-Whitehall strategy. He has three teams focused principally on this work. They currently comprise 46 staff. Their main outputs are the Defence Strategic Direction, Defence Plan and, at the moment, the Defence contribution to the Strategic Defence and Security Review.

4 Oct 2010 : Column 1313W

Mr Jenkin: To ask the Secretary of State for Business, Innovation and Skills how many staff his Department employs to consider (a) departmental and (b) national strategy; what output such staff are required to produce; and if he will make a statement.

Mr Davey: The Prime Minister wrote to Cabinet colleagues on 29 May 2010 setting out that organograms for central Government Departments and agencies that include all staff positions would be published in a common format from October 2010.

The Department of Business, Innovation and Skills will therefore shortly be publishing an organogram that includes role descriptions and numbers of staff as at 30 June 2010.

It is difficult to state what constitutes "Departmental" and "National" strategy, as most staff will work on formulating or co-ordinating departmental or national policies or sometimes a combination of both.

16 Sep 2010 : Column 1258W

Mr Jenkin: To ask the Chancellor of the Exchequer how many staff his Department employs to consider (a) departmental and (b) national strategy; what output such staff are required to produce; and if he will make a statement.

Justine Greening: The Treasury has a central role in the development and implementation of strategy on a national scale, on both the economy and the public finances. The Treasury's departmental strategy is designed to support the Department in discharging this responsibility effectively. As this is the Treasury's central responsibility, the majority of the Department are involved in this endeavour.

All Departments are currently producing business plans which outline forward strategy and structural reforms. These plans will be published following conclusion of the spending review.

16 Sep 2010 : Column 1251W

Mr Jenkin: To ask the Minister for the Cabinet Office how many staff (*a*) his Department and (*b*) the Prime Minister's Office employs to consider (i) departmental and (ii) national strategy; what output such staff are required to produce; and if he will make a statement.

Mr Maude: As part of the Government's transparency agenda, the Cabinet Office will be publishing an organogram in the autumn which includes job descriptions and number of staff working in each area.

16 Sep 2010 : Column 1220W

Mr Jenkin: To ask the Secretary of State for Foreign and Commonwealth Affairs how many staff his Department employs to consider (*a*) departmental and (*b*) national strategy; what output such staff are required to produce; and if he will make a statement.

Alistair Burt: My right hon. Friend the Foreign Secretary expects all senior staff in the Foreign and Commonwealth Office (FCO) to make an appropriate contribution to the strategy of the FCO and of the UK, and to co-ordination through the National Security Council (NSC), within the strategic framework set by the Government. 15 staff are currently employed in the Central Policy Group, which co-ordinates the FCO's relationship with the NSC and facilitates high-level strategic discussion within the FCO.

16 Sep 2010 : Column 1184W

Formal Minutes

Tuesday 12 October 2010

Members present:

Mr Bernard Jenkin, in the Chair

Paul Flynn
Robert Halfon

Mr Charles Walker

Draft Report (*Who does UK National Strategy?*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 97 read and agreed to.

Summary agreed to.

A Paper was appended to the Report as Appendix 1.

Resolved, That the Report be the First Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Written evidence reported and ordered to be published on 7 September and 9 September was ordered to be reported to the House for printing with the Report.

[Adjourned till Thursday 14 October at 9.00 am

Witnesses

Thursday 9 September 2010

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Professor Peter Hennessy, Queen Mary, University of London, **Professor Julian Lindley-French**, Netherlands Defence Academy and **Professor Hew Strachan**, All Souls, University of Oxford Ev 1

Tuesday 14 September 2010

Rt Hon William Hague MP, Foreign Secretary and **David Frost**, Director of Strategy, FCO Ev 16

Sir Peter Ricketts KCMG, National Security Adviser, **Robert Hannigan**, Director General, Defence and Intelligence, FCO and **Tom McKane**, Director General of Strategy, MoD Ev 26

Thursday 16 September

Lieutenant General Sir Robert Fry KCB, CBE (rtd) and **Commodore Steven Jermy RN (rtd)** Ev 36

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List of Reports from the Committee during the current Parliament

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Session 2010-11

First Report	Who does UK National Strategy?	HC 435
Second Report	Government Responses to the Committee's Eighth and Ninth reports of Session 2009-10 (<i>agreed, yet to be published</i>)	HC 150
Third Report	Equitable Life	HC 485

Oral evidence

Taken before the Public Administration Committee on Thursday 9 September 2010

Members present

Mr Bernard Jenkin in the Chair

Greg Mulholland
Nick de Bois
Charlie Elphicke

Paul Flynn
Kevin Brennan

Witnesses: **Peter Hennessy**, Attlee Professor of Contemporary British History, Queen Mary, University of London, **Julian Lindley-French**, Professor of Defence Strategy, Netherlands Defence Academy, and **Hew Strachan**, Chichele Professor of the History of War, All Souls College, Oxford University, gave evidence.

Q1 Chair: Thank you very much to our witnesses for joining us this morning. I understand that Julian you've flown in from Rotterdam this morning for this session?

Professor Julian Lindley-French: Yes.

Chair: I'm extremely grateful for that. For the record, could each of you just say briefly who you are?

Professor Julian Lindley-French: I'm Julian Lindley-French, Professor of Defence Strategy at the Netherlands Defence Academy and head of the Commanders Initiative Group of the Allied Rapid Reaction Corps.

Professor Peter Hennessy: Peter Hennessey, Attlee Professor of Contemporary British History, Queen Mary, University of London.

Professor Hew Strachan: Hew Strachan. I'm Chichele Professor of the History of War at the University of Oxford. I run a programme there on the changing character of war and *a propos* our earlier conversation I'm on the Chief of the Defence Staff's strategic advisory panel.

Q2 Chair: Thank you very much indeed for joining us. We had an exceptionally informative seminar on Tuesday. This is our first public evidence session of this inquiry and I wondered if I could kick off. Professor Strachan, in your paper "The Lost Meaning of Strategy", you describe what seems to be an existential crisis around the term "strategy" and say that it's become too loosely defined to mean anything. Could you explain what you mean by that?

Professor Hew Strachan: Yes, I could. I think there is a tendency—I'm in danger of being otiose and repetitious on this point—to confuse strategy and policy. There is clearly a relationship and the boundaries between the two are fuzzy. We need to understand that policy may provide direction, but strategy is more concerned with the means by which policy is effected. There is also an implication in strategy that you are dealing with somebody who is trying to do something opposite to what you wish to do. Therefore it is a more reactive business and an inherently more complex business. The remit of this Committee is to look at Grand Strategy. I think that

part of the confusion arises from that, because the implications of Grand Strategy embrace both strategy and policy. Particularly when it was coined—that is in the context of World War II—it was about how Allies co-ordinated their efforts. It was about how they brought together not just military capability but also economic and social capability. It involved the co-ordination of different theatres of war, so it had an application that was much broader than a traditional definition of strategy would have had. The latter was more clearly focused on the conduct of war and more clearly a matter for soldiers, and arguably sailors. Part of our confusion is that we've been dealing with wars that haven't quite had—to use the word you used in a different context just now—those existential dimensions. So we've got ourselves in the situation where strategy itself has become confused, because we've thought of it in terms of Grand Strategy. We're not terribly sure whether Grand Strategy is something that is appropriate, especially when we are, these days, involved not only in wars, which I think somewhat mistakenly and unfortunately have been described as discretionary, but also in wars where we have been the junior partner. So, if there is Grand Strategy to be made, it's not been our responsibility and I think that raises a fundamental question for the United Kingdom.

Q3 Chair: Can we just stick to terms at the moment?

Professor Hew Strachan: Yes.

Chair: Language seems to be part of the barrier to understanding. What comes first, policy or strategy? Is it policy to have a strategy or does policy flow from strategy?

Professor Hew Strachan: Well, I think the relationship is an interactive one. In theoretical terms, in the much over-quoted, and selectively quoted, phrase from Clausewitz, the implication is that strategy flows from policy and in an ideal world that would be the case. But, in reality, there's not much chance of implementing your policy if it's strategically unsound and impossible to fulfil, so there is likely to be a much more dynamic relationship between the two. That actually goes to the heart of the problem, which is that much strategy

is written as theory but then there is the issue of strategy in practice, which is a different undertaking. So, theory may inform your judgments in practice, but when you have to deal with the messy business of doing it, then, clearly, you have to be much more pragmatic. That relationship between policy and strategy is likely to be an iterative and a dynamic one.

Q4 Chair: Professor Hennessy and Professor Lindley-French.

Professor Peter Hennessy: I think policy without strategy is, to a high degree, flying blind, actually. I'm very grateful to this committee because I've never had to write down before and I thought I better had, what I thought national strategy—because I know you want to go much wider than the SDSR—might be for a country like ours with our past and the condition in which we find ourselves. So, I had a little stab, Chairman, if I can inflict it upon the Committee. I think the national strategy for us is about the reconciliation of intentions with possibilities. It needs, if it's to have a chance of working, to be realistic in every respect. For example, I think the word "vision" is now such a piece of linguistic litter that it should be abandoned. The contagion of the language of the management consultant into the business of government, I'm sure, appals you all as much as it appals me. I think if the word "vision" comes up, we should have the equivalent of a red buzzer to squeeze it out in our discussions today and with other witnesses. But that is a prejudice, as you might have noticed. The ingredients of a national strategy need to encompass a considerable range of moving parts: economy, society, condition of political and public life, systems of government, military kit, diplomacy, intelligence capacity, and intellectual capital, by which I mean the mix of universities and technological R&D. Only then can Britain's international relationships and place in the world be assessed properly, if you've done a very realistic assessment of all those moving parts. And the trick, if there is one, is to create both possibilities and achievements that are greater than the sum of those parts; that is the bonus of strategy, if we can do it. It's hugely difficult and stretching and it's not aided by the tendency among political leaders to collapse into a combination of Blue Peter-like wishful thinking. Your generation I hope is immune from it, but New Labour always sounded like, to me, Blue Peter on stilts, complete bollocks actually. "We do world poverty this week and we solve AIDS the next". There is usually a combination amongst politicians in government anyway of Blue Peter and Tommy Cooper naivety, believing that "just like that" these things can be done. It's kind of the Triumph of the Will: British Version. Also, the great delusion of those in government, particularly if they're new; they think because it's them, the great intractables are going to become malleable because, at last, we're here. So, I think it's terribly timely that you're doing this for a lot of reasons, one of which is an antidote to the

bollocks and the fairy stories that, no doubt, new ministers still flush with the joys of being there are telling each other in the Cabinet committee rooms.

Professor Julian Lindley-French: I would take a slightly different angle and say that in fact Grand Strategy, as we are discussing it here today, is a new term; and it's a mistake—no disrespect to Hew—to put it in historical terms. We are talking about the organisation of very large British means to large British ends. This is probably the first time since Suez, if not before, that we've had to do this. For the last 50 or 60 years, our penchant for balancing others has tended to lead us to seek common ground between the American worldview and the French-European view, to put it bluntly, but those pillars are changing. Those assumptions that we've had for 50 or 60 years about where our best national effort should be made to achieve the most likely security for our citizens are themselves in question. Right now, I would put the question as being, how does the United Kingdom cope with the relative American decline? We handed over from British power dominating the system to American power dominating the system. Now, the Americans do not dominate the system as they did. George Bush came to power thinking he was 1840s Britain; America today is 1880s Britain. All of this means that we can't simply assume that we can find a common ground. Therefore, where strategy at that level comes in requires first and foremost political leadership to establish national aims and objectives. Then strategy operationalises at that level aims and objectives. Thereafter, you make policy, which leads to change in government. But it's about where Britain needs to be in terms of influence over change. Now, if you had said to me 10 years ago, that we'd have the world that Britain resides in today, then I would have said that's very hard to judge and that's been part of the problem. We have many, many risks, but no real existential threats. However, there is enough friction in the system today—and very clear friction with systemic, regional, weak states, technology proliferation—that a country like Britain will need to be at the forefront of influencing positive change. Now, how we do that will require all national means to be organised effectively to a stabilising end. In the absence of such a concept of government and governance, this would be, I would argue, the first time that Britain has conceived of a Grand Strategy that is truly British and not a reaction to somebody else's.

Q5 Chair: The Cabinet Office says of course that Grand Strategy is a term that is falling into disuse and is no longer appropriate.

Professor Julian Lindley-French: Well, I would argue that they would say that, wouldn't they? Because they would argue that it's a way of ensuring bureaucratic control over what is essentially a political process.

Q6 Chair: Professor Strachan?

Professor Hew Strachan: I was just going to say that if you read British Defence Doctrine, Grand Strategy was at one stage written out on the grounds

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that it sounded too imperial; it's now been written back in essentially because it was concluded that you did need the sort of intellectual framework that that provides. So I think that there is a recognition that there is a problem here and which is itself part of the challenge. The Grand Strategy is a problem and represents a problem; part of the difficulty, as I'm sure you're well aware, and I dare say we'll come on to this discussion, is to find, not only an intellectual focus, which is largely where we've been so far, but also an institutional focus.

Q7 Chair: And would you agree that what became known as—it was driven by the military—the comprehensive approach, was actually a failed attempt to substitute something for Grand Strategy?

Professor Hew Strachan: I absolutely agree it has elements of that and the problem of course was that it came with MoD stamped all over it; so it was very hard to use that as a basis for a common set of assumptions across government departments. In a way, the comprehensive approach was the military also speaking to itself, the recognition of a need for a such a thing and, at the same time, a somewhat unwilling recognition that they would have to do 90% of the delivery because they were going to have to do things they wouldn't otherwise define as military.

Q8 Chair: National Security Strategy—does that say enough? Is that a broad enough term?

Professor Peter Hennessy: There is also the new National Security Council (NSC) on which I'm very keen—Professor Strachan is the expert on the Committee of Imperial Defence, which is a 1902–1904 idea with better IT. That's what the NSC is: it's the Committee of Imperial Defence under another name. It would be tactless to call it that again, but that's what it is. I do think its hour has come again, but it won't work, however, it won't rise to the level of events, unless it broadens this notion of strategy. Whether they call it “Grand” or not doesn't matter. When you look at the ingredients that feed into the NSC, as they were meant to into the National Security, International Relations and Development Cabinet Committee (NSID) that Gordon Brown set up, it's much, much wider than anything we've ever had, ever probably, certainly since World War II, when the whole war effort had to—it's like MRD Foot used to say, “total war is like the sea, it's one”, you can't separate home and overseas, you can't separate the theatres. The NSC, if its remit is to be believed, and I do believe that that is what it wants to do, has to rise to the level of the events, not just in institutional terms, but in appreciating the widths of the inputs and the blending of the inputs, and how it's handled, and how it's integrated. It's going to be very hard work for both the ministers and officials to make it work. But so far the signs are quite promising in terms of the attention level: as you know, it meets every Tuesday after Cabinet and the Prime Minister, if he's here, chairs it, all of which is crucial. The papers are

good, I'm told, and all the rest of it. It's got to be a step change if it's to fulfil its promise, which I really hope it will do because the level of events does need rising to. Perhaps we will come on to this, but we really do need for them to think in strategic terms, but if the Cabinet Office has said “Grand Strategy, we don't conceive of it in those terms anymore”, well, it should.

Professor Julian Lindley-French: I would question whether the NSC is sufficiently powerful in relation to the four power ministries: Foreign, Defence, Department for International Development (DFID), and the Home Office. That is critical because ultimately, it is a national effort across government and that will require fundamental changes. I really wonder, looking at the National Security Strategy, whether it actually leads to any planning traction across government and that will be the true test.

Q9 Chair: But doesn't that depend upon this problem of definition that the language that people use in various different departments, has got to be homogenised and created as a single idiom of thought? Otherwise people keep talking at cross purposes.

Professor Hew Strachan: One of the key difficulties, I think, here, just signalling the point of language, is that even within the Ministry of Defence—this is not an attack on the main building specifically but applies; let me reiterate, this across the piece—as far as the armed services are concerned, strategy is too often seen simply as the planning process. Planning is obviously what staff colleges train you to do, quite rightly, but strategy itself is, not only wider than the purely military, at least in the terms in which we're talking about it, but also crucially as its first stage the identification of questions and problems. The tendency in the planning process is to think through to the solution, but there's an earlier stage. That is why it is inherently difficult for government to do it. It's not that it shouldn't do it, but it's why it's difficult because the tendency and, I think probably Peter Hennessy will be able to speak about this much more directly, the tendency is to go to the solution as quickly as you possibly can, because, of course, you want results and you want something that looks immediately attractive and promises a quick outcome. There is the other side. Mention has already been made of the Committee of Imperial Defence. One of the problems about the Committee of Imperial Defence was that, although it had many of the attributes of the National Security Council, it was an advisory committee only, an advisory committee to the Cabinet, and crucially its agenda remained remarkably focused and narrow, compared with the sort of security agenda we now have. It seems to me if the NSC today is to have a role, then it needs to think, “What are the bits that lock into it?”. At the moment it exists in isolation. Where is the thinking part of the NSC? Where is the point where you actually think about strategy? You could identify possible agencies. You could ask for

example; what is the relationship between the NSC and the Royal College of Defence Studies? Could a relationship be forged between these two? Should the NSC have its own staff of people who actually think more coherently and more consistently about strategy. And without that thinking, what do you actually do with the constituent ministries that might also contribute to national security, it's very hard to see how to proceed. And it's indicative in that context that we're here in this committee when we could equally well be talking about exactly the same issues to the Defence Committee or the Foreign Affairs Committee.

Professor Julian Lindley-French: I think there is a very important point here, mainly with respect to my work with senior officers, but also the Civil Service; I'm always surprised that at above two-star level, be it civilian or military, it's assumed that strategy is understood; there is no education for strategy. The Committee of Imperial Defence took place at a time when Britain was an imperial power: strategy by definition was on the table every day. Much of our effort for the last 50 or 60 years has been European focused, very regional and suddenly we're being asked to step up to a global role at a time of great financial stress. I suspect that it is not a problem of government that we can't think strategically; it's a problem of education. I do strongly believe that one could use existing institutions like RCDS, Defence Academy, National School of Government, to start preparing people from politicians through to senior civil servants, who are very management, rather than strategy focused, on the essentials of strategy in a contemporary world. We cannot assume that there is a grasp of this at the higher levels of government or institutions in this country any more.

Professor Peter Hennessy: I can help here. I thought for a long time since the NSID cabinet committee was created by Gordon Brown when he became Prime Minister in June 2007 that we needed one of those capability reviews, as they're now called, to look at the relationship between NSID's width, and now the NSC's width, and the providing departments and agencies right across the piece, from the first line of defence, which is "C"'s agents in the field to the last line of defence which is HMS Victorious on patrol this morning somewhere in the North Atlantic, with politico-military, trade and aid, diplomacy, soft power, BBC Overseas Service, British Council, and the money, BIS and Treasury, the whole lot in between. You need a review of the relationship of all these providers to the proper flow of material to the NSC, but also with the strategic question being asked at the time. There is only one bit that's had a capability review, since NSID was formed, and that was Ciaran Martin's review of the relationship between the Cabinet Office and the intelligence agencies. But the rest of it is unexamined. It's as if, by re-badging at the top, they would somehow adapt themselves, and I don't think that's enough. If we're going to have a chance at this strategic *mentalité*, it's not just language, it's a state of mind, really, that we're talking about. If we're going to nurture that state of mind, you need everything that Julian has said, and Hew has said,

about the staff colleges and all the rest of it, but also you need a review of the special linkages, otherwise it won't fly. The great virtue of NSC so far compared to NSID is that at least it meets; the full NSID very, very rarely met. It went down into its sub-groups, which is just the same as the old model, but NSC actually does meet, so the prospects for what you're doing are increased by the fact that at least it is at work. So a reason to be cheerful.

Professor Julian Lindley-French: Critical in this whole process of course—

Chair: We must move on as there are a lot more questions. Charlie Elphicke.

Q10 Charlie Elphicke: I also saw the military owned security side of the Government machine as, if you like, a tool of the implementation of wider national policy, wider national purpose, which goes far behind the whole issue of security and military matters—the implementation tools. I read with interest the article recently of General Newton in the RUSI journal. He starts this article, he and others, saying "We don't have a national strategy", which I take again as slightly wider to mean, that we don't have a general national purpose, national aim and national direction. Would you agree with that and what would you say that sense of purpose or wider strategy should be?

Professor Julian Lindley-French: First of all, I would agree with that. Second, the consequences of agreeing with that are what you see in the British armed forces today: basically a country that has tried to follow American Grand Strategy, an activist one, and rightly so, but on British resources; a government that is by and large on a peace time footing while the armed forces are at war; and a classic attempt to muddle through without properly considering the generation and organisation of the means required to be successful in any given venture. That will have to change. That in a sense is what we mean by Grand Strategy, which is the organisation of far greater national means across government. The sadness of all this for me is that right now this country looks far weaker in the wider world. I live on the continent. I had one very senior Dutch politician tell me that the British have gone soft. If the Dutch are saying that, then there must be a problem. The tragedy for all of us is that Britain looks far weaker than it is, as does the West, and that encourages our adversaries—take Iran, I'm not going to mention China, but these kinds of countries—to miscalculate. Grand Strategy at this point isn't just about organisation; it's about sending out a narrative, an intent, to allies, partners, and adversaries as well as publics—to say "because of difficulties we are engaging, not disengaging". My great fear for the whole SDSR debate, which is military-focused, is that it gives the impression of a cliff edge. It gives the impression that there is this age of austerity and there is nothing beyond that. In fact, looking at the figures of debt, Britain's national debt at the moment is relatively small compared with the national debt between 1920 and 1955, 30% to 40% of GDP compared with 130%. The narrative that we've created by not having a stated Grand Strategy is one

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of weakness, exaggerating our weaknesses and communicating that weakness to others. If for no other reason, such a statement would put that right.

Professor Hew Strachan: Just to go back to the issue of the National Security Strategy and the National Security Council, which is where I thought your question was leading, there is a mismatch between rhetoric and means here. The language of globalisation used in the National Security Strategy of 2008 essentially confronts us with a range of problems, such as climate change, migration, the ills of the world in general and the threats that might face the world in future, as though those are specifically the national interests of the United Kingdom. What strategy should be doing is to identify more closely what are genuinely national interests, and to express them—in national terms. They could relate to many of those wider phenomena. At the same time strategy has to match that bigger picture with where we put our resources. At the moment, we're in a situation where we talk in global terms—and we have not properly debated whether that's appropriate or not. On the other hand, we're really only willing to put in the resources of a medium rank European power and this is the nub of the debate in terms of where Grand Strategy should be going and the nub of the debate for the NSC.

Professor Peter Hennessy: I think Julian's reply to Mr Elphicke's question has really put his finger on it. The way possibly to audit this from the outside is to ask yourself where all the nervous energy is going at the moment? The nervous energy is going into getting by, not even muddling through. One of the reasons for attempting to go to a Grand Strategy is that it can be a bit of an antidote to excessive mood swings. I'm not Pollyanna about anything really—I'm too old for that; once you get beyond 60, just getting by is the norm—but it really can help in this area.

Chairman, there is one question that is lurking that nobody has asked yet, though maybe one of you is going to, so forgive me if I'm being presumptuous. It's that we're all assuming that Britain cannot contemplate just being a mediocre, second-rate, former great power tucked up inside a huge regional organisation.

Professor Julian Lindley-French: A super-Belgium.

Professor Peter Hennessy: Yes, Belgium with a nuke. We're not considering that any of us perhaps, but maybe it will come up in a minute. The assumption is that it's no longer wider still and wider for our beloved county, but we we ain't out of the business yet; and if we have cunning plans of Baldrickian proportions, even though we have no money and bugger all kit, we can somehow still move Johnny Foreigner in ways that Johnny Foreigner doesn't entirely want to be moved. Now, that's the assumption of everything that we've talked about so far; I don't know if that's your assumption. Actually, I don't mind it. I'm not a wider still and wider chap, although Cambridge historical tripos, when I took it, trained you to be a District Commissioner or a spy and nothing else. I'm not a wider still and wider person, but I am very keen that we should maintain

as much influence as we can in the world, because, by and large, I think with some terrible aberrations, which we all know about in 2003, we do bring decency and, above all, a sense of due process, to international affairs. On the rare occasions where we do the reverse of bringing due process to international affairs, the world is the poorer for it. So I'm very keen on this assumption, but it is an assumption that has suffused everything we've said so far—including your questions.

Professor Julian Lindley-French: It's a very strange debate for me, if I may just have a quick word on this, because, living abroad, I'm always surprised how the British seem to think they're far weaker than they are these days. We're the fifth or sixth largest economy in the world, the second biggest cash spender on defence still—obviously that will probably change fairly shortly. We're simply too big to hide from friction in the world. What I see from much of Europe—from my talk to the French and the Germans last week, for example—is that there is really an opportunity through a grand strategic statement for Britain to lead, and yet we seem to have lost the plot there. We seem to have said that we're broke and that's it, we now give up. For me that is why, as Peter rightly says, a Grand Strategy is an antidote to self-defeatism which I find all over the place in this town every time I visit. So, it's not just a structural issue.

Q11 Charlie Elphicke: I absolutely agree that underpinning my thinking is a sense that I get from my constituents that, frankly, they're sick and tired of the mediocrity, and there is too much mediocrity in this nation, not enough sense of purpose, not enough sense of direction, not enough sense of national heave and where we should go. I guess the question is, in terms of—and it's not military, it's trade: who are our trading partners; we've got trading with Europe going on, and a lot of us want to trade with China and India, then we have a military strategy that is tied up with America, and then we have this whole global thing like climate change issues going, so there is a sort of dissipation of purpose and clarity about where we should go. Should we capture that clarity as a country and how should we conduct that kind of process?

Professor Julian Lindley-French: Well, like it or not, Britain has global trading interests. That is what ultimately drives the shape of your security policy, military and civil. We will have to be clever in how we secure those. At the centre of that will be influence through institutions and through reinvestment in a diplomatic service that is currently depressed into the tool it should be to shape events and structures through institutions. By the way, Britain has a particular genius for leveraging the interests of others in pursuit of our own objectives. Above all, that takes political leadership. You can organise government all you like, but strategy is an essentially political process that comes from the top and unless that injection of ambition is there, rather than the current narrative of doom and gloom, then I fear that Britain will lose that influence critical to its interests.

Q12 Chair: We're going to have to get through our questions much faster and the answers are going to have to be shorter. Professor Strachan.

Professor Hew Strachan: This is a short answer. I think we're confusing policy and strategy; I think we're in danger of going down exactly the same rabbit hole that we've just been criticising. We need to be clear conceptually of the distinction between the two.

Q13 Chair: Well, if you can make sure that we get a paragraph in our report which distinguishes between the two I will be eternally grateful to you. Charlie, are you finished?

Charlie Elphicke: Yes, thank you.

Chair: Paul Flynn.

Paul Flynn: Professor Hennessy, I am eternally grateful to you for giving a possible title to our report; it would be an arresting one if we call it, "An Antidote to the Bollocks" and I will press for that.

Professor Peter Hennessy: I look forward to it.

Paul Flynn: You quote the definition by Sir Michael Quinlan about this subject: "A theorem in matters of military contingency: The expected, precisely because it is expected is not to be expected. Rationale: What we expect we plan and provide for. What we plan and provide for, we therefore deter. What we deter doesn't happen. What does happen is what we did not deter because we did not plan and provide for it because we did not expect it." Now, I think that could be summed up as saying running around in ever decreasing circles and finally disappearing into a dark orifice and it does strike one with the futility of a Grand Strategy. Is a practical, useful Grand Strategy as elusive and unattainable as discovering the meaning of life?

Professor Peter Hennessy: That was, I think, pretty well the last thing the great Sir Michael Quinlan wrote and I call it Quinlan's Law. There is a lot in it but it's not a reason for just saying, "To hell with it! The world is impossible to predict. Even the best intelligence analysis produced by the Joint Intelligence Committee assessment staff can't get it" and so on and just reacting. If you do want the UK, in the overused phrase of Douglas Hurd, to punch heavier than its weight in the world, there are certain preconditions for that. One is us being greater than the sum of our parts in the ministerial and the departmental input and all the rest of it, as well as the wider political nation that are interested in these things. But if you do assume you want to cut a dash in the world, that is, to some degree, out of proportion to your wealth, kit, size of population and all the rest of it, then you have to be guileful. You have to have as a good a system for horizon scanning as you possibly can, with all the necessary caveats. For example, we haven't talked about it yet, but the one that I find the most helpful was an institutionalisation of something that was done in the last defence review, the DCDC people at Shrivenham, the "Shrivenham Scans" as I call them, I find them absolutely fascinating. As far as I can see, they produce—

Q14 Chair: DCDC?

Professor Julian Lindley-French: Development Concepts and Doctrine Centre.

Professor Peter Hennessy: That's right, exactly. And they produced a very good one, the bulk of which was made public in time for this review and, as far as I can see, it's having no salience at all in the way the SDSR is being cut—yet another example of an own goal and being less than the sum of our parts. But I'm not defeatist in the way that you might—I suspect you're teasing me on this because you're not an opt out of the world man either, are you? It's not for me to ask you questions.

Q15 Paul Flynn: I don't share the view that you expressed about Britain. Like almost any nation on earth, Britain believes it has some virtues that it has to spread wider and wider when instead it would probably be more rational to accept our position in the world and become narrower and narrower. Every nation from North Korea to North America would say that they had unique virtues that they had to spread worldwide. If you take the practicality of having a Grand Strategy, then the one we were linked up to in recent years was the project for the new American century, which had this vision—we shouldn't use that word—the view of a whole century that was going to be blessed by the benign influence of one superpower that would be led by the wisdom of Bush, Cheney and Halliburton. We signed up to that and got ourselves involved with two wars.

Professor Peter Hennessy: A Prime Minister did, and a few members of his immensely supine Cabinet, but you didn't sign up for it for one minute.

Q16 Paul Flynn: I know I didn't. The country, the Prime Minister, went into two wars because we were following America blind. We didn't have an independent foreign policy. I mean we have an independent nuclear deterrent, but we don't have an independent foreign policy in that way. That's the story of the last decade. If we had a Grand Strategy written down somewhere, the decisions would be taken—not on a rational basis, not on a basis of evidence—it would be based on the need of the Prime Minister to get a drip feed of adulation every day from the tabloid press. Thatcher wouldn't be bound by a Grand Strategy. Is this really seeking for a Holy Grail that we'll never find? If we do find it, it will turn to ashes.

Professor Peter Hennessy: The Holy Grail is a very useful concept for your entire inquiry because we've been looking for something like this since the Committee of Imperial Defence first met, before it was made permanent, in 1902, so we've got 108 years of looking for this Holy Grail in institutional terms, but always, throughout my lifetime, we've been making the best of an increasingly difficult fist. This is the eighth defence review, if not the ninth in my own lifetime. The first one didn't leak: we realised it had taken place after 31 years when the papers were declassified, but this is the ninth defence review. They're all in tough circumstances. They all pretend to be taking a strategic look and very few of them do,

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so there are a lot of Holy Grails here. But I think it is slightly unfair—I can't believe I'm saying this—to say that the Blair Cabinet signed up to the project for an American century. You're using the kind of language—I hope I don't sound disrespectful—that Mr Blair was rather prone to use.

Paul Flynn: Oh dear Lord.

Professor Peter Hennessy: Millenarian, you know.

Q17 Chair: Professor Hennessy, I don't want to get diverted too much on to personalities, but I think there are two very important questions in what Mr Flynn raises.

Paul Flynn: I'm quaking with indignation at being compared to that contemptible charlatan that you mentioned, which is now more apparent from his confessions in his book. Embarking on the Iraq war was influenced by the belief that the world was in a fine place when America and Britain were working together. If we look at the way that policy is made in this country, and I think I take a more cynical view than you do on this, you see that most policies, like policy on drugs, for instance, is completely evidence-free. It is rich in prejudice but there is no question of ever looking into results and we have had some 40 years of error, disaster, tragedies, deaths as a result of such policies by all countries. We don't compare it with what's happening in other countries like Portugal or Holland, but we carry on with that. What is going to change it? What is going to persuade any government to escape from their addiction to daily adulation in order to keep their popularity up?

Professor Julian Lindley-French: I think it is going to be forced upon you and I think it is going to be forced upon the UK by the Americans. Harold Wilson in 1968 said no to Vietnam and he was prepared to pay a political price for that. The Americans feel—I'm off to Washington again shortly—that we're no longer the ally of first resort that we once were because of performance in Iraq and Afghanistan, and that because of our position financially, we may have to say no for other reasons. Now, saying no to the Americans will have consequences. But I go back to the point I made earlier which was, looking from abroad, I do think that the British mustn't undersell themselves because we are seen by many as being a particular nation in the stable future of the international system. We have no evangelical role, as such, but we do have a particular reputation that is worth preserving and ultimately this comes down, not to trying to exaggerate British power, but to getting the balance between effectiveness and efficiency right. I would argue that the way that British Government is structured makes Grand Strategy virtually impossible and therefore makes effectiveness virtually impossible because it's a series of fiefdoms that are not particularly focused on any set of national aims and objectives.

Q18 Chair: In what Mr Flynn is asking you there are two nubs, one is Grand Strategy: is it hubris to pretend that we can control things we can't control? Secondly, are we too small a country now to have a Grand Strategy?

Paul Flynn: The hubris has led to more than 500 deaths, 1,500 serious injuries in Iraq and Afghanistan because Tony Blair wanted to see us walk tall in the world. And it is ostensibly—

Chair: Professor Strachan, Grand Strategy.

Professor Hew Strachan: Can I just come in on this very point? The debate about 2003 highlights what I think we're trying to get at, which is that because we didn't have a coherent idea of our own strategy, we were unable to engage sensibly with the United States in terms of what our priorities were, as opposed to what the United States' priorities were. It may be that our priorities were and are identical with the United States'; that's fine, but we didn't actually seem to think that process through. So the first point I would make is that. The second point I would make is that the purpose of strategy is, in some sense, to be prudential, to try and be long term in its focus, to try to think through how the future might look. The reality is, as 2003 suggested, or, going back, as 9/11 suggested, that contingency tends to get in the way and therefore political pressures quite naturally put pressure on strategy to change and go in different directions. That leads us on to the Quinlan problem and the point about what Michael Quinlan was saying is that you hope that strategy, and deterrence as an offshoot of strategy, will have some effect in shaping and minimising the role the unexpected can play, and therefore the opportunity for short-term contingency to put you totally off course. But don't imagine that contingency isn't going to be a vital part of strategy-making because the political will always present strategy with the unexpected. That is the nub of the relationship and why we need to distinguish between policy and strategy.

Q19 Paul Flynn: What he's saying is we can deter what we expect, but we cannot deter the unexpected. So, what we're looking for in a Grand Strategy is utopian compared to the experience of the last—

Professor Julian Lindley-French: It's simply the ability to adjust, adapt and augment. It's really about the centre of gravity of your effort. If you don't understand—

Q20 Paul Flynn: And how do you get the unexpected into the Grand Strategy?

Professor Julian Lindley-French: Because history would establish basically four sets of different scenarios that are likely to happen at any one time given circumstances. Now you make a judgment over your main effort, about where it should be—at the moment it is counterterrorism—based on your strategic judgment at that time. What you must not do is sacrifice the ability to change and adapt in light of change. My concern about the way the Government is currently structured is that loss of flexibility; that is perhaps most damning.

Professor Peter Hennessy: Can I just say one thing in support of Mr Flynn, actually because I do respect what he says and get us away from 2003. The difficulty of the unexpected is illustrated—Michael Quinlan was involved in this—by 1966, when the big carrier to replace the existing ones was cancelled,

scrapped. It's the sort of debate we're having now. If somebody had said in those discussions in 1966, which led to two resignations—the First Sea Lord and the Minister for the Navy—“Come forward to 1982. We're going to need a carrier-based task force to go 8,000 miles into the south Atlantic to reclaim the Falklands”, the person who said that, at the very least, would have been offered counselling. It's part of the problem of the life, but I do respect what you say and I know what's motivating you in saying it, but we must be careful of letting 2003, for all the lividness of that scar, overshadow us too much. In some ways it can't overshadow us too much, but for the purposes of this debate, if we're too 2003-centred, we could be in a bit of trouble.

Q21 Chair: Nick de Bois.

Nick de Bois: Thank you, I'm going to move it on a little bit and talk about the skills and capacity for making strategy. Given that there seems to be a view that we haven't had Grand Strategy for a while, the Cabinet Office, in its submission to us, said that one of the key requirements in the Civil Service is the ability for strategic thinking. Would you agree with the Cabinet Office in that statement that it is actually a valued skill? If it is a valued skill, I suspect that you might say that that doesn't sit comfortably with the fact that we've lacked a Grand Strategy.

Professor Peter Hennessy: I suspect that their use of “strategic thinking” is not the kind of notions that you're working on. Again, it's the management consultant nonsense: everybody has vision, everybody has a strategy. Both words have been almost entirely debauched and because of the overflow of managerialism, over a very long time now in Whitehall, the way they use the word strategy is not as in the Michael Howard study of World War II Grand Strategy, that Hew has written wonderfully about, for a large part of the last century. It's something much more narrow and meagre and management consultant contaminated. So when they come and give you evidence, I think you should probe them, with your customary courtesy, on that because I have a feeling that that is nonsense on stilts too.

Professor Julian Lindley-French: I would like to reinforce that; I think they probably mean “management”, when they talk “strategy”. There are very good reasons for that. The British Civil Service traditionally dislikes French Enarque *grand dessein*, which is implied in Grand Strategy, but to have Grand Strategy, a bureaucratic elite needs to be challenged in its thinking internally and externally. Strategic management from the Civil Service point of view has been really about the control of information. I would argue that in fact we are now involved in a knowledge war, where intelligence and government information are all very well, but without understanding the context of that knowledge it's very hard to make informed strategic decisions. So broadening out their community, if you like, to inform their leadership is a critical aspect of Grand Strategy.

Q22 Nick de Bois: In many ways, if we accept your suggestion that strategy in the Civil Service is really talking about management and that is inherent throughout every department, are we effectively in a position where any drive for strategy and ultimately a Grand Strategy within the Civil Service is going to be totally bottom-led as opposed to top-down? The preference is that it should come more from government ministers and leadership to set the strategy. Are we effectively seeing bottom-led strategy within the departments?

Professor Julian Lindley-French: I think in the absence of an American style think-tank culture inside the Beltway—what you see in Washington is this constant interaction between political leadership, think-tanks and bureaucracy to constantly test ideas and to establish frameworks for policy and management; we don't have that here—the tendency is to always control information and pull it towards the bureaucracy which prevents that, if you like, market-led reality test. That's a fundamental if we are to move it above management to the genuine consideration of strategy.

Professor Peter Hennessy: You tend only to get what you are seeking and what we're seeking, I think, if there's a real constraint that is self-evident, like the need to prevail in a total war or when Ernest Bevin, Mr Attlee and A V Alexander and others, and Whitehall generally between 1945 and 1948–49 when NATO was created, had to react to events in Eastern Europe and some really menacing, although not entirely readable, intentions on the part of Stalin in the Kremlin. That produced a reaction which became a Cold War secret state and a certain set of strategic assumptions and prisms through which a great many questions were addressed. In the absence of that, it needs a Prime Minister to do it, particularly if it's a multiplicity of anxieties. The last time I think it was done, in terms of the archive I've worked in, was when Harold Macmillan in June 1959, in immense secrecy, called Sir Patrick Dean, Chairman of the Joint Intelligence Committee, to Chequers and said we need a study, no holds barred, of where Britain will be by 1970 on current policies. It's the whole lot: society, economy, place in the world, future of the remaining empire, Britain and Europe, the relationship with the United States, can we afford nuclear weapons, all of it. They did a remarkable piece of work and it was so realistic and so therefore pessimistic in those circumstances, because of our over-extension, that the Cabinet paper was pulled from full Cabinet discussion at the last minute in February 1960. It's declassified now. The “Future Policy Study”, you might want to send for it to the National Archives because it's an extraordinarily good piece of work and it went into a little Cabinet committee. Mr Macmillan consoled himself because it was all so difficult by saying, “Very often, the best periods in our history have been not when we've been in charge of the world. It's our language, our culture, our literature.” You always collapse into the sleeping bag of soft power when you haven't got the faintest idea of what to do. But it was the last serious attempt to do it on the scale that I think is required and it took a Prime Minister

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who had that state of mind. Macmillan had that state of mind and it's pure chance if you get one. And you know the Prime Minister far better than I do, Chairman, and you will know whether he is that sort of a chap or not, but if he isn't, it is going to remain extremely difficult for this to happen to any degree.

Professor Julian Lindley-French: Just a quick point on that Chairman. Every single instrument of this country's influence is in crisis: the EU, NATO, the United States. The bureaucracy is primarily focused on the Comprehensive Spending Review, for understandable reasons, but the mismatch between the change out there, the decline in our influence tools; and our own internal focus on cuts at a critical moment makes it incumbent that we move beyond a management culture.

Q23 Nick de Bois: Is that a lack of confidence in ourselves now, particularly since some argue, as I think all three of you were arguing earlier, that because we've tied ourselves so closely to the US in the military and to the EU economically, we've effectively lost the confidence, if you like, to add up all the individual strengths we've got and to pack a punch above our weight? Is there a lack of confidence and is it that we may have tied ourselves too closely to the others that may have led to that?

Professor Hew Strachan: Putting the historian's hat on, as Peter and I might most naturally do, I think part of the issue is: what is it that actually generates the capacity and appetite to think strategically. In Britain's case, the empire certainly did, which was why the Committee for Imperial Defence existed: there was a real problem of imperial defence, so there was a real issue to tackle. The appetite for strategic thought is often associated with national crisis. I have to say that last year I was quite optimistic that Britain had reached such a point. Perhaps that optimism is reflected in the fact that this committee is addressing this issue. The combination of financial crisis and the recognition of the points you have just made, prompt the moment when you sit down and try to think through what strategy is and what you should be trying to do with it. That thinking tends not to happen in times of relative stability, relative peace and relative superiority. The United States is also having similar sorts of debates because however much you may think it is better on the other side of the Atlantic, they're less convinced than we are that it is. I think there are opportunities; the issue is whether, when those opportunities arise, the institutions to give effect to the thinking can come in to being. Our difficulty is that at the moment, institutionally, we've disaggregated the capacity to do this. We mentioned the DCDC. What happened there was that the function of strategy within the Ministry of Defence, which is one of the core owners—not the only owner of the process, but the core owner—was put out of the main building to Shrivenham, and physically divorced from the centre. That institution now finds itself doing at least two or three competing tasks. One is writing doctrine, which is entirely different from what we're talking about, but which has become conflated with it. The second issue was whether it is dealing with

immediate and short term issues—how the armed forces are employed today, and what they're doing—or long-term strategic trends, some of which are extremely important for the security of the United Kingdom. Some of them fall into what I think Professor Hennessy would call a Pollyannaish moment—only in this case probably in reverse, because strategic trends tend to emphasise the bad news rather than the good news. Strategic trends stress those things that are likely to happen to the world, but not much of what they do really focuses on what the United Kingdom is trying to do. It's extraordinary that DCDC is at Shrivenham, at that distance, (quite apart from the other things that have happened to it), rather than in London and central to the processes that we're talking about. Professor Hennessy mentioned just now the publication last year of a document called "The Future Character of Conflict", which was designed to address precisely what its title says, but its arguments are nowhere evident in current thinking in relation to strategy, let alone in relation to the Strategic Defence and Security Review.

Q24 Chair: We will come back to capacity later on. Are you finished Nick? Greg Mulholland.

Greg Mulholland: I want to turn the focus specifically on the changes that the new coalition Government has made that are clearly relevant here. I think we found it interesting in the written evidence supplied by the Cabinet Office that Grand Strategy was no longer a term in widespread usage. They then went onto to say that the NSC is therefore developing a National Security Strategy that starts with a definition of national interest based on an analysis of the UK's place in the world and covering all aspects of security and defence, a slightly narrower definition. Do you think this actually presents an opportunity or a problem for having a genuine Grand Strategy?

Professor Hew Strachan: It's an opportunity.

Professor Peter Hennessy: Yes, it is.

Professor Julian Lindley-French: But it depends: if it's another exercise in recognising only as much threat as we think we can afford, which is always the danger of these exercises, then it will fail. If it's really willing to push the envelope with external advice across the range of potential risks and threats, then it has a chance of establishing policy within a correct framework, but it still seems a very narrow intellectual exercise.

Professor Peter Hennessy: I don't think it goes wide enough because it is driven by—It's a good development, though I must admit I think it would be very hard for any of us, even though we're very close to all this, to quote a single paragraph from the two National Security Strategies we've had already. Hardly any of it has stuck to the Velcro of memory and we're meant to be animated by these things. It's hardly been noticed in the press or anywhere else. It was necessary. It is funny that I remember at the time thinking that we'd acquired and disposed of an empire, fought in two total wars and were on the winning side in the Cold War over 40 years but never felt the need to write down anything on these lines. A

lot of it suffered from the linguistic contamination, a kind of Pollyannaism writ large. Then it would stagger to hard pol-mil, real stuff and then come back to wishful DFID thinking. David Miliband's foreign policy refresh was very much along those same lines. That's not to say that it wasn't a good initiative of Gordon Brown's, and we've only had the two, but I hope this one goes wider. One of the things we need to think about is that I think the intention of the coalition is to have only two in the space of a Parliament, rather an annual one. If it is only going to be two in the space of a Parliament, then I think it needs to go much wider. It needs to have that width that Macmillan's inquiry had in 1959–60, otherwise it excludes a great many of the real weather makers about our country, its place in the world, and its prospects.

Professor Julian Lindley-French: It still smacks at times of a desperate military trying to persuade the rest of Whitehall to get its act together that somehow this stuff really has not gained much traction in other ministries who are more concerned about the funding allocations. It's almost as if we've yet to cross the threshold where we've perceived sufficient friction to warrant more cohesion and I wonder if this exercise will do it. I would prefer, unlike the 1930s, or, indeed, the first decade of the last century, there to be some element of planning in our response to uncertainty, that is strategic judgment: to have some sense of the parameters of our future effort. I fear that once again there will be a strategic shock before we do make that real effort to break down the bureaucratic boundaries between ministries.

Q25 Greg Mulholland: Do you think that the new framework that has been set up and trumpeted is broadly the right one? I know, Professor Hennessy, you've raised concerns about the regularity of meetings, for example, but is the new National Security Secretariat the right framework for delivering that, and, if not, what would be a better one?

Professor Peter Hennessy: That's a very interesting question because the secretariats needed tidying up. There was a whole load of overlapping ones, which as the diagram that Oliver Letwin sent the Chairman shows, come together, which was the first step. But in terms of this inquiry, where is the thinking capacity? There are some very clever people in those secretariats, the best and the brightest that Whitehall can provide in this generation, across several generations, but are the best and brightest of them doing more than fire-fighting in these circumstances, particularly with the Comprehensive Spending Review? What proportion of their working week, let alone their working day, can they put into the intellectual R&D that is necessary to give us a chance of getting to where I think this committee wants this country to go? The best and the brightest in Whitehall are inevitably in the fire-fighting positions because that is what happens. The danger is if you put them into a bespoke kind of think-tank, they don't feel that they're in the swim of things because they're not part of the secretariat at the Cabinet committees, and all the rest of it, not writing

the brief for ministers for particular casework of the NSC. But it would take a particularly self-confident and determined Prime Minister to say, "Out of all this, I want a core thinking capacity and a reasonably high proportion of the best people in the generations now in Whitehall, and in the military, and in the armed forces and in the intelligence agencies, I want deployed on this fusion approach to knowledge and possibility rather than the fission approach."

Professor Julian Lindley-French: I think part of the problem is that there is no equivalent of the Senate Armed Forces Committee or Senate Foreign Relations Committee driving the process forward from the purely parliamentary level as it were. There needs to be much more direct parliamentary involvement in ensuring that that momentum towards convergence at the top of bureaucracies, prime ministerial leadership and a genuine willingness to consider our basic assumptions for future strategic planning with insiders and outsiders. That is exactly what happens in Washington, that interaction between staffers, the committees, the bureaucracy, and the political process, which frankly this town lacks.

Professor Hew Strachan: That comes back to the point I made earlier about institutions, that logically we should be talking to a House of Commons National Security Committee because that would then mirror the creation of the NSC and you would be relating exactly to what the NSC would be doing. Logically, we should also be thinking about how exactly you put the thinking part into the NSC. The NSC secretariat is not that thinking part. I think it's incredibly hard for anybody actively in the Cabinet Office or indeed any other Department of State currently to approach a topic in the terms in which we're imagining it would have to be approached, because government departments have a different mode of operating on a day-to-day basis. If you operate on the basis of the e-mail in front of you, then your capacity to sit back and reflect and get a sense of distance over time is affected—I mean distance both in terms of a context as to where you have come from and a sense of where you might be going to—and a sensitivity to what is really changing, as opposed to what seems to be changing because of the hype in today's papers or the current debate in Parliament. These are all the attributes that you need to be able to put into this process for it to have any sense. And to that extent it has to be both removed and also linked in. I'm not just deliberately speaking in paradoxes, although paradoxes capture the point. We're told that General Petraeus is particularly good at putting thinking time into his day; he tells his staff that he must actually clear time where he stops. I hope each of us manages at some point in the day to do the metaphorical equivalent, whether it's sitting on a train, walking the dog, or having a bath. But there needs to be a moment when actually you get some sense of perspective, rather than being driven by immediacy. The problem within the Cabinet Office, and also I suspect within the NSC secretariat, is that the immediate drives out the considered. It is getting

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that consideration into the process, something which is not just hampered by the current culture within government, but also by its mechanisms of working.

Professor Peter Hennessy: There is one quote that might help your report Chairman on this as a stimulus. With the money running out, you might have thought that this would help create a climate for this. I can never trace this quote, but if I remember this correctly it's Sir Lawrence Bragg, director of the Cavendish Laboratory in Cambridge. He called them all in, and they were nearly all men in those days and he said, "Gentlemen, we've run out money. Now is the time to think". That is a very useful maxim for all this.

Q26 Chair: Before I come to Kevin Brennan, may I concentrate on this question of capacity and oversight? Are you saying that there is a lack of some central organisation that has the capacity for strategic thinking, not just generating a single document but sustaining and adapting that strategic thinking in the light of the e-mails that are coming in? Is there a lack of a central secretariat?

Professor Peter Hennessy: I can't see where it is. I can't detect it.

Professor Hew Strachan: Absolutely. The Cabinet Office is logically where it should be situated but of course the Cabinet Office is relatively light and mean, compared with other government departments. It doesn't necessarily see itself in this role. Crucially, the consequence at the moment of having the Cabinet Office do the job, is not necessarily to create a central form of thinking—if it has that capacity—but more often to create another government department to generate increased friction with the remaining ministries.

Q27 Chair: So does what is in the Cabinet Office therefore need to be an outpost of something more independent, more collegiate, more intellectual?

Professor Hew Strachan: Well, you're talking to academics, so of course we'll say yes to that.

Professor Peter Hennessy: You need some rough trade in there as well, some very awkward people, not just smoothies like us.

Q28 Chair: But if it was all located at Whitehall, it would all be caught up in the day-to-day pressures. Shouldn't we have the royal strategic establishment or something like that?

Professor Hew Strachan: This is where something I've already mentioned, the Royal College of Defence Studies comes in. It doesn't have to be the RCDS.

Q29 Chair: But defence is too military for what we're talking about.

Professor Hew Strachan: Absolutely of course it is, but that is why the creation of the NSC is an opportunity. Precisely because it's chaired by the Prime Minister, it is absolutely the right forum, in terms of giving the message of its national importance, its central significance. It should then

think about how it generates the thinking capacity. If the NSC says, "We need a bit of work on this, or we need to understand that", how is that now done?

Chair: It goes to the head of the department.

Professor Hew Strachan: Exactly, and it then becomes balkanised.

Q30 Chair: Isn't there a danger that government departments are going to resist this because they're going to lose control over things they think they control at the moment?

Professor Julian Lindley-French: Again, I would go back to the Washington model. If you take the think-tanks, CSIS and Brookings and these types of institutions. They either have people in them who are temporarily out of government or real experts. Why? Because in those forums you can take intellectual risk to challenge policy. There is nothing like that in London where you can really take intellectual risk and have sufficient stature in taking it that it will influence policy; policy inside the bureaucracy tends to be, by definition, risk-averse. We are looking at a very, very complex environment. That kind of intellectual and conceptual risk is essential before sound policy is established.

Q31 Chair: Didn't Whitehall used to fund university chairs, university departments?

Professor Julian Lindley-French: A little bit, but not much.

Professor Peter Hennessy: A little bit, but not much, never much.

Professor Hew Strachan: The big initiative was Denis Healey's in the late 1960s, when he established defence lectureships across the United Kingdom, funding them for five to 10 years and then the universities took them on. Broadly speaking, I think there are probably one or two still in post in the United Kingdom as a result of those appointments, but they are reaching the end of their careers. So Healey recognised that that was an issue. Today, if I could just elaborate on that point, there is a real pressure on strategic thinking outside Whitehall. It is created by the current mechanisms both of university funding and of research assessment, because, within a politics department, engagement in public policy doesn't figure within the UK as something that will get brownie points in the research assessment exercise of the past and the REF exercise of the future. Very few academics are therefore put in a position where it is seen to be productive in terms of research assessment and research income to engage with the Government. That is somewhat offset, by the latest proposals in the REF for public impact to be part of the process.

Professor Peter Hennessy: Which is immeasurable of course.

Professor Julian Lindley-French: We either have ivory towers or policy bunkers; we don't have much in between.

Professor Hew Strachan: The consequence, it seems to me, is that you will be struggling in 10 or 20 years time to have some of these irritants outside the system, just because at the moment the system isn't well-gearred to producing them.

Q32 Chair: And, in terms of oversight of this process, it is proposed that it should be a joint committee of both Houses on national security. Is that enough?

Professor Peter Hennessy: That would help, and also if Parliament could find the money to create its own thinking capacity; a very small one, but very high quality. The National Audit Office is the closest thing you've got, but you've got a wonderful library and very good support services in many ways. If select committees of both houses could pool a little bit of money and there was a joint committee on Grand Strategy that wasn't just defence and foreign policy-focused with its own small think-tank, it might help you have an influence out of all proportion to your size, as it were, in terms of budget.

Professor Julian Lindley-French: Look at the Library of Congress Research Service; that is exactly what they do, very high quality indeed.

Q33 Kevin Brennan: Aren't you all massively over-claiming what a Grand Strategy could achieve in practice?

Professor Peter Hennessy: Probably. We're trying to cheer you up. We're trying to give you a sense of possibility. We're an antidote to the politics of pessimism. We're Ian Dury, reasons to be cheerful, that's what we three are.

Professor Julian Lindley-French: What it achieves is by and large up to you gentlemen. You are close to policy making, you are the political oversight. It ultimately comes down to the quality, the level of ambition and the quality of policy that comes out of the analysis.

Q34 Kevin Brennan: But at one point you said that we shouldn't exaggerate our power in the world and at another point you said we should punch above our weight.

Professor Peter Hennessy: They're both compatible. If you have exaggerated notions of what you can do in the world, it's hopeless really; it leads to delusion and disappointment. But not if you have a realistic notion that if you shove it a bit this way and if you try it that way. And if you keep your investment in high-class diplomacy—terribly, terribly important. I never thought that in my life time I would ever have to worry about the condition of the British Foreign Office. It was like Canada, it was just there, it was all right, but I really do worry about the condition of the Foreign Office; it's been appallingly run down.

Q35 Kevin Brennan: Don't we have to, in thinking about Grand Strategy, there is a strong sense and a weak sense; it is not necessarily to do with optimism and pessimism. There is the strong sense imperial view of a Grand Strategy, which is utterly impractical in the current world and in the current reality of politics, which hasn't been sufficiently discussed or not just the current reality but the reality. Then there is a weaker sense, which isn't necessarily a pessimistic sense which is, if we could agree what is possible across political divides about the things that Professor Hennessy set out at the

beginning about what a Grand Strategy ought to consist of and then garner our institutions and resources around attempting to meet those needs, then you could get the longer term impact of Grand Strategy. However, if it is—not overly ambitious, but overly grand, if you forgive the phrase—isn't doomed to fail?

Professor Julian Lindley-French: I think the danger—I feel very moved about this—is that the title “Grand Strategy” is that it implies that it's about power itself. No, it's not. I guess I'd rather change it to “Big Question Strategy”. It's a willingness of government to address the very biggest questions that affect a nation's security across the whole board in partnership with other experts, other stakeholders, to use that over-worn phrase, that ensures that there is balance in our response to the environment, but also ambition in our ability to shape events. It isn't simply about trying to punch above our weight. It is simply making sure that we have sufficient imagination to deal with what's out there and, frankly, I would say that right now we do not.

Professor Peter Hennessy: On one timing level, isn't a good idea to maximise our influence in the United Nations by being a permanent member of the Security Council; not by being the awkward one or flaunting ourselves, but by being the decent due process, thoughtful one? Sir Percy Cradock was the former Chairman of the Joint Intelligence Committee. I did a radio documentary in 1991, called “Out of the Midday Sun?” about whether we should give up on all this. Percy, I think I'm quoting him pretty accurately, said, “History has dealt us a certain hand because of being an imperial power”. There was an assessment made by Harold Wilson when he became Prime Minister in 1964, or for the Foreign Secretary, by the Foreign Office planning staff. Because of our history we were, and we still are I think, represented on more international organisations than any other country in the world and I think that's a huge asset; plus the clichéd asset, and it doesn't mean to say that it's wrong, of our language being the language of international diplomacy and trade. So that is there even if you look at it in the terms of the hand that history has dealt us. In the same programme, Sir Anthony Parsons, who was our man in the UN at the time of the Falklands said—actually this is Julian's point—“The rest of the world isn't ready for us to withdraw. They expect us to be there”. Partly because they think, a lot of them, that we caused a great many of their problems; I think we could make a lot of money by being the permanent scapegoat for every failing nation because it's our fault, you see.

Q36 Kevin Brennan: They do think that and they don't think the Chinese did and that's a problem for us I think in Africa. Can I just ask this question, which is a bit off-piste, but if you were contributing to a UK Grand Strategy—I'm just asking you to think off of the top of your head—where would Trident feature?

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Professor Peter Hennessy: I have to come clean. I think we should keep it. People say it's a political instrument. The Indians always say that we have to have our bomb because that's how you increase your chances of a UN Security Council seat. It's very difficult for historians to be anything other than humble—though that doesn't come naturally to me—about what the world is going to be like in 50 years' time and once you give up a capacity it's gone.

Professor Julian Lindley-French: Britain should have a nuclear deterrent. Whether or not the technology should be a Trident derivative, it seems to me that the question is whether there is a cheaper alternative that does the same job. It's a balance/investment question.

Professor Hew Strachan: It's the cart before the horse.

Kevin Brennan: I thought you might say that.

Professor Hew Strachan: You've got to have strategy before you decide where Trident sits. One of the difficulties at the moment is that we don't think coherently about strategy and we therefore find it hard to think where Trident sits.

Q37 Kevin Brennan: So, our witnesses are putting policy before strategy yet again.

Professor Hew Strachan: Absolutely, and what we should be thinking about is where does deterrence fit in our thinking and therefore where does nuclear deterrence fit within our thinking and then why we would need Trident. I endorse the others in thinking we probably do need it. I would also say that, going back to your earlier question, I am confused here about whether we are talking about whether Grand Strategy is something that is genuinely useful for us to be able to do, or whether we're talking about British decline or British resurgence. There are two totally different questions there that we're conflating. It may be, and this was how I understood the burden of your question when you first put it, that Grand Strategy is overwritten as a concept; that actually a lot of it is a lot more pragmatic, sensible and doesn't need a big title. All we need is somehow to be able to draw it together. That I think is a perfectly defensible line of argument—it's foreign policy, it's economic policy, it's all these other constituent parts and we do it without thinking about Grand Strategy. Many of the great grand strategists never used the phrase when they did it; they just went ahead and did it, like the wartime Prime Ministers. Churchill didn't need to say, "I'm doing Grand Strategy"; he did it.

Q38 Kevin Brennan: So in other circumstances a Grand Strategy would have meant resisting Indian independence for example?

Professor Hew Strachan: Well, it might have done, but that comes again to the fact that strategy is essentially a pragmatic business and it needs to accommodate contingency. If India is not to be held, if the realistic conclusion, against Churchill's own instincts, is to say that India must be given independence, that is exactly what we're talking about.

Q39 Chair: That was Attlee's Grand Strategy, to relinquish India.

Professor Hew Strachan: That's why debate is central to where strategy is.

Q40 Chair: But isn't the implication of what Mr Brennan is asking, and your answer to him, is that whether we like it or not we have a Grand Strategy, the problem with it at the moment is that it's disparate and scattered around Whitehall, not written down in one place, not supervised and not held to account by politicians.

Professor Julian Lindley-French: Ergo, it is not grand.

Q41 Chair: We live with the outcome of this rather disparate arrangement.

Professor Peter Hennessy: So, you're going to recommend muddling through, are you?

Chair: I'm not in charge of the conclusions of this committee.

Professor Peter Hennessy: Harold Macmillan only ever gave me one interview, long ago and far away when I was a youth on *The Times* and when *The Times* was a quality newspaper. He said to me, "You can't have a foreign policy if you're in the debtors' court." That is a very obvious thing to say but we do need to remember that in the circumstances. It's the Paul Kennedy theory that great powers are on the slide unless they really do attend to their economic wherewithal and in the end the sinews of influence are economic and industrial. I mean you can argue about that—there are all sorts of arguments about that in the scholarly world—but it's a first order question isn't it?

Q42 Paul Flynn: You've taken a very fiercely nationalistic view that we have to have a nuclear weapon because we don't know what's going to happen in 50 years' time. That's an invitation for every country in the world to have its own nuclear weapon because they don't know what's going to happen in 50 years' time.

Professor Peter Hennessy: I'm not wildly keen on that. You can see that I'm not wildly keen on encouraging anybody else.

Q43 Paul Flynn: Proliferation is a far greater threat in the world, I would suggest to you. Can you give me a practical example of any plausible situation when Britain would use its nuclear weapon independently?

Chair: But this is a question of policy rather than of strategy.

Paul Flynn: Yes, sure.

Professor Peter Hennessy: It was always the most remote contingency that it would be used alone and if you look at all these Cold War transition-to-war exercises that I've been reading now that they've been declassified, it was an integrated NATO plan with the Nassau "supreme national interest" clause in case the United States was not prepared to sacrifice Chicago if Manchester was threatened. It was a very, very remote contingency. I remember Frank Cooper, a great figure in defence affairs for

many years, said to me that as long as the memory of 1940 remains fresh in this country, when a small amount of very highly sophisticated equipment and a very small number of highly trained young men was all that stood between us existing as a sovereign nation and not as it did in 1940–41, that will always affect the prime minister of the day. If you read Tony Blair’s memoirs—which is quite tough to do, I’ve been having to force myself—he considered getting out of the business, and said, “But could I come down to the House of Commons and say we’re scrapping it?” Frank’s argument was that no Prime Minister could live with himself or herself if they were the one who gave the capacity away that in future, in some immensely remote contingency, might have had high nation-preserving utility, if they said, “Look, don’t even contemplate it.” That is why in the Cold War a system was developed which we still have of each new Prime Minister writing down longhand on a sheet of paper and sealing it the instructions from beyond the grave that are in the safe of every Trident boat as they were in the safe of every Polaris boat. It’s not a rational thing, it’s not evidence-based policy making. As the great Michael Quinlan said, each generation clothes a gut instinct in a different set of rationales. That doesn’t answer your question does it?

Q44 Paul Flynn: No, it does not. You haven’t mentioned proliferation, which is the greater threat.
Professor Julian Lindley-French: Looking from a British point of view, I would not give up the deterrent and I would like to stop others getting it, period.

Q45 Chair: This is a subsidiary debate. Mr Brennan, have you got anything further questions?

Kevin Brennan: No, I think that will do.

Chair: Can I just ask you, Professor Lindley-French in particular, do we need money to fund this extra strategic capacity and where would the money come from?

Professor Peter Hennessy: Not much.

Chair: I’m asking Professor Lindley-French.

Professor Julian Lindley-French: Peter is quite right. I have looked at the growth in ministerial investment in the last 10 years, for example ODA, DFID, 215%, intelligence services 112%, Defence 11% and yet defence has been bearing the brunt. I really wonder, given the very fast increase in investment in certain ministries, how that could have possibly been efficient. I would suggest to you that the establishment of a national security structure could be done from within existing expenditures and I would say that it would have to be done from within existing expenditures. Now, obviously that will require choices, and tough choices, but I cannot for a minute, given NAO reports and the GAO reports equivalent in the US, believe there are not monies to be found from a power ministry investment to be put into a national security structure.

Q46 Chair: Is the CSR and the SDSR, Professor Hennessy, the right opportunity to get this outcome from these two processes.

Professor Peter Hennessy: It should be, but you’re going to have to get on with it because it’s nearly all done and dusted and they’re all exhausted. Morale is at rock bottom. Having come here to cheer you up, I’m not being pessimistic, I’m being realistic. You might, if you think it matters, Chairman, do a very quick interim report on this one because the clock is ticking. I’m serious. You must get on with it, if you really think it matters; we do, and I suspect you do as well. Whatever model of the UK and the world you go for, an interim report might be very timely and it might actually help.

Q47 Chair: We’re aiming for the second week of October.

Professor Peter Hennessy: Too late.

Q48 Chair: Well we will reflect on that.

Professor Peter Hennessy: On this one point.

Chair: As a peripheral point, people have talked about a single security budget, is this an irrelevant point to this debate?

Professor Hew Strachan: It’s not an irrelevant point if you actually wish to achieve co-ordination on the grounds that the thinking may go where the money goes. It seems to be a sensible way, but are you also thinking therefore that there will be a National Security Ministry and a National Security Minister? Because presumably all those things hang together. If that were the case, then presumably you’re also implicitly arguing that the National Security Minister can’t be the Prime Minister so the Prime Minister would no longer chair it. So, it would be very important, it seems to me, that whoever held that office had clout that was, perhaps not comparable, but nearly comparable with that of the Prime Minister. The budget itself is part of a wider set of problems.

Professor Julian Lindley-French: I would support that suggestion but it may be better to have a national security audit because then one can properly judge the relationship between civilian and military aspects of security. Defence budgets have historically tended to grow on the basis of a little bit more of what we’ve had before. If we are going to have to change of posture, the only way to do that is to establish security policy that is properly based across the national effort and an audit could help that process.

Q49 Chair: Or, if we give ourselves a less urgent timeframe, is this the time that we need a new Northcote-Trevelyan inquiry into what the Civil Service actually is?

Professor Peter Hennessy: You need more of a Haldane one. Northcote-Trevelyan was to stop us being run by the 18th-century equivalent of special advisers—people appointed because they believed things or knew someone, rather than because they knew anything. That cleaned it up. It took four decades to clean it up; it was an extremely difficult thing to do, but Haldane in 1918 commissioned by Lloyd George was much more what you’re about; it’s how you organise departments both individually and in clusters to bring thought and

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analysis ahead of policy decision. It bears re-reading. So, I think your model, if there is one, is Haldane 1918 and not Northcote-Trevelyan 1853.

Professor Hew Strachan: The issue here is balance between thinking and capability. The CSR has been predominantly about capability. As I see it, what the MOD is doing is almost exclusively about capability; it's not about the thinking part at all. Yet, if you don't think, you can't actually make sensible decisions about what capability you want to have. Putting the weight back on to thinking seems to me the key point. If you need an inquiry to achieve that, then fair enough, but it's going to be hard to achieve that obviously within your own timeframe, given the fact that although these decisions are due in October there will be, I suppose, a subsequent fallout because decisions have been taken so quickly and in such an unco-ordinated way. At the moment at least, because each department is doing the same thing, it's going to be hard to see how each set of approaches will actually work out before they all come together in October. And therefore there will be a long period, I assume, after October, when the implications are actually being digested, and during which there will be follow-up work and implementation. Maybe, slightly contradicting what has been said before, there will be more of an opportunity after October to influence how this plays out, than we're currently anticipating.

Q50 Chair: In terms of the institutional structure that is created to underpin?

Professor Hew Strachan: Yes, it's a question; I haven't got the answer. Will the CSR be, could it be, a launching pad rather than a terminus? That's all I'm going to say.

Professor Julian Lindley-French: Having spoken to the Defence Secretary, it's come down to carrier or not to carrier; the carriers are becoming a metaphor for whether Britain is a military power or not and part of it reflects the input nature of the culture, rather than the output requirement that we have now. There has been no case nor counter-case properly made for those carriers within the framework of future strategy. It's all about

affordability. It's a mark of putting capability before strategy that the debate has been brought down to this level.

Professor Hew Strachan: The same point could be made about the Trident question: we have not discussed whether there is a value in extended the deterrence? Does extended deterrence support international security? Is there particular value in Britain having a deterrent in relation to its contribution to extended security? That's where the question, in my mind, should be; it's not where the debate is, but it's where the strategic question as opposed to the political question is.

Q51 Chair: Gentlemen, it's been a very intensive hour and a half. To my astonishment we seem to be about to finish on time unless there are any further questions from my colleagues or anything further that our witnesses wish to add?

Professor Peter Hennessy: Can I just add one last thought? Whatever you recommend, it would be an idea to come back to this question very briefly, admittedly, once a year because there is always a problem of things being lost sight of. I know the Government will reply to you because they have to and all the rest of it, but you will be so preoccupied by other things, with respect, this time next year, that this might all seem very distant. It might not, depending on circumstances. But if you did an annual audit of this strategic question, a short one, it would concentrate minds over the road here and it would be extremely helpful for those of us on the outside to get a cartography of what was actually happening or not. It wouldn't take you long because you're doing all the R&D now for this one, aren't you? That's just a respectful suggestion.

Professor Julian Lindley-French: My final comment would be, this is not just any other moment; the decision made under the SDSR will send a signal to allies and partners alike about the commitment of the United Kingdom as a major leading player or not over the next decade—it's a hugely important moment.

Chair: Professor Strachan?

Professor Hew Strachan: I think I've said my piece.

Chair: Thank you, gentlemen. It's been a rich and rewarding session for us and I hope you've enjoyed it too. Order, order.

Tuesday 14 September 2010

Members present

Mr Bernard Jenkin, in the Chair

Kevin Brennan
Charlie Elphicke
Paul Flynn

Robert Halfon
Greg Mulholland

Witnesses: **Rt Hon William Hague MP**, Foreign Secretary, and **David Frost**, Director of Strategy, Policy Planning and Analysis, Foreign and Commonwealth Office, gave evidence.

Q52 Chair: Foreign Secretary, welcome to this session of the Public Administration Committee.

William Hague: Thank you.

Chair: For the sake of good order and for the record, can you introduce yourself and your fellow witness?

William Hague: I am William Hague, the Foreign Secretary, and this is David Frost, former Head of the Strategy Unit and now the Head of our Central Policy Planning at the Foreign Office.

Chair: What this inquiry is about is strategy; national strategy, not a strategy. It is about how strategy is made, sustained and adapted and whether we have the capacity in government to do that process, which can both imagine and challenge decision making processes from a strategic point of view as things happen. Robert Halfon.

Q53 Robert Halfon: Good morning, Foreign Secretary.

William Hague: Morning.

Robert Halfon: How would you define strategy and how do you distinguish it from policies, plans and government programme?

William Hague: Well that is an enormous question, of course: what is strategy? It is probably worthy of many seminars in itself, but the way I think about it and in terms of the way we are going about our work is that we have to have a national strategy for extending our influence, for maintaining our presence in the world and for ensuring that we can look after the security and prosperity of the British people. That requires something more than just dealing with things on a day-to-day basis. That means that while we may deal in the Foreign Office from day to day with what is going on in Afghanistan, the Iranian nuclear programme and how to support the Middle East peace process—and all of these things one could argue we have a strategy towards—there should be something that is overarching and above and beyond that and that those things are consistent with. There should be some sense of what we are trying to achieve as a country over a longer period. So the way I think of strategy in the context in which you are looking at it as a committee is that strategy is the sort of thing I set out in my speech on a networked world at the beginning of July: extending British influence and connections in the world over a period of many years on a sustained basis, using our national assets and advantages in order to do so—so having a strong sense of what our assets are so that we can leverage those—and trying to pursue that—it may be over a

decade, it may be over two decades—to stop our influence diminishing in ways that it otherwise would, given the way the world is developing, with the rise of the emerging powers, the relative shrinking of European economies and so on. I know this is not answering your question with reference to our specific proposals and policies, and one could have a much more abstract discussion about this, but for me it is a sense of that wider strategy of the country, which other policies should then fit in, rather than just responding on a day-to-day basis. But I would stress this—and you may want to come on to this in your questions: it is very important that what we do day-to-day is connected with such a strategy. I think there is often too much of a distinction between strategy and tactics, because unless the people implementing day-to-day decisions have a strong sense of what their overall strategy is, it does not get operated in practice.

Q54 Robert Halfon: Would you make the distinction between a Grand Strategy and a National Security Strategy and do you agree that if there is that difference, a long term strategy needs to look forward 20 years plus?

William Hague: I think a National Security Strategy is an important component of it. I do not think a National Security Strategy is the entire strategy of the country, because there needs to be a strategy not only for maintaining our security, but for advancing our prosperity. These things are closely linked; it is only on strong economic foundations that it is possible to build an effective foreign or defence policy. But it cannot just be a defensive strategy. Was it not a Napoleonic maxim: “The side that stays within its fortifications is beaten”? I think one has to have a strong sense of how the country is going to extend its influence and reach out into the rest of the world, using whatever, to use the jargon, using soft power as well as hard power. So there is something more to the strategy of the country than the National Security Strategy.

Q55 Robert Halfon: Once you have devised that strategy, how does it withstand political pressures and a change of government?

William Hague: If it is good, of course, it will withstand a change of government not by seeking prior agreement across political parties but by being something that has been clearly demonstrated as something the country should pursue. I think that is really how consensus and cross party agreement

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works in this country. Of course, we are in a period now where it works in a different way between the two coalition parties, because since we are in government together, we have to formally agree things together. But I think if an approach to the future of the nation is shown and understood to be working, it will be something that is continued by other governments in the future.

Q56 Robert Halfon: You are described by an assortment of organisations and media as a “big beast” and it is suggested that that gives you more influence. How far does development of strategy in your case depend on the seniority or nature of “big beastness”, if you like, of the person involved?

William Hague: Right. Yes, this is going to get into an interesting discussion. Clearly for ministers to influence what is going on, they have to be able to operate politically in the Government, not just hold their departments. But I think this is about much more than the influence or role of one minister at a time. This is getting us on to another subject really, but my vision for the Foreign Office is that, yes, it will handle these things and make the right decisions about Iran, Afghanistan and so on now, but that it will also see itself as a central department of government, not just a small spending department, with the responsibility of doing the thinking, of having the creativity and of producing long term thinking, and that what we will ensure over the next few years is that it has the long term capability to do that. That means, for instance, that if I have to choose in spending reductions between reducing some programme expenditure now or capability to do the sort of things I am just describing in the future, I will stress preserving the capability for the long term future. So I think having strong central government departments that know it is their job to do the thinking, to be creative, and whose career structures are designed to encourage that is an essential part of the job we do as ministers now. That is what I am trying to bring about in the Foreign Office. So the future role of the Foreign Office does not depend on whether the holder of the office of Foreign Secretary is a big beast or a medium sized beast.

Q57 Robert Halfon: But following on from that question, how important is leadership in relation to making strategy and how is this provided by the Government currently?

William Hague: Sorry, how is leadership provided—

Robert Halfon: Yes, how important is leadership in actually devising the strategy and how is this provided by the Government currently?

William Hague: It is very important, because I think this can only come right from the top. I think this is an important point in any deliberations you have about how strategy units or departments should be formalised. If a good strategic sense about the country comes from the very top; from the Prime Minister and the senior ministers, then there will be a strong sense of strategy in the actions of the Government sustained over time. If there is not such a strategic sense; if government is conducted in a way

that is short term or day-to-day or about media management or immediate tactics, no amount of having strategy units and rooms full of strategic thinking will save us from the consequences. I think I probably would be getting into too much of a partisan discussion in this committee to get into it too much, but we can all think of Prime Ministers over history who have had a natural sense of strategy and others who have not. That is the single most important consideration here, because I feel in the current Government that from the senior members of both the parties involved, there is a strong sense of the need for strategic thinking. Much of that takes place in the National Security Council, but it takes place in the other forums in which government makes decisions. Without that, it is not possible to devise structures that guarantee strategic thinking.

Q58 Robert Halfon: Thank you for that. Finally, Mr Chairman, in Peter Hennessy’s book *The Secret State*, he argues for a national security Secretary of State and that that person should be someone who is incredibly close to the Prime Minister, has no other political ambitions and is seen as a great confidant of the Prime Minister. Do you agree with that and do you think such a post would be worth exploring?

William Hague: No. We have created a new position of National Security Adviser and I believe Sir Peter Ricketts is speaking to your committee, Mr Chairman, later on today. He is doing a great job at it. He is an official, as you know; a former permanent secretary of the Foreign and Commonwealth Office. I think that is the right level of that appointment; a very, very senior appointment in the Civil Service. But I think the creation of a minister in that role, in particular of a senior minister in that role, would conflict with the way we have envisaged the National Security Council working. Our objective in creating the National Security Council has been explicitly not to create a new department. Of course you can see sometimes in the way other governments elsewhere in the world have operated that it is possible to create a great rivalry between a centre of advice on national security and the people in the other departments. Dr Henry Kissinger was here with us yesterday and he was able to recount in the 1960s and 1970s how that worked in the United States. Our objective in creating a National Security Council is to ensure that the existing departments work well together. Not that there is a rival source of advice to the Prime Minister, but that that advice is drawn together in a way that ministers can think about together and own together. But the principal adviser to the Prime Minister on foreign affairs should be the Foreign Secretary; the principal adviser on international development should be the Development Secretary. With the National Security Council, as in so many other ways, we are trying to make Cabinet government work and not create a lot of cross-cutting lines and overlapping responsibilities that create confusion and rivalry in government. So I do not think a Secretary of State for national security would be a good idea. Sorry, Mr Chairman.

Q59 Chair: Foreign Secretary, we are going to have to go a bit faster, but I think it was very necessary to have a discursive opening 10 minutes. Just to clarify, in effect you are saying the Foreign Secretary is the Secretary of State for national strategy.

William Hague: No. I think there is a strong role for the Foreign and Commonwealth Office in leading that wider strategy. It would not be doing its job if it did not provide it. In our national security discussions so far, it is the FCO that provides the papers—the input—to lead such discussions. But really it is all the ministers together who are dealing with our national security.

Q60 Chair: So you are saying that the capacity—the thinking and exploratory capacity—in order to support the leadership of national strategy is based in your department?

William Hague: I am saying a very large measure of it—the Foreign and Commonwealth Office has to be capable of producing that thinking. That does not mean you want other people elsewhere in government also capable of such things, because you do want an internal debate about these things, but the Foreign and Commonwealth Office should be equipped with the skills, the experience and the personnel to be able to intellectually lead such a process and to do so over decades.

Chair: We will move on. Greg Mulholland.

Q61 Greg Mulholland: Thank you, Chair. Morning William, morning David. Following on from Robert's question mentioning Peter Hennessy, we had a very lively session last week with Peter Hennessy and during that session he suggested that use of the word "vision" was very problematic in terms of taking away from a strategy, which is obviously what we are trying to focus on. On his remit, I therefore pay tribute to you; you did not mention the word "vision" once in your speech on 1 July. Unfortunately, however, one of your staff in the introduction said, "The Foreign Secretary, William Hague, gave the following speech outlining the Government's vision for UK foreign policy". So perhaps a little word with some of the FCO staff there.

William Hague: I haven't quite got control of all the staff.

Greg Mulholland: But that speech obviously laid out the Government's new approach and I was very pleased to hear you say, "My coalition colleagues and I are utterly determined to supply" the leadership—and you used this rather wonderfully poetic phrase that the last Government had "neglected to lift its eyes to the wider strategic needs of the country". How are you going to actually do that? How are you going to provide that leadership that you said was lacking from the last Government?

William Hague: I think we are providing the leadership, because we are looking at those things. It is very clear from all of the senior members of the Government that we have to consider these problems together and in the round; that the senior members of the Government have to be able to sit in a room together and say, "What is the position of the

United Kingdom in the world? How are we going to improve that position over time? Given the long term trends, how are we going to mitigate those that are damaging to us and enhance those that are positive for us?" I think it may have been a while since the senior members of a government sat together and considered those questions. Perhaps it becomes harder and harder as a government goes on to do so. Obviously, the most opportune time to do that is at the beginning of a government. So I think we are doing that and a lot of the thinking that we have done is set out in that speech that you are referring to that I gave on 1 July, which is saying that we need a major national effort to engage more closely with the emerging economies; the emerging powers. It seems an obvious thing to say, but we had not actually embarked on that as a nation systematically until now. Then we are carrying that out in practice. The visit of the Prime Minister to India in July, along with many members of the Cabinet and huge numbers of businesspeople, cultural and sporting leaders and so on, was a very visible manifestation of that enhanced engagement with emerging powers and economies. So we will all lead from the front in actually delivering that around the world.

Q62 Greg Mulholland: Certainly the Government have shown that desire to get around lots of visits. I didn't do quite as well myself; my summer holiday was actually in your constituency, which is an hour from my house.

William Hague: And a splendid place to spend it.

Greg Mulholland: But as wonderful place as any to go in the world, I'm sure you'll agree. The Conservative manifesto—a document I am obviously very familiar with now—notes that foreign and defence issues cannot be separated from domestic threats, which I think is very much in line with the discussions we are having. Then it says, "The response must cut across energy, education, community cohesion, health, technology, international development and the environment too". Again, bringing you back to the question that Robert asked, do you not think therefore there is a danger that the focus on national security through the Council and also the strategies is too limited? I think what we are concerned about is: is that not failing to acknowledge the difference between national security and national interest, which is actually what a national strategy—a Grand Strategy—should be about?

William Hague: There would be a danger of it being too narrow if we did not do any other work. I think this slightly comes back to my answer to Mr Halfon's question, because if the purpose of thinking about national security in the round was only defensive, well yes, then it would not necessarily be advancing our national interest in many other ways. Of course, what we have to guard against in working out our National Security Strategy is putting everything into it, because then you cannot focus on security and defence. There has to be, in parallel and consistent with a National Security

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Strategy, a strategy for advancing the influence of the country in the world. That is a lot of what my speech on that occasion—

Q63 Chair: But isn't the central ingredient of strategy about prioritising? How do you prioritise, particularly on these very complex areas, unless you have an enormous amount of thinking capacity and exploratory capacity? You say you have that in your department.

William Hague: It is about prioritising and of course in the security and defence review, we will have to prioritise. That is what we are engaged in now in the consideration that ministers are giving to the Strategic Defence and Security Review. Yes, we have to do so in the Foreign Office; clearly, if we put huge additional effort into relations with one country, we cannot necessarily then do so with another additional country at the same time, although I think it is possible to inject a lot more energy into diplomatic efforts and a lot more cohesion in government that makes a huge impact without additional resources. Yes, you have to have a clear sense of priority, but really I am agreeing with Mr Mulholland that you do have to have not just a National Security Strategy but a strong sense in government of what strategy we are pursuing to elevate the influence of the country in the world, of which the National Security Strategy is part. We are considering how to develop the work of the National Security Council so that we are also able to use it to manage and lead all our work with emerging powers across the board. In that regard, it is very important for me to explain that what I want to see is not only the Foreign Office able to give the leading role that I have described and be a central department of government, but foreign affairs run through the veins of all the domestic departments of government. So now we have to work out how to use the national security machinery to do that effectively so that these enhanced relationships with, for instance, a country like India are not just a diplomatic relationship, but it is also cultural, educational, economic and is pursued by government departments across the board. It is when we do that successfully together that we are implementing a wider national strategy of the sort that I think you are talking about here in your committee.

Q64 Greg Mulholland: Just very briefly; I know time is limited and perhaps this is one that might get a fuller answer at a future session, but one particular phrase stands out in your speech and that is that you said there will be a "fundamental reappraisal of Britain's place in the world" as part of this new strategic approach. But is that not what every government says and is the problem not actually that people are so clinging on to what Britain was and has been in the past that actually we are not really prepared to accept what this country is today and that becomes a problem in terms of making that strategy?

William Hague: It may be something that other governments have said, but whether they have all done it I would question. I think you can see in the way I am describing the approach we are taking and in the speech that I gave there it is quite fundamental; we are saying the world is changing in some dramatic ways, that on some forecasts the whole of Europe may be down to 10% of world economic output by the year 2050 and that means we have to look out at the world in a different way. It means it is urgent to extend those relationships with other parts of the world and that means enhancing bilateral relationships as well as our work with multilateral organisations, because as I put it in my speech, the world has become more multilateral but, rather paradoxically, it has become more bilateral as well. So I think we are doing some quite important and fundamental thinking about that in a way that perhaps not every government has done.

Chair: Thank you. Moving on, Kevin Brennan.

Q65 Kevin Brennan: I will come to Mr Frost in a minute.

William Hague: Please do. It's time he answered a question.

Kevin Brennan: He looks a bit lonely up there. We have known each other for 30 years, since we were trying to strangle the SDP at birth together.

William Hague: I was hoping you weren't going to mention that.

Kevin Brennan: Obviously that shows how times can change and priorities can change over 30 years, the way things have turned out. Who is in charge in the Foreign Office of looking 30 years hence at what Britain's role in the world will be and what our world situation will be then?

William Hague: I am. This goes back to the point I was making earlier about the role of a Prime Minister in setting a national strategy. The person at the top of the organisation has to be doing the essential thinking about the long term, otherwise it is not possible to implement a strategy. People who have been great strategists had to do it themselves: Napoleon did not have a strategy unit. He worked it out; he made his strategy—

Q66 Kevin Brennan: Was he ultimately a great strategist?

William Hague: He came a cropper in the end. But you see what I mean; it has to be present in the upper reaches of the organisation.

Q67 Kevin Brennan: But who gives you the input into that?

William Hague: Of course, anybody in charge of anything has to help out with that. You need people who help you with that. You need other ministers—

Q68 Kevin Brennan: So how many people have you got in the Foreign Office helping you with that and then across departments?

William Hague: Well hopefully all of them. Again, I think this is an essential point. The Foreign Office in the last Government—you can ask David to talk more about our current arrangements—had a

strategy unit. However, I would not say—and I don't want to get into too much criticism of the last Government—that that ended up with the Foreign Office having a strong sense of strategy in the sense that we have just been talking about, because unless it comes from the top of the organisation, it does not work.

Q69 Kevin Brennan: Perhaps Mr Frost could tell us what has changed, then, under the new arrangements?

William Hague: Please go ahead.

Mr David Frost: Thank you, Mr Brennan. The difficulty that we identified with a situation where you had a large strategy function—and it was pretty large—separate from the policy parts of the FCO was that you institutionalised competition on particular issues; every time one bit of the bureaucracy picked up another issue, it was potentially the responsibility of others around the system as well. But instead of enshrining good internal debate, it actually enshrined some turf wars and competition to some extent. So the philosophy that we have introduced with the changes now is to do only at the centre what needs to be done at the centre and that, for example, the director who is responsible for the Middle East is also responsible for strategy on the Middle East. From time to time, that will involve looking 30 years ahead; from time to time it will not, but the responsibility is in one place.

Q70 Kevin Brennan: Given that our inquiry is about Grand Strategy, how is that done and how does that differ from the previous administration?

Mr David Frost: It is really what the Foreign Secretary has just been explaining, that it is the deliberations in the National Security Council and the clear decisions that come from it, flowing through the capillaries out through departments—via units like mine, very often, but not just that—that generates the overall strategy.

Q71 Kevin Brennan: Can you just explain what your unit does and what it is all about?

Paul Flynn: What does that mean?

Chair: I'm mystified, I have to say.

Paul Flynn: Absolutely. Could you translate your last answer into English?

Mr David Frost: My unit does, if you like, the central staff functions in the Foreign Office. It is not responsible for a particular geographical area; it is responsible for our collective relationship with the National Security Council, making sure our input as an organisation into that works well. Devising and monitoring the internal business planning process that enables—

Q72 Kevin Brennan: Does that mean you provide the staff and the papers for the National Security Council?

Mr David Frost: We are involved in preparing them, but for example if the National Security Council is taking a paper on Russia, that will be prepared by the Russia directorate because they have the responsibility for that area of policy.

Q73 Chair: Kevin, can I just interrupt? How many people do you have in your department?

Mr David Frost: I have 15 or so.

Chair: 15?

Mr David Frost: Yes.

Q74 Chair: So when the Foreign Secretary breezes past and says, "Look, what work have you done about the consequences of us opening negotiations with Hamas?" you've done the work?

William Hague: That wouldn't be the job, as David has explained, because that is something which the Middle East and North Africa Directorate should do.

Q75 Chair: So they would have some papers prepared on all the different scenarios of what you might ask for?

William Hague: Well if they didn't, I am sure they would prepare them very quickly if the Foreign Secretary asked for them. This is an important point in what I am arguing, that the separation of policy from strategic thinking is a dangerous thing to do because all you create in the end is a turf war and overlapping responsibilities.

Q76 Chair: Is there no difference between policy and strategy?

William Hague: There can be a difference. I am arguing that the two are so closely related that they have to be carried out by the same people. That does not mean that you do not need other free ranging, free thinking ideas. Clearly, governments need to be able to draw on the ideas of a wide range of experienced people; of people who are in NGOs, people who are in other governments, people who have served in diplomacy or military affairs in the past and of think tanks like the International Institute of Strategic Studies or Chatham House. There is a vast community of advice and thinking which it is very important that governments tap into. I am not arguing for a moment that one would want to do without any of that. But the thinking about what the strategy of the nation should be, or the foreign policy strategy in a particular situation in the Middle East, has got to be something that the officials themselves are working on in detail, because if they are not fit to do that, then they should not be in charge of such a department.

Chair: Kevin, last question.

Q77 Kevin Brennan: Can we just come back, Mr Frost, just to be clear? You have a unit of about 15 people and it helps to oil the wheels to enable the National Security Council to work and it garners and gathers together the papers for that. Does it provide the secretariat support to the National Security Council or is that done separately?

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Mr David Frost: There is a Cabinet Office Secretariat for the Council proper; we're the Secretariat for the FCO.

Q78 Kevin Brennan: In a nutshell and in plain English as one of our colleagues said, if you were summing up what your unit's role is, what would you say? In words of plain English intelligible to a person on the Cardiff Omnibus.

Mr David Frost: It is to help monitor the performance of the Foreign Office against its declared priorities. It is to make sure that we make the National Security Council work as well as we possibly can and support the Foreign Secretary in doing so and that where necessary, we pick up some of the cross-cutting issues, new issues and forward looking issues that do not naturally immediately fall somewhere else in the Office.

Kevin Brennan: That's quite a large nutshell.

Q79 Chair: So it is a monitoring role; it is not what we would call strategy.

William Hague: It is not the strategy unit. Let me make the point again: I believe it is a mistake to have a separate strategy unit.

Q80 Chair: Yes, but Foreign Secretary, the ingredients of a strategy are extremely large and complex. Who is doing all this horizon scanning and free thinking and who is challenging you with alternative scenarios?

William Hague: Right. It is very important that thinking is infused throughout the entire organisation; that it is able to come throughout the organisation. So for instance, I have told our ambassadors that I will read every e-gram they send, that if they want to send differing advice or differing opinion from what may emerge from Foreign Office or other governmental structures, they can do so and the Secretary of State will read it; they can be sure of that. So you can get the advice and thinking of people on the ground. They are encouraged to do so in a long term sense; not just what is going on this particular—

Q81 Chair: So you would expect the ambassador in Washington to be a contributor to UK national strategy?

William Hague: Absolutely, yes.

Q82 Chair: Even though he has his own priorities and objectives and preoccupations and we know that he is extremely busy and probably hardly has the time of day to do that long term horizon scanning and thinking? We know what high pressure these jobs are and indeed being a Secretary of State.

William Hague: Yes, and usually the most important experience, reflections and wisdom come from very busy people, because they are the people who have been through enough situations. So someone who is our ambassador in Washington, to take that example, will be someone who has served in many different positions in the Foreign Office, in several different countries, who has more to offer the Government than being our representative in

Washington, a vital role though that is. So yes, it is essential the whole organisation feels able to do that and is open to the thinking of people in other countries and outside government. That being open to that and the whole organisation being open to that is much more important than having a small number of people sitting in a room on their own, thinking they are doing strategy, where unless they are intimately connected with the thinking of the ministers, the Prime Minister and the National Security Council, they would not be able to deliver the benefit of such strategic thinking.

Q83 Kevin Brennan: So strategy is better done on the hoof?

William Hague: No, it is better done all the time.

Q84 Chair: But you expect the GOC in Basra or the Brigade Commander in Helmand or the spy in Moscow to produce strategy rather than the Chiefs of Staff in London or the Joint Intelligence Committee and Joint Assessment Staffs in the Cabinet Office?

William Hague: No, that is the absolute opposite to what I am saying. I am saying, as I have argued before, that the strategy of the country comes from the Prime Minister, the National Security Council and the Foreign Secretary; they have to be the people who think together about this and use every possible source of advice about it, including the advice and the varied opinions of the people who work in their departments. So no, we are not leaving it to the spy in a particular location or the soldier in a particular location.

Q85 Chair: Kevin, can we move on?

Kevin Brennan: Yes, finally, there was an article in the *Spectator* in May saying that the Foreign Office had yet to discover how to use its new found power and that instead had taken to just bullying other Whitehall colleagues—the *Spectator* is saying this, not me, Foreign Secretary—and had not sought sufficient input from other departments to brief the Prime Minister on India, for example. Is that a criticism that you accept in any way: small, large or medium?

William Hague: No. I think it is very important coming into a department not to be uncritical of it, but it is also important not to be unfair to it. As I said to the Foreign Affairs Committee last week, I think there has been too much institutional timidity developed in the Foreign Office over decades of the Foreign Office not playing its full role in foreign policy decisions in various governments. Now, the Prime Minister, the Deputy Prime Minister and I are all determined that it is going to do so in the future; we're putting that right. It is very important that is not replaced by an institutional arrogance, but I am not aware of it being; I think we have a particularly good culture now—or we are certainly developing one—of cooperation with other departments. I think, for instance, relations between the FCO and DfID have been transformed in recent months compared to any that we have seen since DfID was created.

Q86 Chair: How good do you think the Civil Service is at strategic thinking in its usual line management roles?

William Hague: Not good enough, but as you can gather from my argument, not necessarily assisted by creating separate strategies.

Q87 Chair: So how should it be inculcated and how should strategic thinking be assessed and measured for its quality?

William Hague: In various ways. First of all, again, the signals that this matter have to come from the very top of government. The way in which ministers conduct themselves and the way in which they do their work are, in my experience, the most important management tools for civil servants, because civil servants will naturally try to fulfil the expectations and demands of their ministers. I do not subscribe to the “Yes Minister” view of the Civil Service; I think on the whole the Civil Service tries to follow a lead. But of course it can also be built in in terms of training and I think more needs to be done on that in the future. The necessary skills of creativity and strategic thinking need to be comprised highly in the ways that officials are promoted over time and should be an important part of the personnel structure.

Q88 Chair: But this is not reality, is it? If an ambassador keeps disagreeing with the Foreign Secretary, he’s not going to get promoted, is he?

William Hague: It depends if he has good reasons for doing so.

Q89 Chair: Where is the challenge function in this strategic process if you are expecting it all to come from the chain of command?

William Hague: Yes, I think that is a very good point. First of all, it is very important to have an atmosphere of diverse discussion—of a readiness to listen to other points of view—within any large organisation. I think that is true in a company; it is true in a government. I have to say in support of our Prime Minister and indeed Deputy Prime Minister that they create at the top very much that atmosphere that a vigorous discussion is welcome. That is the same atmosphere I try to create in the Foreign Office. External challenges are also very important, which I think is your point, Mr Chairman. Would it be worthwhile to create an internal structure which provides that challenge? I think that is worthy of debate. I think it is separate from and would be additional to the structures that we have talked about.

Q90 Chair: A kind of joint strategic assessment staff somewhere that invites all these challenging scenarios?

William Hague: It is worthy of debate is all I would say for the moment.

Chair: I think I welcome that very much.

William Hague: But do not underestimate the importance of using all those challenging thinkers who are there, as it were, for free, who you do not have to pay for in government and set up in a special

unit. Last week, you could see the International Institute for Strategic Studies publish a paper on Afghanistan that disagrees quite strongly with the Government and NATO’s approach. We may disagree with that—of course we do—but that is a valuable intellectual challenge to the Government’s strategic thinking.

Q91 Chair: The Institute for Government has said that there is, and I quote, “An embryonic community of strategists throughout Whitehall, but they are hampered by an absence of joint training, cultural differences in different departments and a lack of interchange with outside bodies”. Would you accept that?

William Hague: I think that has been true, yes. I hope we are now beginning to address that.

Q92 Chair: How are you addressing it?

William Hague: By creating the National Security Council and by leading the thinking about the long term national future in government. Because again, and I think this is a crucial point, if you set up something like the National Security Council and really use it as the centre of decision making, then Whitehall responds to that.

Q93 Chair: So you would agree with the Chief of the Defence Staff, who said in a recent letter to RUSI that, “We have lost the institutionalised capacity and culture for strategic thought to apply in Whitehall as a whole and not just in the military”? I’m paraphrasing.

William Hague: I think that may be stressing the institutional loss too strongly, because as you can see from my remarks, I stress particularly the importance of political leaders being prepared to do that thinking and entire organisations being prepared to join in that thinking. So I would partly agree with that.

Q94 Chair: Well we have him on Thursday, but I would suspect his concern is that you do not lack political leadership, but the counterpoint to political leadership is capacity for the detail and the prioritising and the understanding of the constraints and limitations, otherwise visions tend to take charge and governments charge off in very laudable directions but without necessarily the capacity to deliver what they started.

William Hague: Yes, and my argument would be that unless the whole senior ranks of your organisation are suffused with such thinking; unless it is the atmosphere of the entire organisation to consider those priorities, capabilities, constraints and risks, no amount of having a strategy unit sitting in the corner will save you from making some terrible mistakes.

Q95 Chair: Would it be worth the Foreign Office spending a very little money on university chairs in order to promote more diverse strategic thinking outside Whitehall as well as inside Whitehall? There used to be quite a collection of defence and security chairs, for example, promoted by the Ministry of

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Defence, but they have all fallen into disuse. Indeed, even Chatham House gets very little money for this kind of thinking from the Foreign Office these days.

William Hague: Well we do support Wilton Park, which does some very good work, and we will look at any ideas your committee produces, Mr Chairman, but in the environment of closing our £155 billion budget deficit—

Chair: No, moving on; we are not doing that here. Charlie Elphicke.

Q96 Charlie Elphicke: Thank you, Mr Chairman. First I would like to ask you for your reaction to some evidence we heard last week that we are in a strategic muddle as a country. On the one hand, our foreign and military policies are slaved to the United States and on the other hand, our economic policy and many of our laws are slaved to the European Union. As a nation, strategically, do you think we would do better to have a more independent minded approach and be more shipmasters in the ships of our own national destiny?

William Hague: Well we should have an independently minded approach, but an independent mind does not take long to reach the conclusion that our alliance with the United States is of extreme importance to us and that our membership of the European Union is desirable for the country. So yes, those things—the relationship with the United States and the European Union—are, if you like, givens in our approach to the world. But it is important to do independent thinking and action beyond that. That is why I have set out so far—and I will give a further speech about other aspects of this tomorrow—a distinctive British foreign policy, which is not the same as US foreign policy and is not the same as the common foreign policy positions of the European Union. It does not conflict necessarily with either of those things, but it is a distinctive British approach of building up our commercial and cultural and other influences in the world. So I think that is an independently pursued foreign policy.

Q97 Charlie Elphicke: We hear a lot about National Security Strategy. Do you think it would be better phrased if it was ‘national security and strategy’, rather than ‘national security strategy’?

William Hague: It depends whether it is a strategy. I have seen national security strategies in the past that are really a national security list of things that we are going to do; not a strategy, but a checklist of items. We have to do better than that, particularly given all the challenges we face in the world. Let’s call it a strategy if it is a strategy. We are talking about strategy in every second breath in this discussion, but it is one of the most overused words; I think it ranks even beyond ‘vision’ as an overused word. But if we actually have a true strategy for securing our security in this country linked to our policies to advance our prosperity, well, then let’s call it a strategy.

Q98 Charlie Elphicke: The Committee has expressed some doubt that purring mandarins in the Foreign Office would necessarily use the First Secretary of State’s suggestion box to advocate a widely different policy. Parliament’s Joint Committee on the National Security Strategy has yet to be nominated. Is that enough to ensure that you are challenged and government is challenged on it, or should we go down the route where we have, like in America, a think tank like RAND to do that kind of thing?

William Hague: Well it falls back into what I was saying to the Chairman that such things are worthy of debate. There was the joint committee set up by the previous Government, but I don’t think it met very often.

Chair: It never sat.

William Hague: Did it never sit at all? I thought it would have at least met once or twice. So clearly it was not really taken up by Parliament as a useful mechanism, but then nor was the National Security Committee of the Cabinet of the last Government anything like the National Security Council that we have created. How such things are scrutinised? I am sure there is room for further discussion about how such things are scrutinised. All I would caution against is creating a profusion of committees. Since the whole purpose of the NSC, as I have described, is to make sure that the existing departments work well together, in terms of parliamentary accountability, those committees that monitor each of the departments involved in the NSC must have an important role in monitoring its work.

Q99 Charlie Elphicke: In that case, could I ask whether you would be willing to—and indeed whether you would—publish an annual review of national strategy and perhaps make a report to Parliament every year?

William Hague: We will consider any suggestions put forward by the Committee, which may include those suggestions.

Chair: Perhaps the joint committee should in fact be the joint committee on national strategy, rather than just security strategy.

William Hague: The ideas are flowing all the time.

Chair: Paul Flynn.

Q100 Paul Flynn: This is Blairism mark two delivered in a Churchillian accent. I can find absolutely no difference between what you are saying and what Tony Blair said. Tony Blair talked about joined up thinking, you talk about connected; Tony Blair talked about walking tall in the world and you want to extend powers. Walking tall in the world and not having an independent foreign policy has cost us 513 lives in following America. Would you say that part of the strategy should be that we do introduce the kind of independent policy that we had in 1940—which came as news to your Prime Minister—and we had under Harold Wilson, or if there is a future war in Afghanistan, would we automatically follow America into it?

William Hague: Well, we will make our own decisions, but that is a question about a specific situation rather than our strategy.

Q101 Paul Flynn: If I make it clearer, are we still what your Prime Minister said: the junior partner to the United States, which entails us making a higher contribution in blood and treasure to international conflicts?

William Hague: We are the junior partner, although if you looked at the forces in Afghanistan even relative to the size of countries, the United States would make a proportionally larger contribution.

Paul Flynn: But there is four times the chance of dying if you are a British soldier than if you are an American soldier; it is a far greater contribution.

William Hague: British soldiers have made an immense contribution, as we know, in that and every other sense. But I do want to come back to the premise of your question, because Mr Flynn has argued, Mr Chairman, that there is no difference between this and Tony Blair's approach. It is the opposite pole from Tony Blair's approach. I don't want to be too rude about him because I work with him very happily now on Middle East issues, but Tony Blair became known for the sofa style of decision making in Downing Street. The Foreign and Commonwealth Office did not play the role that it should have played in decisions that led up to the war in Iraq. The Department for International Development did not plan, as we have been hearing at the Chilcot Inquiry. The approach of having a National Security Council and ministers thinking together about national security and wider strategic issues is I think a very long way away from how the Blair or Brown Governments were conducted. Hopefully that means that mistakes are avoided in the future.

Q102 Paul Flynn: Aren't you repeating the most frequently made mistake in politics, which is following this myth that when you get a crisis, you decide you will have a dozen sofas, in your case; that you will have a big committee, you will have a policy and you will throw adjectives at it? It could be "strategic", "holistic", "joined up", "multilayered" or "multifaceted", but the problem is that when you join one bad idea up with a second bad idea and a third bad idea, you don't get a good idea; you get a bigger bad idea. What we are seeing now is a more bureaucratic system than we had before, but when they come up with this great policy, taking all those strands in, a decision will be taken by the big beasts and it tends, who has the biggest teeth, he will be the one who gets the bone in the end. It will be a political dogfight in the end, regardless of this wonderfully sophisticated strategic council that has been set up. Isn't that the truth of it?

William Hague: Well, I'll take a bit of time on this one because I disagree with every single sentence of Mr Flynn's question. Clearly, decisions about huge questions on peace and war should be taken by the democratically accountable politicians.

Paul Flynn: Parliament.

William Hague: The big beasts. Accountable to Parliament, and indeed I think both you and I have been on the side of saying that Parliament should have the right to approve or not approve such things.

Paul Flynn: Indeed. Absolutely.

William Hague: So we can at least agree on that. But they should not be taken by only one big beast, as may have happened sometimes in the previous Government. This is not creating a more bureaucratic system. I think I can confidently say that at the end of the Comprehensive Spending Review, the Cabinet Office will have fewer officials and the Foreign and Commonwealth Office will have fewer officials at the senior levels than at the time when the decisions you are so critical of were made. So this is not a more bureaucratic system. Could it lead to everybody being wrong together around the National Security Council table? Well I suppose in theory it could, but the chances of being wrong are much smaller if you have the expertise of many different diplomats, of aid experts, of soldiers, of the intelligence agencies all available for ministers to consider together. Remember, this is a key advantage of the structure we have now created; that not just the Prime Minister but other senior ministers have access to the full range of that advice and the Government collectively can think about immense decisions together.

Q103 Paul Flynn: Mr Frost, you will recall the report in 2004 that the Strategy Unit made—a splendid report, in my view—which contradicted the policy of the day of the Government. The Government had a policy on drugs that said they were going to reduce drug related crime by 25% in 2005 and by 50% in 2008. That report, by the blue sky thinker, which was the jargon of the day, was that this was impossible, counterproductive, bound to fail and highly critical of government policy, so the Government refused to publish the report. It was later leaked and other countries have taken up the recommendations in that report at the time. Doesn't this prove that however good the strategy is and however high quality the people are contributing to it, the final decision will be taken at the power face by the Prime Minister of the day, based on prejudices, pressures on him and so on, and that there really is ultimately little value to be gained from high quality strategic thinking? Hasn't that been your life's experience?

Mr David Frost: I am not familiar with the particular case you mentioned, which I think was the then Prime Minister's Strategy Unit, rather than the Foreign Office one, and it worked in a slightly different way.

Paul Flynn: It was, yes.

Mr David Frost: I think it comes back to the point that we were discussing earlier about challenge and as the Foreign Secretary has said, it is important to have a culture internally where people can express different views and where having that sort of debate produces the best possible outcome. But at some point obviously somebody has to take a decision and the organisation has to swing behind it.

Q104 Chair: Mr Flynn, can I just interject? How often has your department produced a paper and sent it into the Cabinet Office that conflicts with government policy?

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Mr David Frost: Well that is not the role of my department as it is currently structured.

Q105 Chair: Then you don't do strategy, really, do you? You just do agreement.

William Hague: Well Mr Chairman, let me go back to the earlier discussion. In something like the National Security Council, the Foreign and Commonwealth Office is taking a lead in shaping the Government's policy. We are all discussing that together. If we want to send in a paper that conflicts with some previous assumption, of course we do so.

Q106 Chair: Okay, so how many papers have you received from your strategy unit which disagree with your policy?

William Hague: We don't have a strategy unit, for the reasons that I have described. But there is no penalty in the Foreign Office for sending a paper or an e-gram to the Foreign Secretary that says, "I think we have got all this wrong".

Q107 Chair: I accept that. It is probably easier in the early days of a government than later on. Mr Flynn?

Paul Flynn: How coherent can the strategic defence review be when it is being conducted in parallel with the spending review and the development of the National Security Strategy? If it was going to make sense, shouldn't it be done sequentially?

William Hague: Well no, when you think about it, it has to be done in parallel, because to decide on the shape of our security and defences separately from any idea of the money available or separately from any idea of national strategy would be a mistake. These things have to be integrated together, otherwise they would all have to be changed afterwards. So it is absolutely right to do them in parallel.

Q108 Paul Flynn: This pure utopia—this is just utopia, isn't it? But if we take your dilemma at the moment, what would be on your desk about how Britain exits from Afghanistan? What are the considerations? What advice would you expect? How you can spin the exit as a victory for politicians? How you can secure the stability for people in Afghanistan? What are the considerations that you would have in devising an exit?

William Hague: Afghanistan is a good example. On an issue like Afghanistan, which has been of course our single biggest preoccupation in the National Security Council, we have taken a lot of time to think together and to read what people say who are not on the National Security Council. In fact, we invited to our meeting at Chequers at the end of May people from outside to speak to the National Security Council because they had a different view; because they favoured either an exit or withdrawal or a different strategy. So we actually did encourage entirely different viewpoints to be put to the National Security Council.

Q109 Paul Flynn: Would you regard the sharing of aircraft carriers or air tankers with the French as a strategic decision or just a cost cutting one?

William Hague: Any decision on defence cooperation with France—and you will have to wait for the outcome of the review for any decisions about that—of course is a strategic one.

Chair: Mr Halfon?

Q110 Robert Halfon: Thank you, Mr Chairman. At the beginning, you made clear that there was a distinction between a general strategy and the National Security Council strategy. But in your answers, when you were asked about how the Government is devising strategy, you immediately quoted the National Security Council and have been using that example all the way through. Is it not the case, therefore, from what you are saying, that actually the real strategy is being decided by the National Security Council and that there is not a Grand Strategy being decided anywhere else other than your messages from ambassadors or people on the job and so on and so forth?

William Hague: The National Security Council of course decides, following a preceding discussion in the Cabinet, the national security and defence strategy. I referred earlier to how we are looking at how to develop the National Security Council so that its work also assists in the wider implementation of foreign policy that I have talked about; of making foreign policy run through the veins of all government departments. So that is something that needs adding to it, but remember, there is a national strategy right on top of all of this, which the Prime Minister and the Cabinet discuss together and pursue together, central to which is the deficit reduction without which we will not have a credible national position in the world on very much at all. So I return to the point that strategy works if it comes from the very top of the organisation and if it does not come from the very top, it will not work.

Chair: Mr Elphicke, very briefly.

Q111 Charlie Elphicke: How would you succinctly sum up the UK's current national strategy over the next five to 10 year horizon?

William Hague: There is little need for me to do so, since it is perfectly set out in my speech of 1 July on Britain and the networked world, subject to what we say in the national security and defence review. But it is really that: to embark on systematically extending our influence and our relationships with countries of the world with whom we have sometimes neglected the relationships so that we are in a stronger position to advance our prosperity and protect our security.

Q112 Chair: Foreign Secretary, this has been a very rich and interesting session for us. If I can just end with one or two brief questions of my own. You very kindly brought Mr Frost with you, who is described as the Director for Strategy, Policy Planning and Analysis. Are you now planning to change his job title to remove the word "strategy", seeing as that is not what he does? You tell us.

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William Hague: He is no longer the head of the strategy unit, since we have stopped having it, but I will look at the job titles to make sure they are commensurate with that.

Q113 Chair: Finally, I personally would agree that you are right about what should be the case in terms of leadership of strategy; that national security is not the same as national interest and therefore Grand Strategy or national strategy has to reflect wider concerns. You also acknowledge that the Civil Service has not been good enough at providing that strategic challenge, that strategic thinking and all the iterative possibilities, limitations and options. What can you do specifically to improve the Civil Service in order that ministers are able to exercise that leadership intelligently and in a well informed way in the way that you obviously do not feel has been the case hitherto?

William Hague: Let me stress that I do not blame civil servants in this respect.

Chair: No, I am not in the blame game either.

William Hague: Well I am; I blame ministers. Well, I sometimes am. Again, I think I made this point earlier. Civil servants will respond to what you expect them to do and what you lead them to do. If they have not done enough strategic thinking, it is because they have not been tasked to do so or expected to do so or organised to do so in the right way. So the most important thing to change that is for ministers to show that that is what they expect and value and will particularly prize in how the Civil Service works for them. The second thing is to make sure that civil servants feel they have the freedom, using and building on all of their experiences, to express their views about such things. The third thing is to build it into the skills of an organisation over the long term in the way in which people are trained and what they know will feature highly in the evaluation of their performance. I think all of those things need doing.

Chair: Foreign Secretary, Mr Frost, thank you very, very much indeed. We are very grateful to you.

William Hague: It's a pleasure. Thank you.

Witnesses: **Sir Peter Ricketts KCMG**, National Security Adviser, **Tom McKane**, Director General of Strategy, Ministry of Defence, and **Robert Hannigan**, Director General, Defence and Intelligence, Foreign and Commonwealth Office, gave evidence.

Q114 Chair: If I can welcome you on behalf of the Public Administration Select Committee and if I could ask you to each introduce yourselves for the sake of the record.

Sir Peter Ricketts: Thank you very much, Mr Chairman. I am Peter Ricketts, the National Security Adviser.

Mr Tom McKane: I am Tom McKane, Director General for Strategy in the Ministry of Defence.

Mr Robert Hannigan: I am Robert Hannigan, Director General for Defence and Intelligence in the Foreign Office.

Chair: Mr Halfon.

Q115 Robert Halfon: Good afternoon. What is the role of the National Security Adviser?

Sir Peter Ricketts: I would say that I wear three hats, in a way. One is I am the secretary of the National Security Council and I am therefore responsible for organising the business coming to it, making sure that the Council are looking at the right issues at the right time with well prepared papers. Secondly, I am head of the Cabinet secretariat that goes with that, which plays the classic role of a Cabinet secretariat in coordinating advice and thinking among government departments and as part of that at the moment, I am coordinating the National Security Strategy and the Strategic Defence and Security Review. Thirdly, I have a role as the foreign policy adviser to the Prime Minister and as part of that I am plugged into the network of other National Security Advisers in the major capitals, for example General Jim Jones in Washington.

Q116 Chair: Sorry, can I just clarify that? So in fact you are the "Charles Powell plus" of the new administration?

Sir Peter Ricketts: Mr Chairman, I would never assume a role like that, but I am as part of my responsibilities the Prime Minister's adviser on foreign policy, yes.

Q117 Chair: But the Prime Minister's foreign policy adviser is a role that existed before. You have additional responsibilities? It is a hat with additional feathers in it?

Sir Peter Ricketts: Yes.

Chair: Right, thank you.

Q118 Robert Halfon: Would you describe yourself as a coordinator or an enforcer or both?

Sir Peter Ricketts: Both, in a way.

Q119 Robert Halfon: How do you do the enforcing?

Sir Peter Ricketts: Well, we are still in the very early days of the National Security Council, but I would see it as part of my responsibility that when the National Security Council is taking decisions, I and my Secretariat are responsible for following those up and making sure that they flow through to departments and action is taken. So we have a progress chasing function as well.

Q120 Robert Halfon: In the previous evidence session, the Foreign Secretary linked the role of making strategy with the National Security Council. Do you see the NSC having that role or is it primarily there to deal with shorter term threats and contingencies? Does it have a real long term view looking at strategy over the next 20–30 years?

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Sir Peter Ricketts: I certainly do think that the National Security Council is the place where the senior ministers in the Government dealing with national security get together and look collectively at the whole range of national security issues. That includes the short term crisis issues, but it also absolutely includes longer term strategic thinking and strategic choices. That will be very much part of what is on the NSC's agenda when they are finalising the National Security Strategy in the coming weeks.

Q121 Robert Halfon: As far as the officials in the NSC, how long term should their appointments be?

Sir Peter Ricketts: In the National Security Secretariat in the Cabinet Office, they will be the normal Civil Service appointments, so most people would probably do two or three years in their functions.

Q122 Robert Halfon: What is the best way to ensure continuity and also to maintain a measure of independence, for example?

Sir Peter Ricketts: I am not sure that I recognise the term independence. We are a Cabinet Secretariat function; we are there to serve the Cabinet and the National Security Council and make sure that ministerial decisions are well prepared and then are properly followed through. The Cabinet Office is a mixture of civil servants who make their career in the Cabinet Office and those who come in on secondment like I am myself at the moment; in fact, I have had two secondments to the Cabinet Office. I think that is a good thing. I think the real answer to your question is that we are developing in the Government a cadre of civil servants who have experience of national security work and strategy work and have spent their careers doing that in different departments. I would hope that in the future, as now, we will draw from that pool of staff for the relatively few people we have working in the National Security Council staff.

Q123 Robert Halfon: The Foreign Secretary in the last session said that he was opposed to a national security Secretary of State. Do you think that the National Security Adviser should be somebody like a modern day Henry Kissinger or Paddy Ashdown type character to ensure that the NSC has the influence that it needs within Whitehall and Westminster?

Sir Peter Ricketts: I am probably the wrong person to pose that question to. The Prime Minister chose me for this job and I assume he did that deliberately. I do not think you need to be a very powerful, independent figure for the National Security Council to have the influence that it needs around Whitehall, because that comes from the fact that the Prime Minister chairs it, that senior Secretaries of State like the Foreign Secretary are part of it. That is where the National Security Council gets its authority from. The model that this Government have chosen is to have a civil servant National Security Adviser who has experience of this sort of

work but is not trying to set up some sort of separate centre of power from, for example, the Foreign Secretary.

Q124 Chair: The conclusion I am coming to is you do not actually do strategic thinking. You are more of a conduit, more of a processor of other departments' information. You do not personally set out to challenge orthodoxy or raise objections or promote the considerations of alternative scenarios; that is not part of your function.

Sir Peter Ricketts: Well I do not think I have said that, Mr Chairman, and I do see it as part of my function to provide strategic thinking.

Q125 Chair: But don't you need a measure of independence? Don't you need that measure of independence in order to be able to do that?

Sir Peter Ricketts: Well I am independent from any particular department, but I am not in any sense independent from the Prime Minister and the Government. One of the innovations that I have set up is a meeting of permanent secretaries to prepare work going to the National Security Council, so we have a permanent secretaries' meeting every week, which is a clearing house but also provides me with a challenge opportunity for work coming up from departments on its way to the National Security Council. We did not have that before.

Q126 Chair: Forgive me for interrupting, but supposing you are preparing a discussion for the National Security Council about what Iran is going to do next and how Britain should respond. Do you prepare a red team of people who role play in private to find out how the people in the Iranian administration are likely to respond to certain situations and scenarios so you can present a menu of choices to the National Security Council? How is that sort of thing done?

Sir Peter Ricketts: I will say again that we are still in our very early months in this. We have not done that yet, but I can see an advantage if we are doing major pieces or work in arranging that sort of systematic challenge function. In the case that you mentioned, we do have experts around the Government on Iran; we have, for example, diplomats who have served in Iran, we have research analysts who have studied Iran; there is a cadre of people who are there who can provide a challenge function.

Q127 Chair: Where are they?

Sir Peter Ricketts: Some are in the Foreign Office, some may be in the assessment staff in the Cabinet Office; they may be in different functions around Whitehall. But there would be no reason why we could not pull those together.

Q128 Chair: But Iran has been trying to acquire nuclear weapons for at least 10 years. How often have we done this kind of exercise in government over the past 10 years?

Sir Peter Ricketts: Well I have been in my current role for three or four months, so I am not well placed to say that.

Chair: But you have been in the Foreign Office for a few years. You were permanent secretary in the Foreign Office.

Sir Peter Ricketts: Yes, I have. As I said to you, I am not aware that we have done a formal red team function on Iran, but there are plenty of places within the Government where you get challenged from people who know about Iran. I was going to come on to say that I am absolutely ready to look at that as part of getting good challenge into the policymaking process. Just to finish what I was saying on this group of permanent secretaries preparing work coming to the National Security Council, it provides a very good place to challenge work coming from departments. If it is not adequate, it is not answering the questions, it is not comprehensive enough or it is not strategic enough, it can be sent back to be redone before it comes to ministers in the NSC.

Q129 Chair: But a group of senior permanent secretaries seem unlikely to come up with the out of the box thinking, the off the wall thinking, the unorthodox and the challenging thinking. I am afraid permanent secretaries have a reputation for being very orthodox sort of people.

Sir Peter Ricketts: Not always in my experience, but they are also extremely experienced people.

Q130 Chair: I appreciate the experience and I do not undervalue the experience, but where is the—we are in a world preparing for what we do not expect. We need imaginative people who are not steeped in the culture of orthodoxy. Whitehall tends to be a fairly orthodox environment and people who have spent 20 or 30 years as career civil servants are not likely to be the people who are thinking outside the box, are they?

Sir Peter Ricketts: Mr Chairman, I think modern Whitehall, in my experience of it, is very open to challenge from people not just in Whitehall but from outside. The intensity of the links we now have, for example, between the Foreign Office and Chatham House or IISS or RUSI or a number of the other excellent academic institutions around the country looking at foreign policy gives us an extra dimension.

Q131 Chair: So what training and education do senior civil servants have in this particular role?

Sir Peter Ricketts: The role of strategic thinking?

Chair: Strategic thinking.

Sir Peter Ricketts: It has been part of the core competencies of senior civil servants and senior diplomats for years. We are marked on it in our annual appraisals and there are courses and training available for it in the National School of Government.

Q132 Chair: So what does it actually train you to do? What do you understand strategic thinking to mean?

Sir Peter Ricketts: Just to finish—

Chair: I beg your pardon; sorry.

Sir Peter Ricketts: Before I left the Foreign Office, we set up a specific new initiative to improve the policy and strategic skills of our staff, because we recognise that you need to keep pushing people to relearn and to think again about how to do good strategy. So we now have a set of documents and online tools in the FCO to help people coming to policymaking and strategy making to understand it and to do it well. What I understand by it is that first of all we need to establish clear aims and objectives; we need to know what we are doing and it has to be clear but it has to be achievable. Then we have to organise the ends and the means behind them; we have to avoid setting a goal which is excellent in principle but not achievable.

Q133 Chair: What is the difference between a strategy and a plan?

Sir Peter Ricketts: My understanding of strategy is that it is a high level objective and then there are a series of plans or policies which you organise in order to get there.

Q134 Chair: That sounds like a strategy, but what is strategy as a process?

Sir Peter Ricketts: Strategy making as a process is setting both ambitious but achievable strategies.

Chair: I think we are going round in circles.

Sir Peter Ricketts: Yes, probably.

Q135 Chair: The Chief of Defence Staff says we have lost the art of institutionalised capacity and culture for strategic thought. General Newton, in a RUSI essay, “Reclaiming the Art of British Strategic Thinking”, wrote about, and I quote, “A form of strategic illiteracy”. In fact, his essay starts by saying that the debate about strategy is that there is no strategy. You would dispute that?

Sir Peter Ricketts: I hope that my colleagues will be invited to comment on that as well. I do dispute that; I think that is overstated and I think that the creation of this National Security Council is a real opportunity to do better, because I think you can always do better in strategy setting and then strategic policy thinking. This is a real opportunity.

Q136 Chair: I would be delighted to bring your colleagues in. Perhaps each of you in turn could say how strategy is devised in your department, how it evolves and by what means it is sustained and adapted? Mr McKane?

Mr Tom McKane: Mr Chairman, in the Ministry of Defence, we have in the past worked from a defence review towards Defence Strategic Guidance, which is a document that has been refreshed periodically over time. More recently, we have produced a document called “A Strategy for Defence” and this was in part a response to comments in a capability review of the Ministry of Defence that said that while the department had been extremely good at focusing on short term objectives, it needed to do more to balance the longer term and the shorter term. The Strategy for Defence was therefore a

response to that. We would expect to produce a new version of such a document once the Strategic Defence and Security Review has been completed. As to how these documents are produced, within the department we have the benefit of the Development Concepts and Doctrine Centre, who produce long range views of the world. Their document “Global Strategic Trends” I think you are familiar with. That type of document feeds into the work of the staff at the centre of the department who are responsible for assisting ministers and the Defence Board to think about defence strategy.

Q137 Chair: So how does your department contribute to UK national strategic thinking?

Mr Tom McKane: Well, I would say that my department contributes to that, as Sir Peter Ricketts has said, by being extremely closely tied into the work of the National Security Secretariat. We work on a day-to-day basis with his staff and indeed with the staffs from other government departments, including the Foreign and Commonwealth Office. So we are contributing to the work of producing a National Security Strategy and, right now, the Strategic Defence and Security Review.

Q138 Chair: So what would you say the fundamental tenets of UK national strategy are?

Mr Tom McKane: I think UK national strategy has to be an exercise in defining Britain’s interests and our National Security Strategy has to address the threats to our security and do so in a logical and prioritised way. That is at the heart of the question.

Q139 Chair: So how do you assess Britain’s national interests as you contribute to strategy?

Mr Tom McKane: One can assess Britain’s national interest by reference to an assessment of the strategic environment within which we operate, of the threats that face us, of the means that Britain has to sustain itself economically and putting all that together, you can devise a view of our national interest.

Q140 Chair: How often do you produce something that is at variance with policy in order to challenge orthodox thinking?

Mr Tom McKane: Within the Ministry of Defence, we have used horizon scanning work and we have used experiments within the Development Concepts and Doctrines Centre to look at particular scenarios and to use red teams or different teams looking at the same subject to make sure that we are testing our thinking. We have contributed to work that has taken place led from the Cabinet Office on horizon scanning, which has been used in the past to contribute to work on national security documents.

Q141 Chair: It is a little sad that the Advanced Research and Assessment Group at Shrivenham was wound up in the way that it was, because they used to produce challenge. Are you aware, for example, that they wanted the National Security Strategy to contain a warning about financial collapse and that that was removed from the National Security Strategy?

Mr Tom McKane: Well I do not remember the particular detail. I know that the group was closed; it was a decision that was taken by the director of the Defence Academy looking at the many competing priorities he had for the resources available to him.

Q142 Chair: But as the department in charge of MoD strategy, you didn’t have a say in that?

Mr Tom McKane: We have a role in bringing together the overall plans of the department and that would have formed part of it, but it was, in the first instance, a decision that was taken at a subordinate level in the hierarchy. Although I have to say that it would be inaccurate to suggest that that group was the only group of individuals, either within the Defence Academy or within the Ministry of Defence, contributing to strategic thinking. There are a number of academic staff from King’s College who are embedded within the Defence Academy who continue to do work of that sort. Indeed, we used one of them on work earlier this year, which was a piece of challenge work, to think how we were doing.

Q143 Chair: Thank you, Mr McKane. Mr Hannigan, do you want to have a go?

Mr Robert Hannigan: Mr Chairman, I am conscious you have just heard from the Foreign Secretary and I do not want to repeat everything he said very clearly about the way he is responsible for strategy—Grand Strategy, as you call it—within the Foreign Office. But perhaps I could add a couple of points, just to expand on what Sir Peter and Tom have said. How do we challenge in the Foreign Office? In a number of ways: we have a huge interchange, as other departments do, with the outside world; with the think tanks, with the Wilton Parks and the Ditchley Parks. We are obviously a key customer and indeed contributor to the Joint Intelligence Committee, which looks at exactly the sorts of subjects that you raised earlier on a medium and long term strategic basis. The Foreign Secretary has encouraged very strongly the kind of challenge that you are talking about. From very early on, he made it clear that as well as well thought out strategy based on the expertise of the geographical area or the subject area, he expected dissenting voices to be registered and he specifically encourages people to say they disagree and for us as officials presenting the strategy to say that these are the dissenting views from other departments or indeed from our own department; from Heads of Mission or whoever. We can always do more, I think, on the challenge, but there is quite a lot already built in within the system and drawing on academics and think tanks.

Chair: Thank you. Mr Mulholland.

Q144 Greg Mulholland: Thank you Chair. An interesting paper from the Institute for Government suggested that due to the joint working, that there is now, and I quote, “an embryonic community of strategists”. They think that this is being hampered by an absence of joint training, cultural differences in departments and a lack of interchange with

outside bodies. To what extent would you acknowledge and accept that analysis, and if you do, what is being done or should be done to address it?

Sir Peter Ricketts: Well I would certainly accept that we can continue to improve our cadre of people who have experience and the right approach for strategic thinking and effective strategic challenge. I think myself that cultural differences are a good thing, because that encourages challenge. If we were all culturally the same, you would get less different angles and approaches explored. As I said, I think Whitehall is already very open to both interchange with people coming from outside government and also making sure that we are plugged into the thinking being done outside government on security and strategic issues, but I am all for continuing to develop a cadre of people who make this a specialisation in their career and develop their skills.

Q145 Greg Mulholland: If there is going to be that sort of route, do you think there needs to be research? Is there any research being sponsored into strategy, strategy making or strategic thinking? Do any departments sponsor educational courses either at universities or the Defence Academy or the National School for Government? If not, do you think these are things that should be looked at?

Sir Peter Ricketts: I will perhaps ask Mr McKane to talk about the Defence Academy. I think I have mentioned the National School of Government already does provide training for civil servants in strategic thinking. I think there is limited money around in government now for sponsoring anyone to help with research projects, but the FCO research analysts, for example, are very closely attuned to thinking going on in academic and think tank circles on these issues and I think that the connections there are very good. We have had a number of very successful attachments to the FCO from people with strategic skills from outside government; indeed, some have given written evidence to this Committee. So I think that the channels are open. Perhaps Mr McKane can add on the Defence Academy.

Mr Tom McKane: Just a word on that. Of course, we have within the Defence Academy the Royal College of Defence Studies, which does provide education and training in strategic thinking and strategy making both to members of the armed forces and Ministry of Defence civil servants and one or two from other government departments as well as from overseas. In addition to that, the College of Management and Technology within the Defence Academy provides education courses in strategic leadership and strategic management. So there is a range of education taking place in the Ministry of Defence. I wouldn't say that we are complacent about it; we are always looking to see whether these courses should be refreshed, refined and so on. I should have mentioned, incidentally, in passing—which was mentioned in the memorandum—the Whitehall strategy programme WHISPER, which has been set up by Seaford House, the Royal College of Defence Studies, and does provide a forum for

discussion of strategic questions away from Whitehall but involving people from both outside Whitehall and inside Whitehall.

Sir Peter Ricketts: We should add that the Institute for Government itself is a very useful additional part of the landscape. We all welcome the arrival of the Institute for Government and the cooperation that we have with them.

Chair: Mr Flynn?

Q146 Paul Flynn: You have had a very distinguished career with government in the Balkans and are associated with many of the successes of recent history, but also presumably associated as a collaborator or somebody who initiated some of the failures of the recent past in foreign affairs, such as Iraq and Afghanistan. Don't you find yourself inhibited in your decision making because of your recent history and your brief future history as you are in the department for only a year? Aren't you there as a caretaker with a whole hinterland that is likely to inhibit fresh thinking?

Sir Peter Ricketts: I would not, I'm afraid, accept all the premises that were built into your question; that, for example, our policy on Afghanistan is a failure. I certainly wouldn't accept that. I am a civil servant and I have carried out the policies of the Government, including the policy of the previous Government on Iraq, to the best of my abilities and indeed I spent a good part of my time in the period of the Iraq war working with the then Foreign Secretary in the United Nations to negotiate new United Nations resolutions in the run up to the war in Iraq. So no, I do not believe that that is an inhibition from this role; I think it does give me a certain experience of different parts of government. I have made it a particular purpose of the last five or six years of my time in government to work ever more closely with other government departments; with the MoD, with DfID, with other departments working in the national security area, and I think over that period that we have improved joint working quite strikingly between the departments that are involved in this and I think there is value here.

Q147 Paul Flynn: Would you describe the decision in March 2006 to go into Helmand province in the belief that we would be out in three years without a shot being fired at a time when only two British soldiers had died in conflict—the result is that now 335 have died in conflict—as a successful decision?

Sir Peter Ricketts: I think we are departing quite a long way from the topic of this meeting.

Paul Flynn: You described it as not being a failure. I would regard that as being something that was an abject, dreadful failure.

Sir Peter Ricketts: I do not agree, I'm afraid.

Paul Flynn: You think it was the right decision to go into Helmand province at that time?

Sir Peter Ricketts: I think the policy of the then Government and the current Government in Afghanistan is one that I personally, as a citizen of the country, can support and I feel that we are making progress in Afghanistan.

Q148 Paul Flynn: Can we take the current situation and what your job would be in dealing now with the exit strategy which the Government are determined on? What are the considerations and advice you would get and what are the priorities? Is it to form a policy that, as I suggested to the Foreign Secretary, can be an exit that can be spun as a victory for politicians, which is the traditional way of exit strategies being devised?

Chair: I think the purpose of Mr Flynn's question is more about the process rather than the substance of the policy.

Paul Flynn: Indeed, yes. Who will advise you? Where will be the independent people outside—the think tanks—and where will be the political pressure on you?

Sir Peter Ricketts: I think I will leave ministers to address the policy on Afghanistan. My objective and my purpose as the National Security Adviser will be to make sure that the National Security Council is well placed to consider good strategic advice from all the departments around Whitehall and take decisions that will then guide our work in Afghanistan. Indeed, they have done that and we went through a very intensive period of strategic discussion in the National Security Council in the first weeks of the new Government, including a session with a series of outside experts on Afghanistan, who came to Chequers and had a joint session with the National Security Council, challenged the current policy, challenged the officials and military advisers who were there with ministers, and in the light of that the National Security Council took decisions on British policy. So I thought that was a textbook example of the National Security Council taking the time to do some detailed strategic thinking.

Q149 Chair: May I interject, Mr Flynn, for a second? Does that mean you are in a position to inject alternative views and alternative scenarios and indeed that is your obligation; to make sure the National Security Council gets dissenting opinions as well as the Foreign Office view, the Ministry of Defence view; that all the uncomfortable truths are put in front of the National Security Council with their ramifications and limitations and possibilities?

Sir Peter Ricketts: Yes, absolutely. I assume that I have been put there because I do have an experience and I think it is part of my role to make sure that ministers have all the facts and all the angles before they make decisions.

Chair: Mr Flynn?

Q150 Paul Flynn: At which point do you expect your reports, and in what detail, to be published? I am assuming they will go to ministers now and be confidential, but if you are in a situation where Parliament—and Parliament might well decide on whether we go to war in Iran—will all your reports, do you think, be available in full detail to Parliament?

Chair: Good try.

Sir Peter Ricketts: No.

Q151 Paul Flynn: There is little chance of that? You don't take transparency too far when it comes to deciding on going to war is what you're saying, is it?

Sir Peter Ricketts: I think the National Security Adviser owes a duty of confidentiality when he gives advice to the Prime Minister and I think the papers that come to the National Security Council will tend to be classified, although in due course everyone will be able to read them.

Q152 Paul Flynn: You would applaud the precedent for the fact that we went to war in Iraq based on a Parliamentary decision that was influenced by a lie; a major lie that was told to Parliament. Would you defend that decision? If Parliament had known the truth on Iraq, we would not have joined Bush's war in Iraq; there would have been a majority voting against, I believe. But you would support partial truth being given to MPs in future?

Chair: I think the constructive question here, if I may, is what can we learn from that experience that institutionally we would do differently now, rather than trying to revisit the decision itself?

Sir Peter Ricketts: I think that it has to be for ministers to take decisions and then to come to Parliament and be accountable for the decisions. I think my role is to make sure that they take those decisions on the basis of the best possible advice, the widest range of advice; official, non official, where necessary having red team, having challenge, having outside experts come to give ministers a different perspective, but when ministers have taken their decisions in the National Security Council, I think it then has to be for them to come to Parliament to defend that.

Q153 Paul Flynn: There is a likelihood that future wars in decades' time will not follow the traditional pattern about land or ideology or religion, but they will be wars that will be based on the conflict that arises from an increasing world population and diminishing resources; we would be fighting over wheat, water, food and other substances and the whole of the nature of the conflicts and the planet will change. Who would give you advice on those; on the prospect of that and how we prepare for fighting wars of those kinds?

Sir Peter Ricketts: Yes, of course you are right that we need to look at the whole range of different factors that will apply. The Government have already been in the habit of publishing a national risk assessment which at least looks at the domestic risks that the UK faces and as part of the National Security Strategy, we have done some quite systematic and deliberate national security risk assessment; in other words, looking at all the various national security risks that could arise, at least over a reasonable timeframe, perhaps 10 years. We will be drawing on that in the National Security Strategy that we publish later in October and I hope that that will trigger a wider debate with opinion outside government that will allow us to continue to look at

all those risks in the horizon scanning that we do in government but is also done very effectively outside government.

Paul Flynn: I am grateful to you. Thank you.

Q154 Chair: Do you have enough thinking capacity at your disposal in order to be able to deliver that?

Sir Peter Ricketts: One could always do with more, Mr Chairman.

Chair: I'm glad you said that.

Sir Peter Ricketts: But in constrained resource times, we have some and we can draw on the collective capacity around government but also outside government.

Chair: Charlie Elphicke.

Q155 Charlie Elphicke: Thank you, Mr Chairman. First, we heard from the Foreign Secretary and the First Secretary of State about his culture of openness; anyone could send him an e-gram, an email, to have input if they did not agree with the official view. Is that new or was that the case when you were the permanent secretary at the Foreign and Commonwealth Office?

Sir Peter Ricketts: I have always found FCO officials pretty ready to challenge ministers when they don't agree. I have never found it difficult to get my colleagues to come in with different views and to have a good argument, so I am delighted that the Foreign Secretary said that. I do think that is part of the culture of the FCO.

Q156 Charlie Elphicke: Then why is it officials seem to do valedictory telegrams and things like that?

Sir Peter Ricketts: Why is it that they—

Charlie Elphicke: Officials sometimes do valedictory telegrams where they set out more deeply their inner thoughts. Why do they do that at retirement?

Sir Peter Ricketts: When I came in as permanent secretary, I found that one or two people were saving up their choicest thoughts for the day they retired, leaving them behind for us. I encouraged them at that time not to do that, but to let us have them on the first day, in the middle and at the end, and in my experience they did. I suppose it is natural that people want to draw a balance sheet at the end of their careers, but I encouraged people and indeed they were very willing to fire in their thoughts at all stages of their ambassadorial career.

Q157 Chair: Can I just pose a hypothetical? Supposing a group of ambassadors in the Middle East decided it is time for the UK to open formal talks with Hamas. That is not policy and if they suggested it in public, it would be a very heinous offence. They can suggest it in a telegram to the Foreign Secretary, but where is their capacity to draw upon resources to develop a whole range of scenarios of what may or may not occur or opportunities that may open up or difficulties that might arise? Where is the resource that they would need in order to have a proper conversation with the command chain about an alternative policy? It is all

very well saying, "Send in your ideas", but it is very different from having people with capacity to think things through from soup to nuts.

Sir Peter Ricketts: I should let Mr Hannigan respond, but in my experience, a good idea for looking again at a policy when it is well timed will always secure attention from an open minded Foreign Secretary and I gather that is what the Foreign Secretary was saying to you. I do not think you need necessarily to have a parallel staff who can work up alternative ideas in distinction with current policy in order for people well placed around the system to inject an idea that gets people's attention and gets them thinking.

Q158 Chair: So Mr Hannigan, you have all these scenarios at your disposal ready to deploy in advance of an idea at the particular moment it suddenly becomes relevant? In the heat of the moment.

Mr Robert Hannigan: Mr Chairman, I am not going to pretend that every single scenario on every subject is covered, but if you take the example you have just given, it is the job of the Director of the Middle East Directorate in the Foreign and Commonwealth Office to do exactly that sort of strategy making and indeed he does and does it very well. He does draw on outside voices and he does draw on our network of ambassadors and Heads of Mission in the region, who talk to each other regularly anyway. So I think that does go on.

Q159 Chair: But it is not his prime role, is it? His prime role is to advance the policy of the Government, because he is in the command chain.

Mr Robert Hannigan: His prime role is to provide advice to the Foreign Secretary and the Foreign Secretary is very interested in exactly the sort of question you just asked about Hamas. So it is therefore his job to have that sort of advice ready for the Foreign Secretary; he cannot have the advice ready unless he has gone through a process of making strategy and drawing on all the people who might contribute to that strategy, including those who dissent.

Chair: Mr Elphicke, any further questions?

Q160 Charlie Elphicke: Are you familiar with Cat Tully, Sir Peter?

Sir Peter Ricketts: She worked during my time as permanent secretary as, I think, the number two in our strategy unit.

Q161 Charlie Elphicke: Because my sense is we have been hearing about how there is WHISPER and FUSION; no doubt there will be other acronyms and other things set up—SHOUT, FISSION—in due course and about how all expertise is shared, it is all integrated and all the rest of it. It all looks like a wonderful purring machine which is well considered and organised, but Cat Tully seems to indicate a different view, that this is not quite the smooth machine and it is more an ad hoc thing thrown together at the last moment and the wheel is

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reinvented and it all just depends on the individuals who happen to have involvement in a particular organisation on a particular day. Is that fair?

Sir Peter Ricketts: I think Cat Tully was an extremely effective secondee who came and worked in the FCO and helped us to get better at strategy and her role was very appreciated.

Chair: But?

Sir Peter Ricketts: No, not but. She saw a part of the picture and she helped us get better. I actually think that there is more cooperation between the departments than that sentence suggests and indeed I think Cat, who worked with DfID and the MoD closely in her job, saw some of that. I am sure she is right that this can be done better and if it is ad hoc now, it needs to be more systematic. I see she also welcomes the arrival of the National Security Council, which she thinks gives better top-down direction to the strategy making process, and we now need to use that to drive the culture and the process that means this is no longer a series of individuals but becomes part of the system. So I think she identifies where we can do better, certainly, but I personally believe that Whitehall has moved on a bit further already than she suggests.

Q162 Charlie Elphicke: So you would appreciate the independent minded view of a secondee who was not necessarily in full agreement with the department view?

Sir Peter Ricketts: Absolutely.

Q163 Charlie Elphicke: Would you say that existing government analytical resources across the board are under utilised in strategy making as she says, or do you think that is an old fashioned view that is no longer the case?

Chair: Isn't the difficulty that the MoD strategists, the DfID analysts and the FCO research analysts are all working in different silos and they are using a slightly different language and talk at cross purposes? There isn't a common culture of strategic thinking across Whitehall.

Sir Peter Ricketts: As I said, my own view is that different cultural approaches, different backgrounds, different experiences from different departments is a good thing because it brings a richer diversity to the making of strategy, provided that they are all tasked in a more joined up way and applied to the objective.

Q164 Chair: How should that be done?

Sir Peter Ricketts: I think the arrival of the NSC since the time when Cat was with us helps with that, because it is clearer now, I hope, when ministers collectively want an issue looked at strategically then you are more likely to get the best resources of the three departments applied to it. If I could just add one more sentence, my own feeling—I don't know whether Cat would agree with this—is that Whitehall has got a lot better at working together and collective effort. It works up to, but not including, the point where money becomes involved, because departmental budgets and the tradition of accounting officers to this Parliament and

departmental responsibility for the money can be a real obstacle to genuinely joined up work. There are ways round that with pools and so on but I have to say that I found that more of an obstacle as a permanent secretary than a culture or difference in staff.

Q165 Chair: You are talking about overall departmental budgets, not just the money available to research analysts?

Sir Peter Ricketts: No, I am talking about overall departmental budgets tending to drive the direction of work within particular departments.

Q166 Chair: Wouldn't it be nice if all the MoD, all the defence analysts, all the foreign policy analysts and all the security analysts could be in the same room and agree what the policy, what their advice on division of resources should be? But they cannot if they are in separate departments.

Sir Peter Ricketts: But you also want them to be in separate departments to provide different viewpoints as part of achieving a properly challenged strategy function. But joined up-ness among departments pursuing a single objective can be disrupted by the budget structure.

Chair: Mr Brennan.

Q167 Kevin Brennan: Is fire fighting part of the NSC's job?

Sir Peter Ricketts: Yes, it will be, I think. When we have a national security crisis, I would expect the National Security Council to be at the centre of handling it.

Q168 Kevin Brennan: So it does both the National Security Strategy and then fire fighting at a time when there is an emergency. It will do both?

Sir Peter Ricketts: Yes, I think so. We need to see how it will develop, but I think that group of senior ministers will have to be ready to do both, yes.

Q169 Kevin Brennan: What would happen under the circumstances where the national strategy appears to conflict with the febrile facts you are facing at a particular time? If we think back to the mid-1990s, the national strategy of the Government at that time would have said, "Let's stand aside and allow genocide to go on in Kosovo because it's not in our interest to intervene" and indeed did say that at that time. Is there a real conflict between having these two very different tasks within this one committee, which is what it is, really, isn't it; a committee with a grand name?

Sir Peter Ricketts: I am not sure that it will ever be possible to separate out those two. I think government is constantly having to both set longer term strategic goals and cope with events that keep coming up day by day, whether you are talking about national security or in any other sphere of government. Ministers are constantly having to juggle between those two, but I think a good strategy sets you a course in a direction which then allows to you cope with the fire fighting and the crisis management day by day without losing your overall

sense of direction. If you find that events are pushing you so far away from your strategic direction that it is no longer relevant, then you have to revisit your strategic direction. But I think the Government has to have a sense of where it is trying to go above and beyond the day-to-day crisis management.

Q170 Kevin Brennan: Can you just tell us, without revealing any information that is classified, what actually happens at these meetings? What is the format of them, where are they held, who attends and how often do they meet?

Sir Peter Ricketts: The membership of them is published, because this is a committee of the Cabinet and Cabinet committee memberships are published. The National Security Council has met weekly since the Government was formed; I think it may have missed one week in August, but otherwise it has met every week in which the Government has been there. The Prime Minister is the chairman, the Deputy Prime Minister is the deputy chairman—

Q171 Kevin Brennan: How long do the meetings last?

Sir Peter Ricketts: They last typically between an hour and two hours. They take one or two issues each time and as I say, the membership is available on the website and they are a genuine collective discussion of the issue of the day.

Q172 Kevin Brennan: Is a paper presented by somebody?

Sir Peter Ricketts: Yes.

Q173 Kevin Brennan: Who does that? Is it a minister or an official?

Sir Peter Ricketts: Gosh. Sometimes the Cabinet Office provides the paper, sometimes it will be a departmental Secretary of State.

Q174 Kevin Brennan: It seems like an awfully current timetable for a strategic body to be meeting on a weekly basis. Isn't this inevitably going to descend not into a strategic thinking body but into a fire fighting body?

Sir Peter Ricketts: I think I have just said that something like the National Security Council has to be able to do both. There will be urgent national security issues that need attention, like Afghanistan, but there will also be long term strategy setting issues like developing and agreeing a National Security Strategy—which we are doing at the moment—or overseeing the Strategic Defence and Security Review, which are, by their nature, long term 10 year horizon issues. I think it is in the nature of government that ministers are having to do both.

Q175 Kevin Brennan: We are not the Foreign Affairs Committee, we are not the Defence Committee; we are the Public Administration Committee and we are interested in a broader vision—I'm not going to use that word—a broader definition of strategy than simply National Security Strategy. Is it in your committee where that broader definition and thinking about the country's national strategy to

pursue its own interests in the world, not just in the defence and foreign affairs sense, is going to be developed?

Sir Peter Ricketts: No, I think in that broadest level it would have to be the Cabinet, because even though we are meeting weekly, there are limits to how many issues a National Security Council can take. The economic prosperity of the country is clearly a very strong national interest for the country, but it is not something that the National Security Council deals with. So our National Security Strategy is only one part of the Government's overall strategy and I think the only place where that comes together finally is in the Cabinet.

Q176 Chair: This is where I have a real difficulty. The Cabinet is a decision making body. Does it have the capacity to do strategic thinking? If it is presented with a range of thought through options, it can decide between them, but it cannot do the iterative process of strategic thinking. Where is the body of strategic thinking done in Whitehall that is beyond security? Because national security is not the same as the national interest.

Sir Peter Ricketts: No, and I think you probably are ranging into the territory where Gus O'Donnell, my counterpart, would be better equipped to answer.

Chair: He has a strategy unit too.

Sir Peter Ricketts: Yes, well Number 10 have a strategy unit linked to the Cabinet Office. If you are looking at the overall strategy of the Government as a whole, rather than just the national security component, I think the most senior body where that is submitted to is the Cabinet and the Cabinet Secretary.

Q177 Kevin Brennan: But the thinking that informs that would be done by the Number 10 strategy unit.

Sir Peter Ricketts: And the Cabinet Office under the Cabinet Secretary.

Q178 Kevin Brennan: Right. And the National Security Council?

Sir Peter Ricketts: Well, I am part of the Cabinet Office and so national security is my bit, but Gus O'Donnell and the other parts of the Cabinet Secretariat and the policy unit and the strategy unit and the other bodies that are available to them are where strategic thinking would be done in preparations for decisions.

Q179 Chair: It sounds like one of those organisation charts you see on a PowerPoint projector in Shrivenham Defence Academy where everybody is trying to work out what everybody else is doing in order to be able to reach a decision, but it is quite difficult for us to hold to account, isn't it?

Sir Peter Ricketts: Well I can only speak for the national security part of this operation.

Chair: We are grateful for that.

Sir Peter Ricketts: The creation of the NSC provides a clear organisational focus for thinking at the most senior level in government and decision making. I think Parliament has had a joint committee in this

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area; I don't know whether that will be re-established in the new Parliament, but there are a number of select committees as well, of course, who have interests in this area. I think for strategy as a whole, Gus O'Donnell is probably the person who could provide the most effective overview of that.

Chair: Mr Brennan, have you finished? Thank you very much indeed. Mr Flynn?

Q180 Paul Flynn: Would you expect that the National Security Council will have as big an influence on government action as the *Daily Mail* does?

Sir Peter Ricketts: I would hope so.

Paul Flynn: We perhaps should come back to that later.

Q181 Chair: Can I ask finally, what would you like to bequeath to your successor in order to strengthen the capacity of what you do?

Sir Peter Ricketts: First of all I hope that the role will be seen to be a natural part of the system, because I think it does bring something useful. Secondly, I hope people will see that this new structure has improved the quality of the papers that come to ministers, that the decisions that are prepared for them so that they can make genuinely better decisions on national security issues. I think that would be very important. I do hope that it will further entrench the collective habit of working together between departments, which is something that is dear to my heart. I think the fact that we are now meeting together at Cabinet minister level, at Permanent Secretary level and a whole range of working groups every week across Whitehall on national security issues is helping to grow this.

Q182 Chair: So you see yourself as strengthening the cross departmental strategic thinking capability?

Sir Peter Ricketts: Absolutely.

Q183 Chair: But you stop short of perhaps dreaming of a more central organisation with a director and its own staff and its own independent capacity to monitor and assess what other departments are generating in terms of policy and strategy so that you can properly support not just National Security Strategy but national strategy; Grand Strategy. Wouldn't that be nirvana for your successor?

Sir Peter Ricketts: I am not personally an empire builder and we are living in the days where all the pressures on government are downwards, including on the Cabinet Office, which is going to be subject to some very powerful downward pressures. So I am very happy with the concept of having a small central team drawing on the extensive—although no doubt shrinking—assets of departments to produce that strategic thinking, because I think that is going to be the most effective.

Q184 Chair: But surely, of all the functions of government, national strategy is the one that we should not do on the cheap.

Sir Peter Ricketts: Absolutely.

Chair: Mr Elphicke?

Q185 Charlie Elphicke: Given we live in an era of openness and valedictory statements are not needed anymore, is there anything that you can tell this committee that you think should be particularly taken heed of over the next five years?

Sir Peter Ricketts: I am not feeling particularly valedictory, I have to say.

Chair: He has a little way to go.

Sir Peter Ricketts: I am intending to be here for a good time yet. We are at the outset here of a new approach, which I am sure the Foreign Secretary talked to you about and which I have tried to talk to you about, where I think we have real opportunities to draw on the strengths of all the departments across Whitehall and capitalise on the determination of the new ministerial team to work collectively. I think the fact that we have met so frequently and so intensively and looked at this wide range of issues in the first three or four months is already a very impressive start. I hope if we can continue that and spend the next period implementing what we will set out in this National Security Strategy and the SDSR, then we are well launched and I hope that five years' later that will be seen to have been a good innovation.

Q186 Paul Flynn: Sir Peter, can I challenge you on this? You have had a brilliant, distinguished career and the way of progressing in the Civil Service is to agree with government policy, which you have clearly this morning said you do. The abiding, overarching rule in the Civil Service is the unimportance of being right. Those people who challenged government policy in past governments will be out of the Civil Service now; they would not have been appointed by one government for someone who served in another government. You are an establishment figure with establishment thinking. Are you really the right person to launch a critical, inventive, creative strategic review?

Sir Peter Ricketts: I find myself again, Mr Flynn, not being able to agree with some of the premises of your question. I may be an establishment figure, but I disagree that civil servants get on in their careers by agreeing with ministers. In my experience, civil servants get on in their careers by giving good advice to ministers. It will be in private, so you will not know where ministers are being agreed with or disagreed with, but I think civil servants are expected to give good, honest advice. Ministers get pretty impatient with people who just agree with them. So I am afraid I do not agree with the premise of your question.

Chair: Sir Peter, I think you will find this committee is an admirer of the Civil Service and grateful for the public service that civil servants give this country. I am certainly grateful, as the Committee are, for your evidence this afternoon and to Mr McKane and Mr Hannigan. Thank you very much indeed.

Sir Peter Ricketts: Thank you, Mr Chairman.

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Members present

Mr Bernard Jenkin, in the Chair

Nick de Bois
Kevin Brennan
Charlie Elphicke

Robert Halfon
Mr Charles Walker

Witnesses: **Lieutenant General Sir Robert Fry KCB (rtd)** and **Commodore Steven Jermy RN (rtd)** gave evidence.

Q187 Chair: Thank you very much indeed for joining us for this evidence session on Grand Strategy and how strategy is made. I wonder if you could very kindly at the outset just introduce yourselves for the record?

Sir Robert Fry: Robert Fry, formerly Director of Operations in the Ministry of Defence and now a company chairman.

Steven Jermy: Steve Jermy, formerly Principal Staff Officer to the Chief of Defence Staff and Strategy Director in Kabul in Afghanistan, and now a writer on strategy.

Q188 Chair: Thank you both for joining us. If I could just say at the outset—I think I might just invite you to respond to what I am going to say in a 90-second burst—this inquiry is not just about military strategy or even the pure Clausewitzian military-civil interface. We are looking at Grand Strategy in its widest and perhaps most modern term: about how a government should meld all the instruments of statecraft in the modern world to develop, sustain and constantly adapt strategic thinking that underpins policy and actions across the whole spectrum of government. We are not concentrating so much on domestic policy in that respect, although science, industrial policy and economic policy are obviously very relevant. In a 90-second burst, would you like to give an overview of your feelings about how we do this in the United Kingdom?

Sir Robert Fry: Poorly. In fact, not poorly; I think historically really rather well. We have had traditional organs like the Committee of Imperial Defence, which ran through to the beginning of the second world war from the late nineteenth century. Its stewardship of Grand Strategy was probably better than most things that have happened since. If you read the diaries of Alan Brooke, you get a sense of what happened then. So I actually think we have a genuine strategic birthright in this country about bringing together all the instruments of national power in pursuit of strategic objectives. We did not defeat Napoleon on the battlefield; we did not beat the Germans twice in the 20th century by fighting them, except for a brief period between 1916 and 1918. What we did was to create far better alliances, use indirect power, insular position and maritime power, and we were far better at industrial production, at least latterly. So I think we traditionally have been good at this. At the very time that we create something called the “comprehensive

approach”, we seem to lose our talent to be able to do it. I think there is an explanation for that, but if I sum up what I think, we have a national tradition of being good at Grand Strategy, but we have not illustrated that recently.

Q189 Chair: It is interesting that the Foreign Secretary cited Napoleon as an example of a man who did not have any strategic unit or strategic thinkers and yet he is also the supreme example of the general who was very successful on the battlefield but failed to turn that military success into political success. Steven Jermy?

Steven Jermy: I think Napoleon contrasts very interestingly with Frederick the Great, who was a great strategist as well as a great general. I would focus on three things. I think there is the lack now of a body of knowledge on strategy and what is very interesting when you research into it—and I have been doing that for five years—is that there is very little modern writing. The best book on modern strategy was written by a French general called André Beaufre in 1963 and there has been nothing really good since then. I think within this country the two areas that we are weak on are processes—I think our processes have become splurged; they have become very messy and we have misunderstood what policy strategy and planning means and the distinctions between the two—and people. We have been quite good at selecting people who are operationally successful but we have been rather poor at identifying those people who are able to operate and think at the strategic level. Indeed, our problems are partly because of that.

Q190 Chair: Thank you very much. I wonder if I could just jump in rather brutally to look at lessons learned from recent history. Sir Robert, you were ACDS Operational Commitments at the time we first deployed to Helmand with Op Herrick. We deployed on a campaign plan with, if I remember correctly, 3,150 troops and a budget of £1.5 billion for three years, during which period we were meant to lead the reconstruction of Helmand. I think we would all agree that, by any standards, that initial plan was not a success. I am not seeking to cast any blame; I am simply asking about process. How did you feel? What were you being asked to do when you were asked to come up with a campaign plan for this operation?

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Sir Robert Fry: I need to make clear the various responsibilities here. I was not the author of the campaign plan. That was done by the Permanent Joint Headquarters, and that is the way that the interface between military strategy, which is the business of the Ministry of Defence, and operational design works. I was heavily involved in the ideas behind it about resuscitating the campaign in Afghanistan, which seemed completely moribund at the time, by trying to take us from somewhere where the mission that we had previously in Mazar-i-Sharif was complete by any criteria we could use, and using our forces to greater effect elsewhere and in some ways kick-starting and providing leadership to NATO in that process. There was also an aim to try to revivify interest in Afghanistan, which had been completely lost because of the distraction of Iraq at the time. Those were the sorts of things that I was involved in. My responsibilities were squaring that away with other departments of State, and with major allies and the NATO alliance. The design of the campaign was then conducted under the auspices of the Chief of Joint Operations.

Q191 Chair: But you were constrained by very limited resources because we were heavily committed in Iraq at the time.

Sir Robert Fry: Yes. Let me answer your question more directly than I have so far. In so far as I believe that strategy is the reconciliation of ends and means moderated by the ways that you employ, I was acutely aware that our means—the military and other resources available to us at the time—were limited and heavily engaged in Iraq. Therefore the judgment about how much could be transferred from Iraq to Afghanistan and the timing of that transfer became very, very important. To that extent, I felt that I was using the criteria that I understand characterise military strategy.

Q192 Chair: Did you feel that the people you were making these recommendations to understood: a) what the limitations on resources implied for what you could achieve in Helmand; and b) that you were purely providing military resources—that there was very limited scope for either understanding or affecting the political complexion in Kabul and Afghanistan as a whole, which of course has been the foundation of our difficulties?

Sir Robert Fry: I do think people understood the limitations that were involved in this thing. I seldom briefed this in other parts of government by myself purely along the line of the military contribution. It was more frequently done in committees where I would be there giving the military bit, and others would be giving the international bit, the Foreign Office bit and so on. If hidden in your question is, “Did I think that all of this was informed by Grand Strategy?”, the answer is no.

Q193 Chair: Do you think that underlies why basically the early iterations of Op Herrick were destined to fail?

Sir Robert Fry: I think that is a complex question. I think that that may be contributory, but it is certainly not the whole explanation.

Q194 Chair: Admiral Jermy?

Steven Jermy: I think we need to sit back. The one thing we got wrong when we looked at Helmand—and I was intimately involved in this—was that we did not really understand the political context properly, and we did not understand that when we were moving from Mez down to Helmand, we were moving from the Northern Alliance areas down into the Pashtun areas, and I think that was a NATO failure.

Q195 Chair: So is this just a failure of intelligence or is it a failure of strategic thinking?

Steven Jermy: I think it is a failure of properly trying to understand the political context. I think that is the first thing.

Q196 Chair: But do you think the politicians understood that deploying the military in that situation had very complex political ramifications? Did they have all the instruments of strategy at their disposal when they were making this decision?

Steven Jermy: No, in one respect they did not. I don't think any of us did, because I don't think we had the body of knowledge that would have allowed us to have done that analysis. The second point is that we have to be careful in this to think that the UK can somehow make a difference in Helmand or could have made a difference in Helmand. We comprise about 4% of the force overall and I think what was much more important, and the other thing we failed to understand, was that NATO did not have a clear campaign plan. When I was in Afghanistan in 2007, I went to Regional Centre East and Regional Centre West and I talked to the planners in both of those two places—the Americans in the East and the Italians and the Spanish in the West. I asked them all the same question: what campaign plan are you using; what strategy are you using to design this campaign in your areas? I got the same answer from both of them: “There's no plan, Sir. We're just getting on with it.” So what I knew and what I could deduce at that stage was that NATO did not have a coherent strategy. When you look at it, you can actually see evidence for that, because if you think about the South, Kandahar is by far the most important province there, and it had 1,200 Canadian troops. Helmand is not the most important but it had 5,500 British troops. That does not make sense.

Q197 Chair: So were you surprised—either or both of you—that this proposal was so easily approved in the Cabinet?

Sir Robert Fry: No. This was not just an idea that emanated from the Ministry of Defence; it was something that sort of picked up on a general mood within Whitehall at the time. So when these discussions happened, I think a number of departments felt pretty comfortable with the general idea of shifting the main national effort from Iraq to Afghanistan. I think the development agencies saw

this as a much more natural arena within which to play than Iraq, which they regarded as a middle-income country. I think that the Foreign Office saw an opportunity to take on a leadership role within the NATO alliance to reconcentrate American attention on Afghanistan and so on. This was not simply a smart military idea; it was catching several strands of thought around Whitehall at the time.

Q198 Chair: But Admiral Jermy, this was a deployment of military and other resource into something of a strategic vacuum because there was no NATO plan. Should not the Government have recognised that? Where was the failure of the Government to recognise that at the time?

Steven Jermy: I think the failure was in the subject that your committee is addressing, which is a national understanding of strategy. I don't think we had the intellectual tools to really think this through. The thing that I am most optimistic about now is the fact that we are actually discussing this here and now. It is the first time we have been really looking at it for probably 50 years. I had great concern when we were shifting main effort from Iraq to Afghanistan, which was that we did it, as far as I could see, for military reasons and not on the basis of any broader foreign policy analysis. When you look at these two campaigns, it seems to me—it seemed then and it seems now—that in a broader foreign policy analysis, you would probably think that somewhere at the north of the Gulf would be more important than a small country to the east of us, notwithstanding the AQ issues. So I was disappointed that we didn't do any broader foreign policy analysis and that we moved purely for military reasons.

Q199 Chair: And there was no one generating thinking and challenging from within the Ministry of Defence or from within other parts of Whitehall on this?

Sir Robert Fry: From within the Ministry of Defence there was a lot of debate about size and shape of the force, but that was very, very much—

Q200 Chair: Not on this broader strategic question?

Sir Robert Fry: No.

Q201 Chair: And elsewhere in Whitehall?

Sir Robert Fry: Not of which I was conscious. I think there was some pushback from the SIS, but that was generally reflecting the absence of intelligence that Steve has already mentioned.

Q202 Robert Halfon: Just a very quick question. Are you defining strategy purely in terms of foreign affairs? From what you are saying, it is just that, but we are also looking at the wider issue of how domestic strategy fits in.

Steven Jermy: I define strategy as a course of action and, if you like, the relationship I see between strategy and policy is pretty much as Clausewitz. Clausewitz says that nobody starts a war, and indeed that nobody in his right senses should start a war, without first knowing what he intends to achieve by

that war and how he intends to do it. For me, policy is what and strategy is how. I call that political military strategy. I think it exists at two levels: campaign level, which is something like Afghanistan; and Grand Strategy, which ties the whole lot of campaigns together.

Q203 Chair: But I think the view we are developing is that strategy is an ongoing process—an iterative thinking process.

Steven Jermy: Strategy lives; it is organic. It is a collection of ideas, judgments and decisions, and it lives. So yes, it is absolutely ongoing; indeed, that is key.

Q204 Robert Halfon: Just to finish, it has to incorporate domestic policy; it cannot just be about foreign affairs or defence?

Steven Jermy: I think, in answer to your question, it should incorporate domestic policy but I am not sure it always does. The classic question is whether or not we thought through the implications of our operations abroad in Iraq and Afghanistan on the domestic situation. Having listened to Eliza Manningham-Buller at the Chilcot inquiry, I am not sure we did.

Sir Robert Fry: I think there is a different take on this as well, which is the fact that it must involve the domestic domain just as much as it involves the foreign policy domain. It is possible to have a strategy which is all about exemplary performance in one's own nation and using that as an example to influence the world elsewhere. We happen to have pursued over the past decade or so a military interventionist strategy, although I don't think we did that by any sentient process governed by Grand Strategy; it is simply the conflation of events as time went along. So to think that there is something separate between the domestic base and what happens abroad is completely fallacious.

Chair: We must move on. We have 28 minutes to complete your session, so very short questions and snappy answers please. Charlie Elphicke.

Q205 Charlie Elphicke: Sir Robert, you are, as I understand it, a marine.

Chair: Royal Marine.

Charlie Elphicke: Royal Marine, indeed. And they are much celebrated in my constituency of Deal and it is one of the most thoughtful and free-thinking services because of the nature of the operations—the ground changes from water to land and those sorts of issues—so it is naturally one of the more strategic and thoughtful services. You have said in past times that you have studied Sun Tzu in detail and one of the key principles is “know thine enemy, know thyself”. One thing I cannot understand is that we have a history of three Anglo-Afghan wars between the 1830s and I think 1919. Did no one open the history books to understand how the place works—they are pretty effective—and draw the lessons from previous conflicts in our planning and exit strategy for this one?

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Sir Robert Fry: Yes, I think lots of people did that, sometimes privately, and there was a certain amount of work that was done on a public basis as well. But you have to remember, why we went into Afghanistan in the first instance. Was this a long-considered policy? No, it was an almost instantaneous response to 9/11. We actually first went into Afghanistan in December 2001 and I would say that I think that that was a non-discretionary response; we really had to do something. So it wasn't a matter of combing the history of Afghanistan and trying to derive lessons from Elphinstone's retreat; it was much more saying, "We've got to do something about this; let's get out there and do it."

Q206 Charlie Elphicke: In that theatre, did anyone think through, as you were saying, Admiral, the whole Clausewitz idea of what do you want to achieve from it and how you get out of a place once you have gone in? Did anyone think through the whole exit strategy at all?

Sir Robert Fry: No, what I think happened was that the first part of the campaign in Afghanistan was probably highly successful in military terms but created a long-term political problem. It was highly successful in military terms because the application of Special Forces, lots of money, and indirect bombing and missile attack completely shattered the opposition. The political problem it created was putting in place a hegemony around the Northern Alliance and giving them a far greater primacy than they had enjoyed historically and balance between the north and south of Afghanistan. We—the west—then collectively stopped paying attention to Afghanistan and started paying attention to Iraq. By the time we started paying attention back to Afghanistan, so much had happened and so many things that were inimical to the campaign's success had occurred that we then spent our time trying to recover lost ground.

Steven Jermy: I think there were two things as well that probably fixed us. First is that at the time, as you recall, things were going very badly in Iraq and we were all concentrating a lot on Iraq. I think the second thing was that what was really in the minds of the planners, as far as I can see, in Afghanistan was not really the enemy, if there is such a thing, but rather the unification of the NATO mission. So there was a lot of focus on joining up what were essentially two separate operations: ISAF and the American operation. We were thinking a lot about how that integration would happen. I think with those two things we probably had our eye off the ball. There was also, I think, a sense of job done. I remember going to Mez in about 2005 and being briefed by a British Army general there who said, "This is no worse than the Badena in Northern Ireland." I think we just had not really spotted what it would be like in the Pashtun south.

Q207 Charlie Elphicke: One last question. In a lecture last December, the CDS said that the armed forces—and maybe wider—had lost the ability to

have an institutional strategic culture and strategic thought. In your careers, how much training and education did you have, or was there a culture of having, strategic thought in our armed forces, and do you think CDS has a point?

Sir Robert Fry: I think he has a real point. This goes beyond the military. If you compare us to the French or maybe even, in military terms, the Germans, there is an a-intellectualism in this country. Most of the things we do, we do on the basis of pragmatic experience and that is precisely the way we go about designing our military campaigns. Such formal instruction as I have had in the creation of strategy rather than the creation of campaigns has been primarily self-taught.

Steven Jermy: I have written a book on this subject, so it is one that is close to my heart and it was interesting for me that when I lectured at the RCDS at its invitation in 2008, they were the first lectures that had ever been given on the creation of strategy. There is quite a bit in our training about strategy, but the on issue about how you sit down and create it and then execute it, there is very, very little indeed, and there is very little on the processes that should do that. So I am reluctant to blame at all because we are in an area where there has been very little academic or professional thinking for the last 50 years.

Sir Robert Fry: Can I add something?

Chair: Very briefly, yes.

Sir Robert Fry: Strategy sometimes looks like a deeply mysterious thing and it is also a word that is used very promiscuously. Any airport bookshop has strategies on where you put the coffee machine. Actually, it is far less complicated than sometimes people think. It has to start with a sense of national interest, it has to look at ends that are defined across a complete range of national interests and it then needs to be reconciled with the means that we have available to satisfy those ends. It is not fundamentally a complex affair.

Q208 Chair: But it is self-evident, isn't it, that planning for the Iraq war and the aftermath, the deployment to Helmand in particular and indeed backing the wrong tribes at the outset in Afghanistan, all lacked strategic thinking?

Sir Robert Fry: Yes, it certainly shows an absence of Grand Strategy. The other thing that is missing in this is a sense of national interest.

Chair: We will come on to that and how we can improve things. Nick de Bois.

Q209 Nick de Bois: Thank you. Sir Robert, I enjoyed your interview with the *Wall Street Journal Europe* in which you talk about the same military thinking being applied to business thinking, which I get. What about its application to be more widely applied, should I say, in the Civil Service and how could that be done? Is it more widely applied? Should it be more widely applied? If so, how can it be done?

Sir Robert Fry: I think this is about governing elites in the first instance. You are never going to get something which is going to completely trickle down

through the body politic unless there is an organisation and individuals at the highest level of the Executive who actually pay this some attention. Personally, I am encouraged by the creation of the National Security Council, because something like the comprehensive approach cannot possibly work unless all of the levers that connect with all the instruments of national power are pulled at the highest level. If that does not happen, things tend not to occur. The creation of a National Security Council and a National Security Strategy are, I think, good things. What neither of them has yet made any attempt to define is what national interest is, and the first draft of the National Security Strategy seemed to me to be a liberal manifesto for good world citizenship—it had nothing to do with this country.

Steven Jermy: You talked about the Civil Service. I think there is an issue that at the moment in the Civil Service, as far as I can see, diplomats get surprisingly little training in this subject. Diplomats get hardly anything and most civil servants even less. It seems to me that if we are going to expect civil servants and diplomats to engage in strategy making—and I think we should—they need the training to take them through this. We get a bit in the military—probably not enough—but what we get is a huge amount more than our compatriots in the civil sector.

Q210 Nick de Bois: In fact, it brings me very nicely to the point that I think you said—and I may have this wrong—that your book is about the first in 85 years on strategic thinking.

Steven Jermy: I joke among my friends that it is the best book written on strategy by a British officer for 85 years, and that is simply because it is the only one.

Q211 Nick de Bois: That's very good. But is that actually a reflection of a lack of ability to do it, or lack of culture to do it?

Steven Jermy: I think it is a lack of consciousness. I think we as a nation are not being conscious that we were very good at this, and this is why I am delighted to be before this committee, because I think this is the start of an emerging consciousness that actually this is an area of weakness in government.

Q212 Chair: Professor Peter Hennessy refers to the culture of muddling through. Do you recognise that?

Steven Jermy: Yes.

Sir Robert Fry: It is also to do with moving away from the height of our imperium. When you are at the top of your imperial game, as the Americans have been recently, you tend to think in these terms. As you go on the back slope, you tend to give it less attention.

Q213 Nick de Bois: I think you pick up in the same article that the Americans have the clarity of thinking of where they are going that they then transfer to the political and the economic stage as well.

Sir Robert Fry: Yes.

Q214 Nick de Bois: To get back to the point, are you really saying that we don't have that clarity of thinking for whatever reason?

Sir Robert Fry: I do not think we have it in the same way that the Americans do. I think there are a series of reasons for that: first, they are at the height of their imperial power; and, secondly, they actually institutionalise strategy by law and have done from when the National Security Act was passed in the 1950s or 1960s.

Q215 Chair: Can I just chip in with a question that would be asked by one of my absent colleagues, Paul Flynn? He would say that because we are now a much lesser global power, having a Grand Strategy is hubris, vanity and bound to end in failure, because we no longer have the instruments and power at our disposal for a Grand Strategy?

Sir Robert Fry: I disagree with that completely. I think that you fall out of the habit of Grand Strategy, and I think that is what happened to us in the second part of the 20th century. Also larger strategies that were extra-national—so NATO, the cold war—took over and really took the place of any Grand Strategy. I think that when you have to husband your resources and really define the ends that you want to pursue, Grand Strategy is much more important than when you are in more prosperous times.

Steven Jermy: I agree. I think that just because we do not have the power to execute strategy in a global sense does not mean to say that we must not understand it. I think the position in Afghanistan is the classic example. The fact that we were not concerned that there was not a coalition strategy in Afghanistan is a demonstration to me that we must be more concerned. We are not going to win this campaign if there is not an overall strategy, and I do hope that Petraeus is the man to take that forward.

Q216 Chair: Forgive me, but would you agree that actually British policy in the Balkans is an example of successful Grand Strategy, where a British strategy became a NATO strategy, became an American strategy, and became the winning strategy?

Steven Jermy: Yes, I think that is a good example. But to come back to the Americans, I don't think the Americans are perfect at strategy, but they do give it time. I was reassured when the Obama Administration sat down and talked for a long time about Afghanistan with a lot of political engagement. It seems to me that one of the most important things in strategy is that politicians must engage early and continually.

Q217 Chair: But just because they are doing it, does that mean it is really otiose for us to do it, because we have to do what the Americans are doing?

Sir Robert Fry: That is a choice we make, which may or may not be in our national interest, but unless you define national interest, you do not know whether that is right or wrong.

Q218 Kevin Brennan: Sir Robert, you have said you are an admirer of the clarity of American strategic thinking. Do you think that the invasion of Iraq was the product of clear strategic thinking?

Sir Robert Fry: No, I don't. Let me give a little bit of additional clarity about what I have just said. I think that you saw a remarkable transition in American forces between 2003 and where we are today. In 2003 there was an invasion of Iraq—leave aside the clarity of the strategic thought that informed it—that, as a military act, was almost flawless. You then had a transition from the combat phase to the post-combat phase, which was utterly chaotic. You then had a period of time when the Americans really did not know how to operate. They began to think their way through it and, from 2005 and 2006 onward, they began to take on the intellectual leadership that we had previously had in the conduct of counter-insurgency operations. What I think the Americans show in this is the same thing that they showed in 1862, in 1917 and in 1943. They take one army to war, they find out it is the wrong army, and then they invent another one and invent the doctrine that goes with it. What I really admire is the clarity of thought that allows them to get through that process.

Q219 Kevin Brennan: We know Americans have a can-do flexible attitude to solving problems, but what has that got to do with clarity of strategic thought that gets you into a disastrous invasion such as the Iraq project?

Sir Robert Fry: What I wanted to do was to explain the exact position I have on American clarity. I do not think that historically it would be looked at as a very smart strategic move. I can see why it happened. I can see why the neo-con lobbies that were pre-eminent in Washington at that time came to the fore and had their way. But I cannot claim that it is a particularly good illustration of the application of strategic thought to operational outcome.

Steven Jermy: I had a colleague in the Pentagon who said that as they started to do the phase 4 planning—and they started to do some very intelligent phase 4 planning: they went back to Germany, looked at records in Germany, looked at whether or not you should deconstruct the army and so on—they were told to stop doing that by the Office of the Secretary of Defense. So I think the issue really in Iraq is very much to do with Rumsfeld and neo-cons, and their clear view that they knew what they were doing.

Q220 Kevin Brennan: So a political tide being sufficient to overcome that clarity of strategic thought there otherwise might be. Finally, because we are being very brief, if you identify a lack of clear strategic thinking as a problem—and we are not just talking about military strategy here, we are talking about the broader national strategy—how would you rectify a lack of clarity of strategic thinking in the UK system?

Sir Robert Fry: First, I would put the creation of a Grand Strategy as a key task for government. Implicitly, I think that has been done by the creation of a National Security Council, which is chaired by the Prime Minister, so this idea of something

operating at the highest level of the Executive is at least in place. Then I would write a National Security Strategy that was less a wish list for goodwill in the world and something that was much more about the definition of national interest and the correlation between our aims and our capacity to fulfil them. Then I would set on certain lines of strategic operation that would try to bring those things about. But I think that I would try to institutionalise it within the Government and the major bureaucratic bodies in this country. That clearly does not exist in the way that I have just described.

Steven Jermy: I would do two things. I think that, firstly, I would have a very good look at my processes. You are starting to do that in this committee, but what you really need to be able to do is to get in and through Whitehall. You need to be able to sit on the National Security Council and see how it is working, sit in on the Chiefs of Staff, look at Cabinet and watch how all these things are working. I would not want to start from scratch. I would want to have a very, very good look at the processes and I would want to test them against the criteria of what is good strategy and are these systems likely to produce good strategy? That is the first thing; it is probably a six-month project, I imagine. Having done that, I would also want to have a look at people, because ultimately, without the right people, the processes will be as nothing. I want to make sure that I am both training my people but all the time selecting the right people to make the strategy. I want to be quite hardnosed as well, because if I had people up at the senior level who were not doing it very well—and strategy is the product of people; it is the product of thinking—I would want to have a system where I could get rid of them in the same way that the Americans do. I think we have to be a little bit hardnosed on that.

Q221 Kevin Brennan: A very brief last question: had we had that sort of system in place 10 years ago, would we have been involved in fewer wars than we have been?

Sir Robert Fry: We don't know, because we don't know what the national interest would have been defined as at the time. My guess is no. I think we would have been far more rigorous about our relationship with America and whether we truly derive strategic advantage from that or not. If that did receive real intellectual scrutiny at the time, we may well not have done what we did.

Q222 Kevin Brennan: It is taken as received wisdom, isn't it?

Steven Jermy: I think we would have been engaged in Afghanistan like it or not. I think the circumstances of 9/11 were such that we would. I would like to think that with those sorts of processes and people who were trained strategically, we would have had a very good think about whether or not it was in Britain's national interest to be in Iraq.

Chair: Moving on to Robert Halfon. We have five minutes left.

Q223 Robert Halfon: You talked a moment ago about if we had had the right strategy, things might have been quite different. What kind of people do we need to make this strategy? How would they be selected? How would they fit in to the National Security Council?

Sir Robert Fry: I think there are two sorts of people whom you need. First of all you need elected representatives, because it is only through the process of government that this can actually work. So we need people like you to take an interest in this in the first instance. You need—

Q224 Chair: You say politicians are less qualified to make strategic decisions. That's one of the things you have written down.

Sir Robert Fry: But you are necessarily implicated in the process. I think you need to be supported by a secretariat that has a genuine depth of understanding, practice and training in this area. Stick those two things together and I think—as Steve has already said—create the processes and instruments at the heart of government to do this, and you begin to institutionalise it into national life.

Q225 Robert Halfon: Who selects the people to do this? How are they selected in the first place—the actual people to do the strategic thinking?

Sir Robert Fry: There are lots and lots—you must know this—of very bright people in the Foreign Office, the Ministry of Defence and elsewhere. They do not lack the native intelligence to be able to grasp these things. What they need is some more institutionalised training in the actual practice. The National Security Strategy is something that just needs to get much better than it is at the present time, but at least we now have one.

Q226 Chair: But the Foreign Secretary said that he wants the whole Foreign Office to do this. He wants the ambassador in Washington to do it; he wants the ambassador in Moscow to do it; he wants his private secretary to do it; he wants the directors of the department to do it. Can the people in the line management do this and provide the challenge function, or does it need to be something that is separate?

Steven Jermy: Challenge function can be provided by other people. This is red teaming. But in terms of making strategy, by far the best people to do it are the strategic leaders. If strategic leaders are well trained, they are by far the best people to do it because once they have made the strategy and once they own it, they are much more likely to take it forward. That is political, military and diplomatic.

Sir Robert Fry: Could I just make a very brief comment on the dissonance between ends and means at the present time? The Foreign Secretary over the summer made, I think, four speeches on a broad manifesto for foreign policy for the future as ambitious as it has ever been. We are about to embark upon sets of reviews and government cuts that are actually going to disassociate completely the

means of supporting those ends, and I cannot think of a better example of the vacuum in strategic thinking than that.

Chair: Robert, have the last word.

Q227 Robert Halfon: Do you feel that there needs to be a formal agency with a dedicated secretariat to do this strategic thinking?

Sir Robert Fry: I think the NSC is the start of that, but it seems to me to be something that sits alone at the present time with no depth in the Cabinet Office around it. It seems to me vital that you create some secretariat depth to support the decisions that the NSC makes. If it does not have that, it is not going to have the capacity to make the proper decisions.

Steven Jermy: I agree, but I do think that it is about getting the key strategic leaders engaged. If key strategic leaders are not engaged, having strategy which is made theoretically by secretariats which are sat to the side will not be as good as having key strategic leaders engaged in the strategy making.

Q228 Chair: Are you saying it is incompatible with—

Steven Jermy: Not incompatible; they can inform. But if we think back to the second world war, the Chiefs of Staff and politicians on both sides of the Atlantic met at 17 different conferences, each over 10 days. They spent a long time talking through strategy.

Q229 Chair: But that was in total war. We are talking about a peacetime structure.

Steven Jermy: It was, but in the period in which I was the CDS's Principal Staff Officer, I cannot remember a single occasion when the politicians and the senior military sat down at length and talked through what was UK strategy. That seems to me to be shortfall.

Q230 Chair: But they do need staff work to support that process, don't they?

Steven Jermy: Staff work and the odd half-hour discussion at Cabinet is different from actually sitting down and really working through these problems.

Q231 Robert Halfon: Very quickly, you mentioned—I think it is in your article in *Forbes* magazine—that there have been a number of strategic shocks: 9/11, financial services and so on. What do you mean by that? Do you mean that there have been these shocks because there was no strategy?

Sir Robert Fry: No. What I mean is that in this century we have had two, maybe three, strategic shocks. By strategic shock, I mean something that happens that makes us think entirely differently: privately about our lives; if you are in business about the way you run your business; and if you are in government about the way in which you govern. 9/11 was one of those and then the financial collapse was another. It seems to me that the world in which we live, which is globalised, networked and increasingly anarchistic, is likely to have more rather

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than fewer strategic shocks, so at best we create a mechanism which allows us to absorb them as and when they happen.

Steven Jermy: The key to this is to recognise that once you have developed a strategy or created it, it almost certainly will not work as you planned, because the world is just different. So I think you have to make sure that within the process you have the flexibility to adapt and if there is one key issue for me, it is the ability to learn. I do not think this country has been very good at learning strategic thinking. If we can do that within our processes, we have a chance.

Q232 Robert Halfon: What do you mean when so say the world is anarchistic?

Sir Robert Fry: I think about the interplay of state and non-state actors, international crime and population movements. None of these things are governed, either by national entities or transnational entities. I think the incidence of those things is far greater now than it has been in the immediate past.

Chair: We have three more minutes.

Q233 Charlie Elphicke: One thing that has occurred to me in terms of strategy, particularly when we look at the Middle East, is it was foreseeable and well understood that there was a balance of power between Iraq and Iran. They had fought themselves effectively to a standstill, rather like the wider balance of power between the west and the former Soviet Union. One thing that occurs to me is it could be said that it was, in one way, a strategic disaster to undertake the operations there, because in disrupting that balance of power, we have arguably created what the tabloids would describe as “mad mullahs with nukes” as a regional superpower in the Middle East. Is that fair, or is that unfair?

Sir Robert Fry: No, I think it is fair but I think it is actually worse than you have just said. I think that that is probably true, but you have also created now a radical Shi'ite axis which starts in Iran, goes through Syria and goes into Hezbollah, which even on a day-to-day basis has far more implications for the balance of power in the Middle East and the whole of the debate around Israel and Palestine than Iran's possession of nuclear weapons.

Q234 Robert Halfon: Would that not have happened anyway because 9/11 happened before the Iraq war?

Sir Robert Fry: Almost certainly not. I think what has happened as a result of the invasion of Iraq is the counter-balance that Mr Elphicke has just referred to between Iraq and Iran has been lost. It is conceivable that at some point in the future we might have to offer a nuclear guarantee to Iraq because of the threat from Iran. Based on the reasons that we went into Iraq in the first instance, that seems to me to be the most exquisite historical irony.

Q235 Chair: Commodore Jermy, a last word about where the process has failed here.

Steven Jermy: I am just going to come back, because I think one of the key processes that has failed is political context. To answer both those questions, I think we would do very well to try to understand the political context in which Iraq and Afghanistan have happened. It seems to me that what we have not recognised is that we are in the middle of a civil war in Islam between the modernisers and the conservatives—it is a war of ideas. We have somehow been drawn in on the side of the modernisers.

Q236 Chair: Do you think that is because the politicians relied too easily on military action as a solution rather than as a means to some political end?

Steven Jermy: Yes. I think it is also a lack of Grand Strategy. I can forgive us in the early days when we were reacting to AQ, because you are moving quickly. But I think we have probably over the last five years not really thought enough about the broad political context in which we are operating and whether, for example, it makes good sense to have large bodies of western troops marching about the lands of Islam. It might feel right tactically, but strategically I am quite nervous about it. As Eliza Manningham-Buller said, this is a recruiting sergeant and we have really got to try to think about this strategically for once.

Chair: General Sir Robert Fry, Commodore Steven Jermy, thank you very much for your evidence. We are sorry it is a slightly compressed session, but it has been extremely valuable to us. Thank you very much indeed.

Witness: Air Chief Marshal Sir Jock Stirrup GCB AFC ADC RAF, Chief of Defence Staff, gave evidence.

Q237 Chair: Chief of Defence Staff, welcome to our session and thank you very much for giving up some time at an extremely busy moment for you. Our inquiry is not just about what you describe in your lecture as the classic Clausewitzian definition of Grand Strategy, because in the modern world we have more instruments at our disposal for pursuing the national interest than we had in those days, and we need to deploy them and we wish to use the military rather less than we would have wished in those days. We are primarily interested in process, so if the questions we ask go near some raw nerves, I

hope that we can explore where the process has been successful or less successful, rather than trying to find individuals to blame for particular decisions. If I may jump in right at the outset about Basra, I returned there for the first time after a while in 2007, I think, when General Jonathan Shaw was the General Officer Commanding, and it was really quite shocking to see how the substantial British military effort had become very locked down and somewhat beleaguered. I think it was General Shaw himself who described this operation as having become almost a self-licking lollipop. What we had

on the ground was barely sufficient to do more than sustain itself and protect itself, and there was lots of talk at that time that we were facing grand strategic failure in Iraq on the wider coalition basis, but it felt like that in Basra. How had we reached such a pass?

Sir Jock Stirrup: Chair, first of all thank you very much indeed for the invitation. I am delighted to be here. I am delighted that you are actually conducting this particular investigation, as you might imagine from what I have said in the past. On the issue of Basra and Iraq, I think this is a pretty classic case study. First of all, I would say that the developments in Basra, however they went, were never on the critical path of grand strategic failure in Iraq. The events around Baghdad and particularly the Sunni-Shi'a divide were.

Q238 Chair: I am going to stop you there, Sir, if I may, because I agree with that, but the point is that from the UK point of view this was not a strategic success, and that is the bit I want to concentrate on.

Sir Jock Stirrup: I disagree fundamentally.

Q239 Chair: I think it has turned out much better.

Sir Jock Stirrup: If I may, I will now come on to that. One of the difficulties in discussing strategy is that there is no clear accepted definition of it, as you have no doubt covered endlessly in this committee—the dictionary does not help at all. But the real problem is that since it is essentially about sensible ends that are constructed so that the ways and the means are available and commensurate with those ends, and then letting other people to get on and put all that together in a detailed plan, as it were, so that you eventually get to the end, you can of course have strategy at almost any level. It is a bit like a fractal diagram; the further down you focus, it looks exactly the same. So somebody in command of a small unit can have his strategy for that unit; businesses have their corporate strategies for varying sizes of business. You, of course, are talking about Grand Strategy, which is right at the top at the national level, but strategy itself appears in many guises. That was why I made the point about Grand Strategy in Iraq. In Basra though, from the UK perspective, our particular part of that task was to deliver the same end as it was throughout Iraq. That end was not to fix Iraq, but to get intersection between the state of conditions on the ground and the ability of the indigenous structures and forces to deal with those conditions. I think we pretty much always were clear that only the Iraqis could fix Iraq, and the same is true in Afghanistan, by the way. So you had to deal with the conditions and you had to try to get the conditions to a suitable level where the increasing capacity of the Iraqi state and its instruments could deal with those conditions. That is not Iraq fixed, but it is us done. So in other words, our job was to get the Iraqis to the start line in a decent state, not to run the race for them. So if I take that proposition as the broad strategic end state for foreign forces and foreign governments in Iraq, we faced that particular problem in Basra. We attempted to deal with it in a two-pronged approach. One, of course, was to train our elements of the Iraqi army; first of

all 10 Division, and then later on 14 Division and also the Iraqi police. The second was to try to contain and if possible reduce the challenges on the ground so that you had intersection earlier. The problem that we faced with the latter task, which was the conditions on the ground, was that we were seeking to adopt a fairly hard-edged military approach in the city of Basra and we were prevented from executing that. It is conveniently forgotten that when we planned our operation at the end of 2006, it was not Operation Sinbad; it was Operation Salamanca. It was a hard-edged operation against the militias and the rug was pulled from beneath it completely by Prime Minister Maliki, who at that stage was dependent upon Muqtada al-Sadr for political support and the sustainment of his power base. He actually said, in terms, “There is no militia problem in Basra—there are no militias—and, by the way, you should release all your detainees.” This was in the autumn of 2006. At the same time, of course, the Americans were planning a very similar approach to Sadr City. I think it is interesting to draw the contrast between the two: two areas of about 2 million people, nearly all Shi'a. The Americans faced exactly the same conundrum in Sadr City as we did in Basra and they were not able to deal with Sadr City until after Basra.

Q240 Chair: But I think the question I am asking, Sir, is what lessons do we learn from strategy and strategy making about where we got to at that point?

Sir Jock Stirrup: I am sorry this is taking a bit of a long time, but it is important to set the context, because since we were unable to do the hard-edged military things—we were just not allowed to by the Iraqis—we had to ask ourselves, “How are we going to deliver this strategic end?” The problem in Basra, of course, was not between Shi'a and Sunni; the problem in Basra was intra-Shi'a struggle for power: economic, political, criminal and all sorts of other kinds. We had people sitting in locations in Basra city unable to execute an aggressive military function but being shelled, with resupply convoys being attacked on a daily basis and people dying for no strategic benefit and no prospect for strategic benefit—progress towards that strategic end—down the track. So what was to be done? Given the fact that the problem in Basra was essentially political and that given the right Iraqi political framework and leadership, the Iraqi security forces could deal with the conditions in Basra, but that without that, nobody could, the question was how did we leverage Iraqi political outcomes within Basra? The decision we took was that we would say that once we have got the Iraqi army to a certain state, we will hand over the centre of Basra city to them. It is not as if we were able to do anything there ourselves, given the Iraqi political constraints. We would then be saying to the Iraqi Government, “Okay, you won't let us do it. You do it. We'll support you, but you do it or admit that you cannot control your second largest city.” It was a risky approach, but there were no risk-free approaches. The consequence was Operation Charge of the Knights, which was not exactly how we had envisaged that operation being conducted,

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but we were of course planning for such an operation under the overall command of General Mohan and pushing hard in Baghdad for the necessary resources—Iraqi and coalition core assets—to ensure its success. For a variety of political reasons to do with the shifting dynamics with Muqtada al-Sadr and to do with the dynamics between Prime Minister Maliki and Governor Waili in Basra, the Prime Minister decided that he was going to head off south and launch this operation all on his own. So it was not how we were choosing to do it, and we made some tactical mistakes along the way: we were slow to mentor 14 Div of the Iraqi army in the way that we were not with the previous 10 Div, which meant we lost some situational awareness in the city, but the strategic outcome was what we needed, what the end state we had defined was, and what we had been working for over 18 months. My point is that a lot of the talk about Basra is due to a frustration at being unable to scratch tactical itches. I understand the urge to scratch tactical itches, but when they actually result in strategic failure, it is not a good idea. The misunderstandings about Basra are essentially down to a misunderstanding of what the strategic objective and end state was.

Q241 Chair: So you are saying that there really was no moment in all this when you felt that the strategy had been lacking or there was a shortage of strategic thinking about how this should be conducted? It was a rolling success?

Sir Jock Stirrup: There was a shortage of strategic thinking more widely, which led to the misperceptions and misapprehensions. One of my points is that it has been a tradition in the British military that you need to understand two up and two down—to understand the context of what you are doing two ranks higher and two ranks below. That is no longer adequate. A corporal or a sergeant on the ground in Basra or indeed somewhere in Afghanistan has to have a clear idea in his mind of the strategic objectives if he is to make any sense at all of what he is being asked to do. For example, people were very frustrated in Basra because they felt they were not protecting the Iraqi population.

Q242 Chair: My last question on this before we move on is do you honestly believe that the politicians appreciated what they were taking on when we all agreed that British forces should go into southern Iraq?

Sir Jock Stirrup: No.

Q243 Chair: Isn't that a failure of strategic thinking?

Sir Jock Stirrup: It certainly is, but it is a failure of strategic thinking much more widely.

Q244 Chair: But I think that is what we are asking about; that is what this inquiry is about.

Sir Jock Stirrup: Indeed, but it was not a failure to think about the strategic issues; it was getting them wrong. If you go back to the strategic underpinning of the invasion of Iraq, the proposition was that freeing Iraq—and I am not talking about the UK here; I am talking about the wider coalition and the

United States—from Saddam Hussein and establishing a proper democratic government would be a beacon for other countries throughout the region and that other oppressed people would say, “Here is a model other than the extremist one, which gives us hope and prospects for the future and we want some of this.” It didn't work—it was wrong—but that was the strategy. So I think you must draw a distinction between incorrect and failing strategy, and no strategy at all.

Q245 Chair: As we move forward to the present, do you feel the Treasury, as it conducts the spending round, has as keen an appreciation of Britain's strategic place in the world and the role the armed forces play in that as you do, for example?

Sir Jock Stirrup: As I understand it at the moment, the strategy is to eliminate the deficit over the course of the Parliament.

Q246 Chair: That is of course part of the strategy, but it would be rather unfortunate if, in dealing with a short-term or medium-term deficit, we permanently relegate the UK in the world by, for example, sending out very mixed signals by delaying and possibly cancelling the Trident missile system, which is the latest news this morning.

Sir Jock Stirrup: I absolutely agree with the wider point about seeking to eliminate the deficit. I am not totally economically illiterate and I see absolutely the importance of doing that and sustaining Britain's credit rating. Of course, the absolute fundamental prerequisite for a sound defence is always a sound economy, so we have a big stake in that, but it is a very difficult balance to strike. Coming back to your central point about Grand Strategy, there are two points I would make. Grand Strategy is always going to be complex because you are dealing with Britain's aspirations and place in the world, and its aspirations for itself and its people, which of course have to do with security but also have to do with prosperity, health and all of those other things. They have all got to be balanced in your approach, so it is very complex. The second point is it is dynamic. You cannot set up a plan—this was, I would argue, the key failing in Iraq—and then not worry whether it is going to bear fruit or whether it is going to be the right one in the context of changing circumstances. So I am not saying you change your strategy every five minutes, but strategy has to evolve in the face of reality.

Q247 Chair: A last question on Trident. The upgrade of Trident would comprise about 5% of the defence budget over the lifetime of the system—quite cheap; very good value. Would it not it be spoiling the ship for a ha'porth of tar to take that cut now and either spend more in the future or have to cancel the system?

Sir Jock Stirrup: I think it is, of course, a political decision whether or not this country has a strategic nuclear deterrent. My own view, though, is that if you are going to have one, you have to have a credible deterrent. Our policy has been to maintain the minimum credible nuclear deterrent. You can

argue about where exactly on the scale of things the minimum credibility lies, but if you accept that as a policy, the only reduction you can make on that sensibly is to zero.

Q248 Chair: Do you think delaying the system would itself send a mixed signal about its credibility?

Sir Jock Stirrup: I think there are two significant issues. The first is the issue of building submarines. You need to keep a submarine building capacity and to keep that capacity, you need to have work going through the submarine building yards. You cannot just stop; they cannot put all those facilities and capacity in cold storage. So you have the nuclear submarine building drumbeat that has to be attended to. The second issue is the life of the current submarines. This is a difficult argument to have, because there is no absolute cliff edge beyond which you do not have those submarines available, but we all know that an ageing nuclear steam generating plant gets harder and harder to sustain as the years go by.

Q249 Chair: And more expensive.

Sir Jock Stirrup: And more expensive.

Q250 Robert Halfon: You mentioned that for a sound defence you need a sound economy. How far in your view do you think that a domestic strategy informs the national Grand Strategy, and what is the relationship between the two?

Sir Jock Stirrup: I think they are inextricably linked. You cannot have a foreign policy that is delinked from your economy or from the willingness of your population to support that foreign policy and from the resources that are available to support that policy. So I think that they have to be inextricably linked, just as purely in the field of security itself you cannot delink the home and away games, if I can put it that way. Counter-terrorism here within the UK and activities designed to counter terrorism abroad have to be complementary and synergistic. So I think that it is a false distinction to make.

Q251 Robert Halfon: But has it been linked over the past 10 years and is it being linked at the moment?

Sir Jock Stirrup: I think that it has been linked at different periods. I come back to this point: my proposition has never been that we have not had strategy. My proposition is that strategy is complex and dynamic and that you have to keep on top of it all the time, and that therefore you have to have strategic thinking, which means you have to have strategic thinkers who address evolving issues and emerging challenges always in the context of the wider strategic picture. That is something that I would contend that we have not done well. We have actually set strategy as, if you like, a detailed road map that we then have not been able to follow, but about which we have not really worried too much.

Q252 Kevin Brennan: Our esteemed Chair, on the radio this morning, described any decision to delay Trident as “madness”. Do you agree with him?

Chair: I was speaking for myself, not the committee.

Sir Jock Stirrup: I don’t think that is a term that I would find myself using. I would just go back to the answer I gave a few moments ago: there are two critical issues here, which are the ageing boats that we have at the moment, and the necessity to keep the submarine building industry to a minimum drumbeat.

Q253 Kevin Brennan: But most of us thought we had already got this in our national strategy, if you like—we took the decision a few years ago under the previous Government. We had a long debate about it. We had lots of people who build submarines in to talk to Members of Parliament about the strategic industrial importance of it, and we had the military in to talk about the military importance and so on. We therefore thought that the decision had been taken. Is not this morning’s floating of this idea by the Government a classic example of what you described as “scratching a tactical itch”, as opposed to having any kind of Grand Strategy?

Sir Jock Stirrup: I am not aware that any decision has been taken along these lines.

Q254 Kevin Brennan: Where you do think this is coming from?

Sir Jock Stirrup: I have seen and heard a lot of reporting in the media over the past few weeks about the defence review and various things that might or might not be done. Although there are elements of fact in some of them, mostly they have been fairly wild speculation. So there has been no decision. I come back to my point, which is that if the political decision is to have a strategic nuclear deterrent—and as far as I understand, that is still absolutely the policy—you have to have the minimum credible deterrent. If you are not going to have that, it is not worth having any; you would be better off having zero. Spending money on a less than minimum credible deterrent to me makes no strategic sense whatsoever.

Q255 Kevin Brennan: So are you worried about these reports this morning or do you just think they are some kind of Aunt Sally that is being generated from somewhere within the Government?

Sir Jock Stirrup: I would be worried about any proposition that was untenable in the context of maintaining a minimum credible nuclear deterrent, which to me is continuous at-sea deterrence by our submarines.

Q256 Kevin Brennan: Can I just ask about something you said earlier in relation to the strategy that took us into Iraq? Would you agree with the proposition that basically, in recent years, UK so-called Grand Strategy has effectively been tethered to the mast of American Grand Strategy, and that that meant being tethered to a group of neo-con nutters who thought that by invading Iraq and trying to impose a democratic government there, there would be a domino effect across the rest of the Middle East?

Chair: He means some people we might not necessarily agree with.

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Sir Jock Stirrup: I think, first of all, that the proposition that tying our approach to that of the United States is new is not really tenable. Our strategy in the second world war, certainly from the time that Winston Churchill became Prime Minister, was to hang on until the Americans got in. Of course, once the Americans got in, we had influence and held discussions with them, but we were pretty tied to the approach that the Americans were going to decide, given the preponderance of weight that they were going to put into the campaigns. So I think that if you take a step back, it is this country's strategy to leverage our relationship with the United States to our strategic security benefit.

Q257 Kevin Brennan: Do you think that that, in recent years, got confused with the notion that we should never have, if you like, a cigarette paper between us and the United States in relation to our strategic thinking?

Sir Jock Stirrup: I think the notion that there should never be a cigarette paper between us is flawed. You can have a strategic partnership and you can seek to leverage that partnership to your strategic benefit and still have disagreements about approaches—and indeed we do. We have very serious debates with the Americans and other partners about the way that strategy should be evolving. We have to accept that there is a limit to the influence that we can bring to bear, particularly on the United States, but we do seek to exercise that influence.

Q258 Kevin Brennan: We have taken a lot of evidence about this term “Grand Strategy” that we are looking into during our inquiry. Professor Strachan from Oxford said that the term was facing an existential crisis. Do you agree with that? Has it been a term that is too loose to have any real value or meaning?

Sir Jock Stirrup: No. I take the opposite view. I take the view that it is something that we have not paid nearly enough attention to. We in the military, for example, sought at one stage to differentiate between Grand Strategy, which is the national level with political objectives, and military strategy. I don't see that you can separate the two. The strategic realm, for me, is where the military art and politics intersect. Most, if not all, military campaigns are about achieving political objectives—back to Clausewitz. The political objectives, since we are fighting conflicts and campaigns in distant places, are often as much about the politics of those places as they are about the politics of our own country. So for me you cannot separate the two. I think the grand strategic approach, which is at that level a reflection of what lower down we have come to describe as the comprehensive approach, is the only sensible way to proceed.

Kevin Brennan: Thank you, Chair.

Q259 Chair: Thank you very much. Do you think, CDS, that the Government have become over reliant on military power for this kind of strategic thinking?

Sir Jock Stirrup: I think that the governments of the past have not always thought enough about the politics and have not always thought enough about the fact that it is political objectives we are seeking to achieve. As I say, since they are in other people's sovereign countries, the politics of all of that is not just a fundamental element of the campaign but, in the campaigns in which we are and have been engaged, is actually the supported element. One of the reasons we were so keen to set up the civil-military mission in Helmand was that it was certainly my view that if our military in Helmand was not working in support of a political plan for Helmand, what were we doing there?

Q260 Chair: Do you think that military officers get enough education on strategic thinking?

Sir Jock Stirrup: I do not, and I have sought to do something about that. I think that there are two elements to it. One is the formal education element, but the other one is just the practice of strategic thinking. As you will know, I have set up the CDS's Strategic Forum, which draws together people from Half Colonel up to One Star level who have been identified from across the three services as good candidates for this. They engage in a virtual forum in debate on key strategic issues that are put to them.

Q261 Chair: What about integrated thinking with civil servants and that education? Are civil servants educated enough in strategic thinking?

Sir Jock Stirrup: I would like to see this initiative—which does draw in a few civilians, by the way; it is not entirely military, but it is mostly military—draw in civil servants some no-longer-party-related senior political figures as well so that we start to get this broader approach to Grand Strategy. I am afraid, though, that the Permanent Secretary and myself had a go at setting up something along these lines about two and a half or three years ago across Whitehall and it did not really garner much support. As a consequence, I decided that the way to do it was to start something off our own bat and make it such a success that everybody wanted to pile into it, so we hope to expand that over the next two, three or four years.

Q262 Chair: When Alan Clark was writing his memorandum, looking 20 years hence, he asked himself, “Am I the only person who does this?” Do you share that surprise that so few people do this kind of thinking?

Sir Jock Stirrup: Are you asking me about politicians or people in general?

Q263 Chair: I am talking about your experience as a senior military officer. Are you surprised so few people do this 20-year horizon scanning? We know it happens in bits: DCDC do threats and all that stuff, but they do not do what we should do. Who does what we should be doing and where we want to be in 20 years' time?

Sir Jock Stirrup: We do horizon scanning.

Q264 Chair: But that is with military and defence policy.

Sir Jock Stirrup: Exactly.

Q265 Chair: I am talking about wider government policy.

Sir Jock Stirrup: More widely, I could not say how much horizon scanning goes on, for example, in the Treasury or in the Home Office or in other departments.

Q266 Chair: I know that you don't answer for them, but you often have to deal with the consequences of the lack of that thinking.

Sir Jock Stirrup: I think, of the people with whom we deal on a frequent basis, that the Foreign Office certainly do this. I think the Department for International Development is now doing it as well. But the other departments—

Q267 Chair: Is the new National Security Council not an opportunity to draw this together and to create a single cadre of free-thinking people who share the same idiom of thinking—a common language of thinking—to provide this challenge function?

Sir Jock Stirrup: It is absolutely, and I think that the National Security Council is a very good start. I think one of the things that distinguishes it from bodies that preceded it is the appointment of a National Security Adviser, not because this is the person who does all the strategic thinking—not only is that not credible, but it would be wrong—but because you do need somebody who can actually marshal the business, organise it and drive through implementation of decisions.

Q268 Chair: But it is only a good start?

Sir Jock Stirrup: It is a good start, but the reason it is only a good start is because the National Security Council by itself is insufficient. It needs to be supported across the board by people who are thinking strategically. I come back to my fundamental point: all the people in various departments who are briefing their ministers and people in the Cabinet Office, are they all thinking strategically? I would contend that some are, but by no means enough of them.

Chair: This is very helpful, thank you.

Q269 Nick de Bois: You do seem to be suggesting from your lecture that one of the reasons for the deficiency in capacity for strategic thinking is that, essentially, compared with earlier times, we are in a much more complex and dynamic security environment. As a result, do we have to ditch all the old assumptions? Are all our old assumptions in flux? If so, how should we be reviewing those old certainties?

Sir Jock Stirrup: I think what we have to do is to draw a distinction between underlying principles and the way those have been applied in the past. Methods of waging warfare have changed

dramatically over the centuries. People talk about horse versus tank moments and all the rest of it, and yet we all still go round quoting Sun Tzu and Clausewitz and people like this. So there are principles that do not change, but the way in which you give effect to those principles changes dramatically. I think that is the key point. It is not an easy thing to do; it is easy to say, but it is not easy to do. How do you distil out the essence of the principles? This can be done in fundamentally different ways. In some areas it is very difficult to implement because of the circumstances, but then suddenly new ways spring up of giving effect to those principles. That is the kind of flexibility and rapid evolutionary approach you have to have. So it is not a question of throwing out all the things you thought about before. Jacob Bronowski had a marvellous way of putting this. He said that in every age there comes a fundamental moment: “a new way of seeing and asserting the coherence of the world”. In other words, the fundamental underlying facts have not changed, but they way you put them together and what they mean to you and the consequences of them change from year to year.

Q270 Nick de Bois: Do you think we have to capacity to do that, though, given some of the reservations that you have expressed?

Sir Jock Stirrup: I do not think we have nearly sufficient capacity at the moment, no. Again, because, as I say, I do not think we have inculcated the art of strategic thinking. My starting point—and this is a criticism as much of the military as everybody else, but it is not exclusive to the military—is that the default mode of thinking is tactical. There is nothing people in London like more than sitting round a table drawing lines on maps of Helmand, but it is not what people in London are for. So the default mode of thinking should be strategic. You should have to force yourself out of that to the tactical; it is the other way round at the moment.

Q271 Nick de Bois: A lot of people have suggested that if you were to formalise a strategic thinking agency this could be the panacea to sorting out the problem.

Sir Jock Stirrup: I fundamentally disagree because of my proposition that you must have the right organisation—of course having the right focus or these activities, like the NSC and the National Security Adviser, is important. If you do not have the strategic thinking to underpin it, however, it will not be a success. That strategic thinking must be widespread. It is a culture.

Q272 Nick de Bois: I am glad you said the word “culture” because the culture is, in my opinion, what is not there and you cannot just teach a culture—it has to form and grow. Do you think, though, that just as we have to deal with day-to-day politics and challenges—you talked about the economy—strategy is always going to play second place to the scratching moment when we have to deal with the immediate, or can you balance the two?

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Sir Jock Stirrup: I clearly would contend you can balance the two. I recognise that if the house is on fire, you need to put out the fire—I do understand that—but you then need to return to the bigger issues. You are right. Clearly, culture change is one of the most difficult things to do and you do not do it by setting up a training course or setting up an organisation or a structure; you have to address it on a more fundamental basis. That is why my approach within the military has been to get people doing it on real-world issues. We give them the issues, they debate these things, we take the output that comes from them and we feed it into the wider considerations, but the main point of the exercise is to get them doing it on a continuing basis. It is only a core of people at the moment but, as I said, we intend to grow this and what we want to see is a shift where everybody wants to do this and everybody wants to be a part of this because this is clearly one of the driving forces of our organisation. That, I think, is what we need to do more widely. It will take time; you cannot achieve a cultural shift overnight.

Q273 Chair: But this is just happening in the Ministry of Defence. We have had evidence from members of your Strategic Advisory Group who clearly believe—and wish—that the United Kingdom Government need a much wider capacity than perhaps what you are developing.

Sir Jock Stirrup: I couldn't agree more. The Strategic Advisory Group, of course, is a different body. They are people from outside the military who I draw on to discuss, in a free flowing way, these difficult strategic issues. It is a think tank; it is a brainstorming session. The Strategic Forum is for, as I say, Half Colonels to One Stars to engage in this virtual forum so that they practice the art of strategic thinking while dealing with real world issues too. I come back to the point I made earlier, Chair: of course the ideal is to get this sort of forum that involves civil servants and, as I say, people from the political field, although not current party political people—economists and people like that—but we tried the wider approach to start with and we were completely underwhelmed by the response; it was just impossible to get it going.

Q274 Chair: Response from whom?

Sir Jock Stirrup: From the wider field.

Q275 Chair: When you say the wider field, do you mean other government departments?

Sir Jock Stirrup: Across Whitehall and from national non-government agencies as well.

Q276 Chair: Isn't that the problem?

Sir Jock Stirrup: Yes, absolutely. So what is the response to the problem? My response was to create something that was hopefully going to be so successful that everybody would want to be a part of it.

Q277 Chair: But doesn't that underline the need for the Government purposefully to set up some kind of central organisation, perhaps under the National

Security Council, with some perhaps more active Parliamentary oversight on what national strategy is and how it is developed?

Sir Jock Stirrup: I wouldn't disagree with that at all, Chair, but my point is that that by itself will not effect a culture change. You need some mechanism to drive through the longer-term cultural change, which is going to take several years.

Q278 Robert Halfon: What is that mechanism?

Sir Jock Stirrup: As I say, for me, it is a mechanism that gets people engaged in doing it at an early stage in their careers, wherever they happen to be, so that as they get to more senior positions, this has become their default mode of thinking.

Q279 Mr Walker: Just out of interest, you would have toured NATO countries and seen how they operate. Would you say that, for example, France has a better developed idea of national strategy than the United Kingdom?

Sir Jock Stirrup: No.

Q280 Chair: But do they have a better institutional capacity for it?

Sir Jock Stirrup: Yes.

Q281 Chair: And we are at a disadvantage because we do not have this capacity?

Sir Jock Stirrup: Yes. But of course one of the problems is—it is a bit hard to comment and criticise other people's structures, but from what I can see—there are even more tensions within the French structure than there are within ours.

Q282 Chair: But isn't tension an inevitable part of strategy making because you need to consider conflicting scenarios and conflicting interests within the organisation?

Sir Jock Stirrup: It is not tension between different strategic views; it is tension between power centres.

Q283 Chair: But we see that in the United States, for example.

Sir Jock Stirrup: Yes you do, and that is a disadvantage in the United States. I think one of the powerful things that the United States has going for it is this ease of movement between government and think tanks, academic institutions and all the rest of it.

Q284 Chair: So would you favour the Government promoting or perhaps even funding—as in fact under Denis Healey there was a very concerted effort—chairs of defence and security studies, chairs of national strategy in universities and think tanks?

Sir Jock Stirrup: I would, but the key is that we have a problem in this country—forgive me; this is just a personal bias—that if it is useful, it cannot be educational. That is training. I would not favour setting up a purely academic approach to this that is separate from government. My point about the United States is that people flow between these, so the ideas and the thinking flows into and out of government and between these different

organisations in a way that it does not here. The thinking goes on here, but it goes on in compartments and it is very hard to get it shifted from one field into another—from the academic to government and *vice versa*.

Q285 Chair: I just want to be absolutely clear about what you are advising. With your enormous experience and as you reach that moment when you will be taking off your uniform or wearing it less frequently, you are saying that we need more institutional capacity and that the National Security Council could be the focus of that capacity—not necessarily having it located there, but with it drawing together and processing it, and maybe with a sort of national strategic assessment staff under the National Security Council—but that it must not become a rival power base; another government department.

Sir Jock Stirrup: Exactly so, and that might be the arena in which you could get people flowing into and out of the private and academic sector.

Q286 Chair: Do you feel the JIC or MI5 or MI6 or GCHQ are rival power bases?

Sir Jock Stirrup: No, I don't.

Q287 Chair: So it could be an organisation of that nature?

Sir Jock Stirrup: Yes. But even so, the key to all of this in my view—sorry to hammer the nail right through the table—is the culture change.

Q288 Chair: The culture change. So it is an educational problem?

Sir Jock Stirrup: It is education by doing at an early stage.

Q289 Nick de Bois: Can I just clarify that point? It is very much about the application to develop a culture—you prove it by doing it and it grows further. Can that happen in institutions in a short period? My belief is that you are really talking quite long term here, aren't you?

Sir Jock Stirrup: I don't think you can effect that kind of culture change in any walk of life quickly. It does take a long time, because first of all you start with a core of people at a relatively early stage in their careers, but then they move through their careers and this expands as they go on. So yes, you are probably talking about at least a 10-year project, but if you are thinking strategically, that is nothing.

Q290 Chair: But you would envisage our recommendations perhaps aiming high in the long term, but making some practical suggestions in the shorter term to build up that capacity?

Sir Jock Stirrup: Absolutely, but sustained over time.

Q291 Chair: The Foreign Secretary rather said that he did not feel that that sort of capacity was necessary—he does the strategy—and Sir Peter Ricketts told us that the Cabinet does the strategy. Do you think Foreign Secretaries and Cabinet

Ministers have that capacity to develop, sustain and adapt strategy on an ongoing basis without that kind of support?

Sir Jock Stirrup: Again, I come back to my central proposition, which is not that there are not people doing strategy, but that strategy is a complex and dynamic process and that therefore everyone involved in the enterprise, or a large proportion of them, particularly at a more senior level, needs to be thinking strategically so that they support the strategic goals that have been set. Of course the Foreign Secretary decides strategy, but he cannot spend every minute of his day checking how it is going and all the implications of that and whether those implications are being dealt with in accordance with the broader and evolving strategic context. Only the enterprise can do it. This is rather like saying, if I may, that the general at the head of the Army makes all the decisions and everyone else just does as they are told. We have a fundamental principle of mission command that has to be applied to strategic thinking.

Q292 Chair: Finally—we are determined to bring you back on to the runway on time—you have identified a breakdown in the habit of strategic thinking across Whitehall. How is this affecting SDSR? Is this going to have a knock-on effect on SDSR, particularly as the financial pressures are, we know, very acute and, as you say, the deficit is the main effort at the moment?

Sir Jock Stirrup: Clearly, given the targets that we have been set by the Treasury, which are pretty difficult, we are trying to evolve a vision for 2020 that is strategically coherent, militarily coherent and within the resource envelope that has been indicated to us. I think we can do that; in fact, I am sure we can do that. There will be disagreements—of course there will—because people will take different views about things. My concern will be how we get from here to there and how we get through the next few years—of course that is when the deficit is going to be reduced—in a way that enables us to sustain the very difficult effort that our people are making in Afghanistan and that leaves us in a position to grow into the strategically coherent position by 2020. That is the key challenge.

Q293 Chair: The House Of Commons Defence Committee has described the timeframe for this review as “startlingly short”. Is that a concern you share?

Sir Jock Stirrup: In part. What I think we would have done much more of had we had more time is broader public consultation. I am not sure that it would have changed the results at all, because the results are driven by some very severe financial pressures, but it would have helped develop the thinking and perhaps a broader consensus for what was being proposed.

Q294 Chair: But by hanging the timetable on the spending round, you are confident it hasn't become the “Financial Defence and Security Review”?

16 September 2010 Air Chief Marshal Sir Jock Stirrup GCB AFC ADC RAF

Sir Jock Stirrup: Of course it is driven by resource, but then everybody over the past few days has been lauding the last defence review. That is all well and good but there was a lot of very sensible thinking that went into it and then it was not funded.

Chair: Quite right.

Sir Jock Stirrup: Ideas that do not have the adequate resource put into them are not a strategy; they are a fantasy.

Chair: Two last questions: one from Charlie Elphicke and then I will come to you, Kevin.

Q295 Charlie Elphicke: Air Chief Marshal, my understanding is that your tour of duty as CDS is now drawing to a close. You have served this nation with distinction for more years than I have even been alive, with a career starting in 1970, and you have a huge amount of experience, having seen so many events. Can I ask you, if you were in the Foreign Office doing that valedictory statement thing they do, what would be the key points of your valedictory statement?

Sir Jock Stirrup: I think I would say first of all that the military has adapted extraordinarily well to enormous change. That is easy to overlook. In the first half of my career, we evolved, but it was all the cold war, so the world looked pretty much the same, with rather different knobs on. But since then, of course, the world has become much more complex and dynamic—things have changed dramatically. The military is sometimes accused of being stuck in the past. Actually, if you look at what has happened—if you conduct a coldblooded analysis—the amount of change that has gone on has been absolutely fundamental and the military has, in my view, done it superbly all the while, certainly over most of the last 20 years in contact with the enemy. That is the first thing to say. The second thing I would say is that the one thing that this nation should be inordinately proud of is the fact that it has young men and women who are still prepared to step forward and serve, not all of whom come from the

most advantaged or best educated parts of society, and who, given the challenge and given the training, go out there and do some astonishing things. They concede nothing to their predecessors in terms of commitment, courage and performance. This nation really should be proud of that. I think the third thing I would say, though, is that we have been in a period of almost continuous declining investment in defence and perhaps in security more widely—not always in real cash terms, but the cost of our business does not go up in line with inflation. After all, people do not expect throughout their careers their pay rises to be limited to inflation; they expect, if GDP grows, to have a part of that reward in terms of their pay. Our people do, too. So our people costs are a large element of our costs; those costs go up at a higher rate than inflation and, of course as we know, there is defence equipment. I am not going to defend all of our acquisition processes or stories in the past by any means; there are some pretty bad ones there. There have also been some very good ones, by the way, which tend to get overlooked. But it is a fact that no one around the world does it any better and it is a fact that when you are operating at the high end of technology, the cost of these things, again, does not go up in line with inflation.

Q296 Kevin Brennan: My question requires only a one word answer. When you do stand down, following on from Mr Elphicke's question, are you planning to emulate any of your military colleagues by pursuing a career in party politics?

Sir Jock Stirrup: Certainly not.

Q297 Chair: Chief of Defence Staff, thank you very much indeed for your time this morning. We are exceptionally grateful to you and it has been a very valuable session for us.

Sir Jock Stirrup: Thank you. Can I say I have enjoyed it, but thank you again for doing this, because as you know, this is a subject very dear to my heart.

Chair: Thank you very much.

Witnesses: **Baroness Neville-Jones DCMG**, Minister of State for Security, Home Office, and **William Nye**, Director, National Security Secretariat, Cabinet Office, gave evidence.

Chair: Baroness Neville-Jones, thank you very much indeed for joining us today. It is a great pleasure to welcome you to our session. This inquiry is not about what the national strategy is, or about the Grand Strategy is; it is about how strategy is made, what capacity for strategic thinking we have across Whitehall, and whether that is sufficient and enough. The evidence we have heard so far, I have to say, is very mixed. Generally, the National Security Council, which is very much your baby and a product of the policy you drew up in opposition, is seen as a good start, but National Security Strategy is seen as a narrower concept than Grand Strategy or national strategy, and the National Security Council does not necessarily have the institutional underpinning to provide it

with that capacity for strategic thinking that would enable it to fulfil that wider role. I will start, if I may, by asking Kevin Brennan to ask some questions.

Q298 Kevin Brennan: You said in a recent speech, Baroness Neville-Jones, that one of the main outcomes of the creation of the NSC should be to develop a capacity across government for strategic assessment, long-term policymaking and sustained delivery. Can you give us some examples of how this is happening?

Baroness Neville-Jones: Certainly. Chair, might I just say thank you very much for inviting me to contribute to the Committee's work on this issue?

Q299 Chair: Sorry, I should interrupt. I do apologise. Could you each identify yourselves for the record?

Baroness Neville-Jones: Of course. I am Pauline Neville-Jones, the Security Minister.

William Nye: I am William Nye, a Director in the National Security Secretariat in the Cabinet Office.

Chair: I do apologise for interrupting you.

Baroness Neville-Jones: Thank you. To answer your question, if I might give a tiny bit of background, I think that one of the reasons why in opposition I was very keen that when a Conservative government came into office we should indeed set up a National Security Council was indeed a perception that although I think the British method of government has some very strong points and has always traditionally been extraordinarily good at cross-departmental co-ordination—a characteristic that is not found in all governments; there are many governments who are much more stovepiped than that of the United Kingdom—I nevertheless felt that we needed a capacity for being able to make policy more in the round as distinct from co-ordinating the activities of different departments, and that a structural change was actually needed in order to achieve that. So that is the background. To answer your question, I think I would say two or three things. Obviously the remit of a body is very important and the remit of the National Security Council is indeed to be responsible for drawing up and implementation—or the monitoring of implementation, because we do not want to create a body that cuts out all responsible departments and their accountability to Parliament, but we want to create is a body where the strategy that the Government have agreed, and the sub-strategies also which are implemented, all go to and are agreed by the National Security Council and should then be effectively implemented, and for there to be machinery inside government, as well as accountability to Parliament, for ensuring that is the case. One of the features of making policy that way is that it is possible from the beginning to create a policy framework that is avowedly inter-departmental, cross-departmental and not simply, which I think has been the characteristic of many policies previously, where there has been a lead government department to which others have then contributed. Let me give you an example of a new area of policy where we are developing something which is, from the start, cross-departmental with cross-departmental contribution, and that is in the area of cyber.

Q300 Kevin Brennan: Of what, sorry?

Baroness Neville-Jones: Cyber.

Q301 Kevin Brennan: Is that a word on its own?

Baroness Neville-Jones: Indeed, yes it is. Because our cyber strategy is not simply a cyber security strategy; it is a strategy which is designed undoubtedly to increase our ability to ensure that the Government have a secure cyber network and cyber platform. Also—and here is another characteristic, I think, of

the National Security Council that I think is a bit different from our predecessors—we do regard security as being something that not just governmental; it is actually societal. That is to say that if you look at the security needs of the country these days, they cross into things that the Government do not look after; there is a huge area of our national capability and assets that we need to protect which is owned and operated by the private sector.

Q302 Kevin Brennan: Okay. First of all, that is incorrect. The previous Government did exactly think about that. Secondly, we are not really interested in going into the issue and the policy itself; we are interested in Grand Strategy and the role possibly of the National Security Council within the creation of that strategy. If it is as strategic a body as you say, why are there twice as many staff serving it who are there for contingencies as there are those who are there for long-term strategy?

Baroness Neville-Jones: There are two sorts of people, I think, who we are talking about, and I will ask William to contribute to this. We have people who are actually in the National Security Secretariat who directly serve the national security machinery: the Council, the Prime Minister and everything that goes on inside the NSC. We then have, separately from it, staff in the Cabinet Office who perform and who are engaged in policy functions that are very often cross-departmental in character, but they have separate policy responsibilities.

Q303 Kevin Brennan: Is the assertion that there are twice as many contingency staff as there are staff in longer-term strategic issues correct or incorrect?

William Nye: Should I say a word on that?

Baroness Neville-Jones: Yes.

William Nye: The National Security Secretariat encompasses quite a number of different types of function within the Cabinet Office. I think you have been given the organogram, Mr Brennan, and from that, you have probably seen that my area—strategy and counter-terrorism—itself covers a number of different functions. Within counter-terrorism, I have some people who support the Prime Minister in the National Security Council on counter-terrorism policy. I also have some people who run and manage the COBRA crisis management facilities as well as people who focus on strategy. The civil contingencies area is a hub at the centre of government that works with many departments as the centre for dealing with domestic emergencies. That is more like a function that could be in another department if ministers chose to put it there. It corresponds in many respects to the function of the Office for Security and Counter-terrorism for co-ordinating counter-terrorism strategy, but it includes people who deliver elements of the policy, as well as people who are doing the strategic analysis. You need both and so I do not think I would draw a conclusion from the numbers in quite the way you suggest.

Q304 Kevin Brennan: If that is the case, how can you avoid, over time, the short-term contingencies predominating over strategic thinking in a body like this if it is dealing with both fire fighting and strategic thinking?

Baroness Neville-Jones: I think in fact that perhaps the word “contingencies” suggests something slightly misleading. What the Civil Contingencies Secretariat is engaged in is actually long-term planning in relation to a whole series of threats and hazards that have been identified on a planning basis—

Q305 Kevin Brennan: So it is a strategic contingencies element?

Baroness Neville-Jones: It is a strategic body, absolutely. Yes it is.

Q306 Kevin Brennan: When the floods come, it isn't there to react to that; it's there to plan long-term about where floods might happen?

Baroness Neville-Jones: No, that will be the salt cell or it will be COBRA. There is a piece of machinery of government which will then come into being as a result of the planning that has taken place on how you actually manage a contingency.

Q307 Kevin Brennan: In the circumstances of a contingency, then, is it still COBRA that will meet in order to deal with that, rather than the National Security Council?

Baroness Neville-Jones: If it is at national level, yes. If it is at regional level or local level, you will probably find it will be dealt with by the police, who do not raise everything, evidently, to the national level unless it is necessary. But certainly if you do, that is what happens.

Kevin Brennan: I'm done.

Chair: Thank you. Mr Halfon.

Q308 Robert Halfon: How do you plan to ensure that the National Security Strategy is accountable and effective?

Baroness Neville-Jones: Let's deal with accountability first. Clearly, departments that are charged with duties of implementation under the National Security Strategy, to which they will have contributed through their ministers, will be accountable to their departmental heads, and Secretaries of State will be accountable to the appropriate parliamentary committee. The National Security Strategy is clearly built up of a whole series of the overall strategy and then are a series of sub-strategies under that that help implement it. But you can see, perhaps in the case of defence, that there is a whole area of defence delivery of the strategy that is the proper purview, I would suggest, in parliamentary terms, of the Defence Committee. However, there is also I think a need that Parliament has recognised in the setting up of the Joint Committee on the National Strategy to look at those issues which are cross-cutting in nature and do not necessarily or easily fall into—and indeed need a different kind of examination from—the subject matter strategies. So I think that what we expect, and

we will be gladly willing to do, is to give evidence on the implementation of the strategy overall and particularly on those areas where you have a strategy only if you are operating across departmental boundaries. Indeed, our ability to do some of these things, if I might just say so, does depend on including and having partnerships with the private sector. This is not just government.

Q309 Robert Halfon: Do you think that Joint Committee will be effective in providing checks and balances and challenging the National Security Strategy, or do you think that Parliament should set up its own independent think tank to do that role?

Baroness Neville-Jones: Perhaps that is a matter for Parliament. I imagine that the National Security Strategy Committee will want to take some expert help to enable it to have a good dialogue on this subject. I do think that we do have a national opportunity on the basis of the setting up of the National Security Council now to have broader dialogue on the subject of what it is that this country is trying to do and how it is trying to do it. It seems to me, Chair, if I might say so, that this is a very good start in that I do not think the national strategy, or for that matter Grand Strategy, should be something only the Government do. It does seem to me that it is something where we should try to achieve a national consensus and therefore that there should be contribution from all parts of the governmental machine, Parliament and indeed our intellectual establishment—our universities and our think tanks. This is not, I think, something to be confined to the Government.

Q310 Chair: Aren't you a little disappointed that the Joint Committee has not been established yet?

Baroness Neville-Jones: I think it will come into being quite shortly, won't it, Chair? Of course, it does contain Peers and the Lords are not yet in session.

Q311 Chair: Given that we all agree that National Security Strategy is a subset of national strategy or Grand Strategy, shouldn't the Committee be about national strategy as a whole, not just National Security Strategy? How do we oversee this process that, you have just described, should be so broad and involving?

Baroness Neville-Jones: I think you are obviously quite right to distinguish between those two things. They are not the same. If I might say so, I think National Security Strategy is probably quite a considerable part of what you might regard as being Grand Strategy. I suppose, in our system of government, it is the Cabinet in a sense that is the owner of Grand Strategy. I might say I think that in the compass of what we regard as being the component parts of National Security Strategy, we have given it a very wide definition. If I can come back for a moment to the cyber strategy, it is, as I say, not just a cyber security strategy; it is actually also how you actually ensure that our cyber capabilities are ones that help to provide a platform for economic growth and industrial change. So we do

conceive of the National Security Strategy as being not only how do we deal with the threats and hazards that face us and the challenges we face, but what opportunities are open to the nation and how should we try to exploit them? That does not make any kind of sense unless you are actually also being active on the economic front.

Q312 Chair: But given that security strategy tends to be preoccupied with threats, risks and contingencies, where is the capacity for wider strategic thinking? Should that be part of the NSC's remit?

Baroness Neville-Jones: First of all, you are quite right to say that that is a significant component. I hope, when the National Security Strategy is published, that one of the things you will find in the SWOT analysis is that opportunity is there as well. That is not just how do we act defensively, how do we deter; it is also what opportunities are open to us and how do we seek to exploit them?

Q313 Chair: I think we are in agreement about that.

Baroness Neville-Jones: The Foreign Secretary is extraordinarily keen that the Foreign Office should be part of the advancement of the economic and trading opportunities of the United Kingdom. This is not just security writ narrow, if I can put it that way. I think it is a much broader interpretation that we are giving it.

Q314 Chair: Your earlier comment echoed Sir Peter Ricketts in his evidence earlier this week that it is the Cabinet that does Grand Strategy, but I pointed out to him that the Cabinet is a decision-making body; it is not an iterative thinking body.

Baroness Neville-Jones: No, that is quite true.

Q315 Chair: Where is the capacity for this deep and iterative and continuing thinking? We have been told that strategy lives; it is not a strategy. Strategy lives and is permanently developing. Where is the institutional home of this strategy? At the moment, it seems to us rather scattered around rather disparate parts of Whitehall that do strategy in different ways in different departments. Is there a strategy community?

Baroness Neville-Jones: Clearly, what we have set our minds to is the development of a National Security Strategy, and I think we both agree that one does distinguish that from something which you might call the grander strategy. I do, on the other hand, think that the capacity of departments to think strategically is actually enhanced and enlarged by the National Security Council, because one of the functions of the National Security Council in the way it is operating is to challenge some of the assumptions. It brings a whole series of other issues to the central table. They include, for instance, our energy prospects—how we plan for the future for a world of changing energy needs and climate change. These are very big issues; they are not trivial issues that somehow can be neatly apportioned into operational policy. They do require a great deal of thought. So the fact of having to bring the fundamental underlying policy and the thinking that

lies behind it, and the ambition that you are going to try to achieve, does itself generate much longer range and much more ambitious thinking than might otherwise be the case, and forces government, in its decision-making processes, to take account of that. So they do not actually get what I think is very often a danger in government: you have thinking over here and you have operation over here and not much contact and connection between the two. I hope that is something we can actually—

Q316 Chair: I think that is very much our concern, but in terms of thinking up scenarios, I was quite surprised that Sir Peter Ricketts told us that he could not remember a time when a red team exercise had been done with the Iranian Government on various scenarios and various policy options to look ahead at what would the Iranian regime do if we did this and if we did that, and how would they respond to this and respond to that? How can you plan energy security if you do not have that kind of thinking going on in Whitehall?

Baroness Neville-Jones: Chair, I don't know that that kind of thinking isn't going on in Whitehall.

Q317 Chair: We haven't found it yet.

Baroness Neville-Jones: Perhaps it would be a good idea to ask Mr Huhne to come and see you. Can I say one thing? We are at the beginning of a path. This is not a fully fledged and completely organised project yet. We have had five months and we have succeeded in setting up the absolutely key central piece, but I would not want to pretend to you that I think that we have necessarily put all the design in place—either what serves the National Security Council underneath or indeed its links into the rest of Whitehall.

Q318 Chair: But you do accept that that kind of thinking is required?

Baroness Neville-Jones: I do. Absolutely I do, yes.

Q319 Chair: William Nye?

William Nye: Can I just say a word? Going back to your first question, Chair, I think there is a strategy community in Whitehall, but I think it is a work in progress as a community. There are strategy units and you are quite right to say that they are a bit different in different departments and they do operate slightly differently, but we do bring them together through a network and through working together most concretely on things like the National Security Strategy, which as you rightly noted is, of course, smaller than Grand Strategy, but since it is quite a good chunk of national strategy, is quite a good bit of practice at helping bring people together. Those of us who are in the strategy community have also tried to find opportunities for specific examples of bits of work that can bring those people together. But, as the minister has said, it is a work in progress; it is not fully established and I am sure there is more we could do to make best use of the synergy between the different bits of strategic capacity across Whitehall.

Q320 Nick de Bois: Just building on that point, because I think you are leading into something I was going to ask, if you don't mind, Chair. It is almost as if, to get to a Grand Strategy, in a way what is potentially holding us back is that the National Security Council and the National Security Strategy is almost too limited a concept, because we seem to be focusing on that. While I hear what you are saying about different silos of strategic capability across Whitehall, it seems to be very NSC-centric. Is that limiting the Grand Strategy of what we aspire to, even in our manifesto, when we were talking about cutting across various other areas?

Chair: He means the Conservative manifesto.

Baroness Neville-Jones: You provoke a very interesting line of questioning. I think personally my concept of national security is not that it is the Procrustean bed into which other things should fit; I think it is rather the other way round. Those elements of policy that are important and that touch on the national interest, of which you clearly have to have a definition before you can even begin on a serious strategic approach, in their totality make up what you regard as being your National Security Strategy. I have to come back, Chair, to the point I made at the beginning, which is that we do give the word "security" a very broad definition. We do not think it is the Security and Defence Review with a little bit of foreign policy and one or two other things added on. We regard it as being much more broadly based in what society needs moving forward and that the definition of security is not so much attached to the machinery of government or to the organs and the assets of the state; it is actually how you protect and advance the whole of the interests of society. So it is broader than that and for instance, to give you an example, issues that you might regard as being domestic soft power issues on things like how we deal with extremism and radicalisation in the United Kingdom are a matter for the National Security Council. So it is both flexible and broad in the way we approach it.

Q321 Chair: I don't want to prejudge it, but I think our report is likely to be very positive about the developments so far, but rather echoing your sentiment that it is a basis for future development. It has been suggested to us by Dr Paul Cornish in his evidence that we should set up some kind of an inter-departmental strategic think tank—an organisation known to be independent of departments of State that reports to and advises the Prime Minister and the Cabinet Office, presumably through the National Security Adviser. What do you think of that proposal? It is not policy; I am asking you to horizon scan.

Baroness Neville-Jones: Yes, absolutely. I am rather keen, I must say, on the Government developing a good capacity for horizon scanning. I have done enough work on horizon scanning to know that good horizon scanning is quite difficult. I would want to be confident that anything that we did beyond what already exists—and there is a certain capacity in the Government for it—really represented value-added pounds. I think that size is

not necessarily what you need there; what you do need is a very good unit of really capable, well-trained and able people. So that would be where I think we should try to go. Does it need to be "avowedly inter-departmental"? I don't know. What I would say, Chair, is that what you want out of horizon scanning is something that services all departments. I don't think it has to be so formally inter-departmental. What I think it needs to do is to be given a remit of the kind that enables it to tackle those issues that are really future issues for the Government and do the job, obviously, of "where is the world going and what do we need to look out for?" This is pre-emption of hazards and threats coming our way that we will find we have to manage if we do not pre-empt them, or it is opportunities that we ought to be seizing. That is where I hope also the existence of the National Security Strategy provides you with the foundation of what it is you are trying to look for in the national interest.

Q322 Chair: It is about people who are developing a clear idea of what sort of country we want to be in five, 10 or 20 years' time.

Baroness Neville-Jones: They have to be informed by that and they have to contribute to its continuing development, yes, although I do think that a function of leadership, right at the beginning, is to decide what kind of world we live in and what kind of country we want to be, and therefore what consequences of those two perceptions flow for policy.

Q323 Chair: This is music to my ears, but is the office of National Security Adviser sufficiently developed yet? When you were Chairman of the Joint Intelligence Committee, or when you talk to the director of one of the security services, you feel you are talking to someone who has a degree of independence and authority because of the job they do. Has the National Security Adviser developed sufficiently in that role, do you think, to have that measure of independence?

Baroness Neville-Jones: I understand you. I would say that the National Security Adviser, who is an official, has considerable independent authority.

Q324 Chair: But the problem is that he has been double-hatted with the Foreign Policy Adviser, hasn't he? Traditionally, the Foreign Policy Adviser is very much a line official role in No 10, not somebody who acts independently like the Chairman of the JIC.

Baroness Neville-Jones: Chair, you can argue that one both ways, I think. You can say, no, the Chairman of the Committee should have separate advice on how he chairs the Committee, which is obviously one of the functions of the Foreign Policy Adviser, or you can say that it follows logically from being head of the Secretariat that the head of that Secretariat services the Chairman in his role as Chairman of that Committee. I could argue both those cases. I do not personally think that is the key point. I think the key point is that the National Security Adviser should have a good grasp of, and

understand what are, the main issues in front of the National Security Council itself and be important and play a central role in their development. I do believe that that is what the present incumbent is doing.

Q325 Chair: When you were Chairman of JIC, of course, you had your assessment staff.

Baroness Neville-Jones: Yes.

Q326 Chair: Does the National Security Adviser have a strategic assessment staff or should he have that?

Baroness Neville-Jones: I would say that the National Security Adviser certainly has to have people on his staff who can either do the work themselves or cause the work to be done—gather the resources of government together to oblige them to do things that they are not otherwise doing. Absolutely it does. Does he need a whole separate Department of State in order to achieve that function? I am much less convinced.

Q327 Chair: I wouldn't say Department of State, but maybe an agency.

Baroness Neville-Jones: But it is possible, Chair, to build a very big body very, very quickly. One of the things we did say in opposition was that we wanted to keep the centre of the Government small. We do believe that small and efficient very often go together, rather than large goes with efficient. What we do think is that it is not so much for the National Security Secretariat to begin to substitute in its thought processes and its policy making for the rest of government, but actually to get the rest of government thinking and acting much more strategically than it otherwise would.

Q328 Chair: How should that be done?

Baroness Neville-Jones: I think it is by very considerable involvement. There is already—this did not exist previously within the National Security Secretariat—a structured system of official committees, and William perhaps will tell you a bit more about this, and the Permanent Secretaries from the relevant departments now meeting once a week. That was something which in opposition I was extremely keen to see happen, because I wanted—and I think it is right and I think it is proving fruitful—the heads of those departments and not just their subordinates to be working at the centre and themselves understanding the contribution and the role of their department in central policy making for an outcome that the Government have identified as wanting or needing. Then also, of course, there is, quite normally, a structure of ministerial committees as well. Having had experience of government previously, I do think the agendas and papers that come before these various sub-committees of the National Security Council are different in kind from the sort of papers I used to see when I was an official dealing in the Cabinet Committee system. They are much more cross-cutting—much more forward looking, I think—than would necessarily habitually

have been the case previously. I do think the shape within which decision making takes place is changing.

Q329 Chair: So you think that we are beginning to see a cultural change?

Baroness Neville-Jones: Yes. I would not want to exaggerate how far it has gone and it is extraordinarily easy to lapse. We are at the moment, obviously, in a creative phase where we are trying to build a policy. It will be a test of the system how creative it remains when we are in the implementation phase, but I think that everybody who is involved is trying to make a significant effort to change the way policy is made.

William Nye: I agree with that. It is essentially a networked model that the minister has been outlining. You have the National Security Secretariat working closely with not just the strategy units of departments but with other departments of State generally—sometimes on strategic thinking, sometimes on specific policies, but trying to inculcate a sense of common endeavour across all the departments that are involved. Obviously, some of them are more involved. Some of them are 100% involved, like the Foreign and Commonwealth Office. Others are involved as regards some of their activities, but the spread of the network across Whitehall is quite wide, so we have the Ministry of Justice and the Department for Energy and Climate Change, and on certain issues, as the minister says, the Department for Communities and Local Government also involved. It is a work in progress—and I am not going to comment on how the papers are compared with before—but we are certainly trying to get a sense of common endeavour and that forward-looking approach.

Q330 Charlie Elphicke: Mr Nye, how are they all educated?

William Nye: In what sense? They are a mixture of different backgrounds. My own team, for example—

Q331 Charlie Elphicke: How are they going to be taught? Do you just suddenly say, “Oh, you look very promising. Why don't you just do this?” or are you going to have some kind of formal structuring, formal education and formal teaching? Or is it all just generalism?

William Nye: We have a mixture of specialists from different backgrounds whom we bring together. To take my own team, I have a mixture of people from the Ministry of Defence, the Home Office—I am from the Home Office myself, albeit originally from the Treasury—some of the intelligence agencies, Revenue and Customs, some of the armed services and various other departments. Some of them have been through more formal training in things that are relevant for, say, horizon scanning or strategic thinking. Typically, those in the armed services and to some extent the Ministry of Defence civil servants may have been through more formal training, because that tends to be more embedded there; some of the other departments slightly less so. I do agree, if you are saying they need some common training,

that there is an issue for us to think about. You want a variety of perspectives, as I think Peter Ricketts said, but you also want enough common mutual understanding to be able to work together. If I can mention one example, which is very nascent, we are working with the Defence Academy on a pilot project for a series of relatively senior level—One Star, Grade Five Deputy Director—leadership courses, organised by the Defence Academy but aimed at people who are going to work anywhere across the broader national security community so that they come together and, as part of their development, have this opportunity to think about national security issues in the round at the same time as doing personal leadership development.

Q332 Chair: I gather that the Civil Service College—correct me if I am wrong—used to run a strategic thinking course that I think was six months, was it?

Baroness Neville-Jones: A senior leadership course, yes.

Q333 Chair: What strategic training have you had, Mr Nye?

William Nye: I have been on a variety of personal development courses, many of which contained aspects of strategic thinking, but you are quite right to say that the Civil Service College approach of intensive staff college-type arrangements has gone and its successor, the National School of Government, does more of a variety of courses on a whole range of issues, tailored for customers to choose as and when. One of the reasons I was interested in working with the Defence Academy on this pilot project was to see if we could produce a product that was suitable for a lot of people with a national security interest across the whole of Government and was not, as it were, just something that was a Ministry of Defence course for 20 Ministry of Defence people and two people from another department, but something that was suitable for people from a whole range of departments. I will be honest: we have the first pilot version running in October, so it has not actually started yet, but I think it is quite an interesting idea.

Q334 Chair: We are very glad to hear that. It bears out what the CDS told us in earlier evidence and in his RUSI lecture last year: he thought there had been a lapse in the culture and the habit of strategic thinking in Whitehall. He cited in his evidence that he felt that the military do far more strategic training than the Civil Service now does. You would accept that?

William Nye: I would accept that the military do more training of that kind, certainly. There are plenty of opportunities for training in strategic thinking in the Civil Service and people, if they are sensible, will try to seize those opportunities because strategic thinking is one of the six core competencies for the Senior Civil Service, which you are supposed to be tested on, but it is not as uniform or established as it would be for the armed services.

Q335 Charlie Elphicke: Baroness, can I ask you a slightly wider question, drawing on your glittering experience in defence, foreign policy, security, intelligence, the Cabinet and those sides of things? We heard in previous evidence that our sense of Grand Strategy and direction as a nation is slightly muddled. On the one hand, our foreign and military policy is entirely a subset of the United States—we do not have any independence on that, we just do what they say. On the economic side, we are entirely a subset of the European Union—we just do what it says. We are a satellite of each; a poodle yapping without any particular direction because we are pulled in two different directions. Would you say that is fair?

Baroness Neville-Jones: We are now getting on to the substance of strategy, aren't we? If you want to draw a caricature of British policy over the years, it certainly has been composed of these two big pillars in our policy—our relationship with the US and our membership of the European Union. To a large extent, the UK has been able to run these reasonably well in parallel, though has not been without internal tension and I would not try to pretend otherwise. These relationships remain core to our position in the world and I think you will find that the National Security Strategy is not going to say something that is unconventional on that subject. But one of the conclusions that, I think, the Government nevertheless draw is that precisely because of having people thinking of you—and particularly your own people being worried by this—as being a poodle means that you actually do need to reassert, restate, rethink your national ambition and what it is to be British. Part of what we are trying to do is not only what the UK's role in the world is, but what kind of society we are—that is also something that the National Security Council is looking at, so it does have some quite Grand Strategy elements in its agenda—and, in a sense, to come up with an agenda for this country in the world that takes into account and draws on the strengths that those two fundamental relationships give us, but which says, "This is what, in the light of all that, the United Kingdom is going to do." I hope therefore it will give some stuffing to the notion that there is something called British foreign policy, British defence policy and British security policy, and that that along with some of the other things I have outlined are core elements in a British National Security Strategy. As I say, I understand the distinction between Grand Strategy and National Security Strategy. What I would say to you is I think that our definition of National Security Strategy is broad.

Q336 Charlie Elphicke: Just to follow up on that: in terms of our sense of mission, Grand Strategy, purpose and direction as a country, do you have a sense of the sort of Britain that you or the Government would like, and that the nation as a whole buys into, regarding what Britain will look like or be or be doing in 10 years' time?

Baroness Neville-Jones: I think some of that vision will appear in what we say. There are some very short-term and very important preoccupations. We

do have to correct the state of the finances of the nation. You cannot ignore issues of affordability, and affordability in the short term, obviously, has an influence on long-term ambition—we also have to be realistic. But I think that what you will see us aiming to be is not a country that pulls up the drawbridge and says it has all become too difficult, too unaffordable and too complicated for us. We need to draw on the strengths we have but also be really alert to some of the hazards and dangers we face and that we do not allow them to mount, because it is getting yourself into a situation where you can fail to manage something early that gets you into extraordinarily expensive diversions in policy. That is one of the reasons why looking forward is going to be an essential element, it seems to me, in getting this strategy right.

Q337 Mr Walker: I am not sure whether you can help me with this, but we had an interesting closed session with some brilliant thinkers and great minds and they talked about the UK managing decline. I did not really understand that, because actually, despite the short-term problems we have at the moment, our living standards have gone up dramatically over the past 50 years and many of the things we are talking about should be more affordable, not less affordable, because we are all getting richer. In reality, it is about choices, isn't it—whether we choose to spend more money on welfare or the NHS, or whether we choose to have a strong foreign policy backed up by strong armed forces, be it Navy, Air Force or Army? Isn't it really the case that it is about how we choose to spend our money?

Baroness Neville-Jones: I think in broad terms, yes. Ever since I have been in government, and going right back to the beginning of my career as a civil servant, I have been in a world where people talk about managing decline and I have never accepted it as the governing element in the agenda. We have certainly had some extraordinarily bumpy periods and I would not say, looking back, that the country makes policy perfectly—there have been errors alright. What I would say is that in the situation in which we find ourselves at the moment—and there is a certain short-term inconvenience with the public finances—I don't think that is what should govern the way you look at your future in the world. What you have to do is you have to get this right, but you are quite right to ask what is the strategic environment and what are our ambitions as a society, and then what policies do we pursue to ensure that we can realise those ambitions in the environment in which we find ourselves? Do I think that our capacity to safeguard ourselves remains unchanging or the ways in which we have to do that remain unchanging? No, I do not. I do think that the world we are in now puts a very big premium on international co-operation among western societies. So I do think that it is not just a question of what you are trying to do; the how of it is very important. I think that the climate we are in now is more challenging from the point of view of attaining those objectives and succeeding in ways that we want to.

From that extent, I think it is harder work. That is not unique to us; you could say that of all western democracies, I think.

Q338 Chair: So what specific changes or recommendations would you make to improve our ability to identify and express those national interests and intentions to which you have just referred, and to improve the culture of strategic thinking that will help us pursue those? Do you have specific ideas and proposals? You must have some.

Baroness Neville-Jones: I hope that when we produce our National Security Strategy and the SDSR—which I might add is being done at the centre although all previous defence reviews have been done in the department; in this one there is a huge contribution from the MOD, but it is essentially processed at the centre, which is itself a change, and of course it includes a big “S” in it, which is also a change in how we think about security issues—those two documents taken together will be an expression of what we are trying to achieve in the world, what we see as our role, what kind of society we think we are and how we are going to go about achieving them, and they will contain, I think, quite a bit of policy which relates to what we do at home as well as how we are trying to achieve policy objectives abroad. I come back to what I was saying earlier on: I think that many of those objectives that we have to seek abroad have to be done in co-operation with likeminded countries, and who you choose as your partners is going to depend on the issue and on the degree of like-mindedness and bringing all the assets together and making them co-ordinate well. One of the results of the existence of the council and of leadership in the departments is that we have a rather closer co-ordination now between the objectives for overseas development and some of the broader national needs. I think that using the tools efficiently, given that there are not spare resources around, is also going to be an important part of getting effective outcomes and implementation. This is going to be tested in implementation, not in design.

Q339 Chair: But isn't the art of strategy about coming up with plans that recognise the constraints and bottlenecks so that you finish up with deliverable plans?

Baroness Neville-Jones: Yes.

Q340 Chair: To that extent, you need that iteration and testing of scenarios, and you need that conflict of ideas and the challenge—people challenging orthodoxy and raising awkward questions. Do you share my sense that there really is not enough of that in Whitehall at the moment?

Baroness Neville-Jones: I think an incoming government do quite a lot of challenging.

Q341 Chair: But that is about the change of government, isn't it?

Baroness Neville-Jones: Up to a point, yes.

Q342 Chair: It is far more difficult to tell the boss he is wrong towards the end of a Parliament than at the beginning.

Baroness Neville-Jones: That is also absolutely right. I understand your point, Chairman, and are we going to build into this a capacity constantly to be thinking about whether we have it right or not? I think that is going to be one of the challenges to us. Not yet tested, but clearly part of the remit, is that when the National Security Strategy is being implemented, there is going to be a monitoring function on the part of the National Security Council. This comes back to the earlier questions about accountability. Obviously the departments will be accountable to Parliament, but there will be an internal accountability mechanism where, in a sense, the National Security Council and the Secretariat under it will be calling the departments to account for the implementation of that bit of the strategy that fell to them. So there will be an iterative, “How are you getting on?”, and, “Why hasn’t this happened?”, and, “If you haven’t been able to do it, can we devise another way or do we have to rethink it?”

Q343 Chair: That is implementation rather than strategy, isn’t it?

Baroness Neville-Jones: Yes it is, but I am sure you would recognise, Chair, that in the end there is not a sharp line between the words on the paper and the strategy as set out originally and its implementation. These two things are iterative and they influence each other, and I would suggest that the test of whether you are achieving your goals is whether you don’t just say, “Do your implementation by rote,” and you are left alone to do it, but you are actually being pestered by other people in the National Security Council for, “How are you getting on?”, and, “Where are we going?”, because that is the process that asks the awkward questions about the relationship between what appears to be done and what the original objective was. That will happen. So I think that we are, I would hope, developing a situation in which the implementation itself remains a thinking process and doesn’t just become execution.

Q344 Mr Walker: As a country, I think we are riddled with self-doubt, but you do not strike me as a woman who questions herself too much, which is good—I think we need forceful personalities. Would you therefore agree that, as a country, we are in an extraordinarily strong position? We have the language of business, we have a democratic model that is widely admired around the world, we have history on our side—look at the opportunities emerging in India—we have a permanent seat on the UN Security Council and we project power across the world. We have all these things going for us at this enormously exciting time in the world’s development—the world is getting richer, China is emerging. If we miss this opportunity as a country, do you think we will rue it for centuries to come?

Baroness Neville-Jones: I certainly think that we must not be so worried about our short-term difficulties that we do not think about what the opportunities are in the long term. Your sentiments are very much mine. We have real assets and we should not forget them. History can provide you with some problems; it also provides you with a huge number of connections around the world. We have them and we should use them, so I am absolutely with you on the sentiment.

Q345 Nick de Bois: I would really welcome your thoughts on what would be the likely constraints—and there will be constraints—on a Grand Strategy and where will they come from? Who will they be? What will they be? Will it be just our own institutions or are there external factors?

Baroness Neville-Jones: I suppose the constraints that operate in relation to the pursuit of any objective—and this would be true, I think, whatever the scale—are: have you identified your objective clearly and correctly? If you are going up a blind alley, you are going to get into trouble and hit a wall. Have you then allocated to it the necessary and appropriate resources? Thirdly, do you then get down in a serious way to implementing? Do you work out what the stages are that you need to go through in order to achieve the objective? Very often when you do that, what you need to do when you are planning it is to start with the objective and work back to where you are and see what you do between the two. It is extraordinary the number of people who fail to do that. If you do not do those things, of course, you are liable just to wander around. So it is very necessary, in my view, if you want to achieve a policy objective, to work out a way of doing it and then constantly you have to test whether you have that right. One of the things I would say about British policy on the whole is that we are quite operational. We are not always as good, I think—and I say this in a sense as a former official—at fixing the objective and keeping our eye on it and we do sometimes go off on tactical tangents. That is a tendency that I think the existence of a broad strategy will help us correct. But I would say in the end that the things that limit you from achieving your objectives are usually your inability to bring your resources into play properly. They are in fact policy-making and policy implementation processes rather than the affordability of the policy, although it is grotesque, obviously, to identify an objective that clearly is wholly unaffordable—that is a silly thing to do. Provided you have a reasonable relationship between the two, I think very much of this lies in the quality of the policy-making process that you then put in place to pursue your clearly identified objective.

Q346 Chair: Mr Nye?

William Nye: Can I just add one thing to what the minister has said? I think there is also a practicality constraint if you draw the scope of whether it is a National Security Strategy or national strategy or Grand Strategy too wide. Of course, intellectually, you could relate any aspect of government to any

16 September 2010 Baroness Neville-Jones DCMG and William Nye

other aspect of government and say they need to work together, and that is true, but the links between different elements are sometimes thicker than others. If you try to bring everything together into a national strategy or a Grand Strategy, rather than focusing on the things where those links are most important and you have the maximum synergies, there may just be—speaking as a practitioner—a practical problem in trying to do that much co-ordination and bringing together. We have, as the minister said, in thinking about national security, broadened the concept to bring in other departments and other elements, but in a way in which you can make a compelling case that persuades those new departments and agencies that they have a role to play. I think it would be quite difficult to try to take every aspect of government policy including, for example, health policy or welfare policy, and say, “Those are important elements of Grand Strategy.”

You could try to make that case, but you might want to look at which are the closest synergies. So we have picked up energy security, for example, and, as the minister has said, there are connections between elements of national security and things like extremism or integration. But I think you ought to be a bit cautious about how far you go in trying to pull everything together.

Q347 Nick de Bois: So is it the art of the possible?

William Nye: I think there always has to be an art of the possible in government.

Chair: On that note, may I thank you, Baroness Neville-Jones and William Nye, for your help and support in this evidence session, and particularly Mr Nye, who attended our seminar last week? I hope our report provides the Government with some useful suggestions.

Baroness Neville-Jones: I look forward to it.

Chair: Thank you very much indeed.

Written evidence

Written evidence submitted by Admiral Sir John Woodward GBE KCB

Firstly I present some general views at paragraphs 1, 2 and 3. Then I go on to answer the questions at paragraph 4.

I have attached my original paper *Strategy by Matrix* written in 1973 and modified in 2003 since it gets referred to in what is below. It has been my personal guide to any strategic thinking that I have needed to do for over 30 years.¹

1. My views on how to develop strategy within the MOD are—create a Central Staff self-managed promotion structure independent of the Single Services. There is no other route to “Joint Planning” [and that includes joint strategy planning]. The existing “system” demands that officers are only effectively “lent” to the Central Staff and woe betide their careers if they forget their Single Service “loyalties” when they’re in the Central Staff. Most CDSs should be free of this constraint since that has to be their last appointment—but sadly old habits die hard. Central Staff loyalties must be to their own [separate from the Single Services] organisation.

2. In my experience of Defence Reviews since 1972, they seldom got round to saying what should actually be done, much less what with. They were driven primarily by cash constraints, secondarily by industrial, employment and vote-buying considerations. The inevitable result is the sort of thing you see today, a real “buggers” muddle of too frequent gross mis-management and waste of funds on politically desirable [joint European, for instance] projects, cherry-picked from military requirements. This has the added political advantage that when/if they go wrong, the MOD can be blamed. This will all have been aggravated by the change [which I did not actually see in my time there up to 1987] in the ratio of civils to military in the MOD. Civils will usually and quite naturally tend to see military requirements and aspirations in purely civil terms. To civils, the wish to please government is paramount [despite “Yes, Minister”], after all their careers depend on it. And their judgements are not professionally based on military knowledge or experience, not even from National Service now. My old paper *Strategy by Matrix* tells you how to consider political, economic and military options as a whole, while recognising the “boundaries” between each. Most Reviews largely leave out the military considerations, once the nuclear deterrent policy is decided. Short of the actual event, most politicians fail to consider attrition of non-nuclear forces and the possible consequences of such failure. My conclusion is to invite the new Central Staff in the MOD to work to several different assumptions on cash, extended 10 to 20 years ahead—Long Term Costings if you like—and produce options for military strategies together with their costs. Cost assumptions should be defined eg figures for peacetime and wartime attrition, for escalation of costs with time, or delay, or plain error [plus the penalties for getting them wrong].

3. I suspect the “Defence Planning Assumptions” were usually too vague, with little idea of costs, much less allowance for attrition. I confess I never much liked them—they are usually ignored in the even/which is seldom what you expected anyway.

4. Trying to answer the paper’s questions . . .

- (a) *What do we mean by “strategy” or “grand strategy”*—without a stated “aim” for each main area of future planning, no one can know what the strategy should be/it’s like leaving harbour with no destination decided—what course do you steer when you clear the port approaches, how much fuel do you need, how fast do you want to go, what do you want to do when/if you get there? At present the “ship of state” is largely rudderless beyond the vague suggestions of SDR98.
- (b) *Who holds the “UK Strategic Concept”?* I was not aware that any such concept existed beyond “We’ll rely on muddling through on the day, it has usually worked in the past—like since 1066.”
- (c) *Do different government departments understand and support any such UK strategic policy they can discern?* Probably not. When I did my briefing rounds before taking on the job of DCDS [C] in 1985, I made a point of going round the Foreign Office to ask them what they thought the MOD should be providing in support of our foreign policy, what were their priorities? No one had the least idea—the thought of briefing a senior MOD official just hadn’t crossed their minds—or if it had, they hadn’t put together any plan for it.
- (d) *What capacity exists for cross-departmental strategic thinking?* None that I was aware of beyond the closed doors of the Civil Service. Should the Government develop and maintain the capacity for strategic thinking? Obviously it should retain the capacity for strategic judgement, just like every other government department—but its main function should be to pull the various departments strategies together, rather than invent them for themselves from top down.
- (e) *What frameworks are needed to do this?* I really don’t know,—but presumably some kind of Parliamentary Committee specially selected for its non-party political integrity—if possible!
- (f) *How is UK Strategy challenged in the light of events?* Usually by a huge, long-winded and costly Government Inquiry which, by limiting its terms of reference, seeks to exonerate the Government

¹ Not printed.

- from blame/pace Bloody Sunday et al. Risk assessments [on newly discovered threats] are a different matter because they will usually produce different requirements from the existing procurement plans, individual Services will usually disagree, projects will delay, costs will increase and we get the full “buggers” muddle again. Unless, as in 1982, everyone knew what the strategic aim was, what was needed, how long they had to implement it, how they intended to achieve the aim, what the attrition might be and whether we could manage it. But above all, the whole course of events was demand-led not cash-constrained. We happened, despite the best efforts of the then Conservative Defence Secretary, John Nott, to have sufficient kit—with several last minute additions—to get away with it largely because the opposition made more mistakes than we did.
- (g) *How are strategic thinking skills best developed and sustained within the Civil Service?* I suggest by avoiding letting them think they know better than the “experts”, the military, MI5 and 6, and the many other junior authorities involved in ensuring the security of this country.
- (h) *Should non-government experts be included in the Government’s strategy making process?* Inevitably, but always be fully aware of their hidden agenda. Try to find “elder statesmen”, the grey eminences like Willy Whitelaw, Peter Carrington, Denis Healey who have no further ambition in their chosen areas. Use some young ones who have not developed loyalties to firms or Services.
- (i) *How should the strategy be communicated across government?* The same way that SDR98 was. Not much wrong there, the trouble was that no one pursued to conclusion in the realities of kit, people, costs etc.
- (j) *How can departments work more collaboratively?* See my answer at (d) above.
- (k) *How can reduced resources be appropriately allocated . . . ?* Speaking for the MOD alone, by adopting my scheme at para 1.
- (l) *Do other countries do strategy better?* Sometimes but not usually against us, history suggests. Perhaps “muddling through” is the best policy?! Certainly, when I once attended a lecture by a retired MOD PUS who had been addressing a senior military and civil audience on the subject of “The formulation of Defence Policy”, I waited until he was about to sit down and be thanked by the Chairman and said:—“I have listened carefully to everything said over the last 60 minutes and believe that our method for the formulation of Defence Policy can be summarised in two words—“muddling through”. He put his head to one side for about two seconds while he thought about it, then looked me straight in the eye and said:—“Exactly so”.

July 2010

**Written evidence submitted by Rt Hon Oliver Letwin MP, Minister for Government Policy,
Cabinet Office**

As agreed at the 27 July PASC, I am writing to outline in more detail the role and structure of the National Security Secretariat (NSS).

The NSS was formed from existing directorates within the Cabinet Office in response to the creation of the National Security Council (NSC). Headed by Sir Peter Ricketts, the National Security Adviser, the NSS:

- supports the Prime Minister in the full range of national security issues, ensuring his priorities are understood across Whitehall and that departmental work is effectively coordinated;
- supports the NSC, ensuring that departments bring forward well-prepared papers presenting options for collective decision and that there is effective implementation;
- coordinates closely with the National Security structures of our key allies;
- acts as the key government body responsible for national resilience and crisis management; and
- leads cross-government work on cyber-security.

In addition, the National Security Adviser (NSA) is the accounting officer for the Intelligence Agencies. At the Prime Minister’s request, the NSA has been asked to lead the National Security Strategy and the Strategic Defence and Security Review (SDSR), working closely with all the departments especially MOD, FCO, DfID and HMT. In order to deliver this a temporary team of 10 secondees has been formed within the NSS, working alongside existing staff.

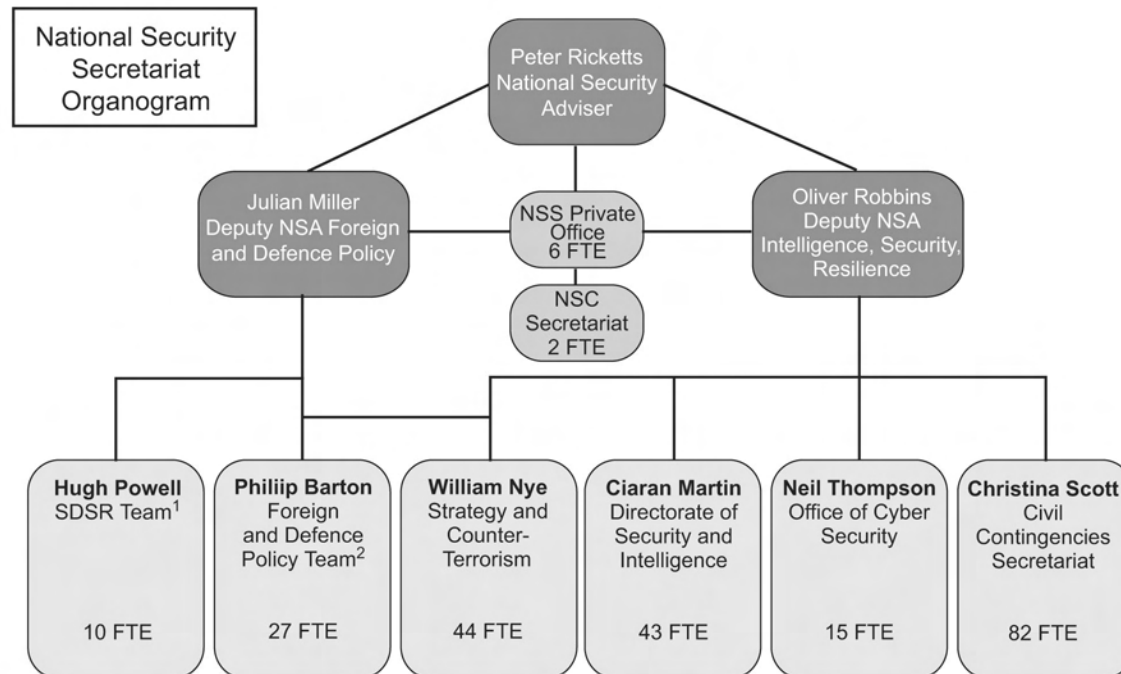
An organogram is attached which shows the current organisation and staffing levels of the secretariat.

As you will see from the organogram, the answer to your question (Question 48) about the number of people working under the National Security Adviser on issues relating to foreign and defence policy or strategy is actually rather complicated. A large number of staff working in the Secretariat are not directly engaged in this area. For example, the Civil Contingencies team are engaged on work to improve the UK’s resilience in dealing with major incidents such as floods or pandemics. Many of the staff on the Strategy and Counter-Terrorism team are responsible for ensuring that the Government’s Crisis coordination arrangements, including COBR, are operational around the clock. Many of the staff in the Security and Intelligence Directorate deal with budgetary issues in relation to the Intelligence Community. Around

60 staff are closely involved in foreign and defence policy, and strategy issues, including the 10 full time equivalent (temporary) officials on the SDSR team who work in conjunction with colleagues across the NSS in the delivery of the SDSR.

I also promised to let you know about the future evolution of these teams. The NSA has set in hand a review of this structure and the Secretariat's working methods. This review will report in October, and any changes implemented as soon as possible after the conclusion of the SDSR process, taking into account any decisions made in relation to the role of the NSC. This will ensure that resources and working practices are in line with the overall cross-Whitehall effort on National Security. This process will form part of the Cabinet Office-wide programme to reduce staffing levels. I will of course be delighted to provide the Committee with further information once the review is complete.

August 2010



Staffing levels as of 01 August 2010 expressed as Full Time Equivalents

¹ Temporary team

² Excludes Iraq Inquiry Witness Unit (temporary team of 5 FTE supporting inquiry)

Written evidence submitted by the Cabinet Office

SUMMARY

- The security of the nation and its people is the first duty of government. That is why on the first day of the new Coalition Government the Prime Minister established the National Security Council (NSC) to oversee all aspects of the UK's security.
- The NSC provides the forum for collective discussion about the Government's objectives and about how best to deliver them in the current financial climate.
- As an early priority, the NSC is overseeing the development of a national security strategy, taken forward as part of the comprehensive Strategic Defence and Security Review (SDSR). The SDSR is wide-ranging and cross-cutting, drawing on the work of all the Departments concerned.
- The discipline of systematic, weekly consideration of national security priorities in a Ministerial forum chaired by the Prime Minister is already driving a more coherent approach to strategy across government Departments. A series of inter-Departmental committees at official level culminates in a weekly meeting of NSC Departments at Permanent Secretary level, chaired by the National Security Adviser. This allows strategic priority-setting, a closer alignment between strategic policy making and the work of the Joint Intelligence Committee, and agreement on issues which do not need Ministerial attention. Strategy Units across Whitehall are working more closely on national security issues.

Q1. *What do we mean by “strategy” or “grand strategy” in relation to the foreign policy, defence and security functions of government in the modern world?*

1. Grand strategy is no longer a term that is in widespread usage; but it is understood to mean the purposeful and coordinated employment of all instruments of power available to the state, to exploit the changing opportunities and to guard against the changing threats it faces.

2. The National Security Council is therefore developing a national security strategy that starts with a definition of the national interest based on an analysis of the UK’s place in the world and covering all aspects of security and defence.

3. This strategic definition of the UK’s national interest will set the framework for the Government’s approach to national security over coming years, and will form the basis for the decisions that emerge from the Strategic Defence and Security Review.

Q2. *Who holds the UK “strategic concept” and how is it being brought to bear on the Strategic Defence and Security Review?*

4. As noted above, the national security strategy, setting out the key principles and priorities which define the UK’s approach, is being developed collectively by the NSC in a process driven forward by Ministers, supported by the National Security Secretariat in the Cabinet Office. This national security strategy sets the context for the SDSR through which all instruments of national power are brought together to ensure the security and prosperity of the UK, and to promote a more secure global environment.

Q3. *Do the different government departments (eg Cabinet Office, Number 10, FCO, MoD, Treasury) understand and support the same UK strategy?*

5. The government Departments with key security-related functions are all represented on the cross-government National Security Council chaired by the Prime Minister. Member Departments include: FCO; HMT; Home Office; MoD; DECC; DFID and the Cabinet Office. Cabinet Ministers in other Departments not principally engaged with security issues also attend Council sessions as the subject matter requires. The national security strategy is being developed with all Departments concerned, and it will be endorsed by the NSC collectively.

6. The benefit of having a single strategic approach to national security is exemplified by DFID, which has aligned its crucial contribution to the Government’s response to conflict and instability overseas in a way that can both help the world’s poor and—by making the world a safe and more stable place—enhance UK security.

7. There are currently two ministerial sub-committees of the Council; NSC (THRC) to consider Threats, Hazards, Resilience and Contingencies and NSC (N) to consider Nuclear Deterrence and Security. Their remit is to examine more specific national security areas, in which a range of relevant Departments participate, including MoJ, DH, BIS, CLG, Defra and DfT.

8. Additionally there are associated cross-government senior official groups that support and inform these ministerial-level structures. Principal amongst these is the Permanent Secretaries Group, chaired by the National Security Adviser, Sir Peter Ricketts. All of these centrally co-ordinated structures aim to ensure a coherent strategic approach to national security across government. As part of the planning for the implementation of the national security strategy through the SDSR, the Government is considering how it can further strengthen strategic direction and oversight.

9. The overarching national security strategy will be underpinned by a number of sub-strategies such as CONTEST and the UK’s Cyber and Counter-Proliferation Strategies. Relevant Departments are collaborating on the development of these cross-cutting strategies, delivering them in partnership where this is appropriate.

10. The coherent approach engendered by the National Security Council, the National Security Strategy and the assorted sub-groups and sub-strategies is further bolstered by the fact that the Joint Intelligence Committee brings together both policy-makers and intelligence agencies to agree intelligence assessments weekly: this cross-government consensus ensures that policy making takes place on the basis of a common assessment of the intelligence picture.

Q4. *What capacity exists for cross-departmental strategic thinking? How should government develop and maintain the capacity for strategic thinking?*

11. On establishing the National Security Council, the Prime Minister also appointed a new National Security Adviser, Sir Peter Ricketts, to lead a central Cabinet Office team, the National Security Secretariat, which co-ordinates national security activity across government. This Secretariat includes a strategy team that is working with strategy units or equivalents in other Departments such as the MoD and the FCO on developing and implementing national security strategy and strategic projects relating to it. It is also responsible for coordination of cross-government horizon-scanning and early-warning. There is already a culture of collaboration across strategy units: they often work cross-departmentally on issues of mutual interest and which cut across departmental responsibilities.

12. Other capacity includes the Whitehall Strategy Programme (WHISPER) for senior policy makers run by the Royal College of Defence Studies (RCDS), which looks at issues of strategic significance and their implications for government policy, planning, culture and capacity, and the Future Intelligence and Security Outlook Network (FUSION): a forum for futures analysts run by the Foresight Horizon Scanning Centre to share expertise and challenge existing mindsets. These groups recently brought the strategy and the analyst communities from across government together.

13. There are notable examples of collaboration in the national security field, including:

- the common framework for the UK's counter-terrorism approach;
- the cross-governmental mechanisms for responding to civil emergencies;
- the Conflict Pool which funds UK efforts to prevent and respond to conflict overseas; and
- the Stabilisation Unit which has recently strengthened its capacity to facilitate cross-HMG planning and strategy in fragile and conflict-affected states.

Q5. What frameworks or institutions exist or should be created to ensure that strategic thinking takes place and its conclusions are available to the Prime Minister and Cabinet?

14. As described above, the newly established National Security Secretariat within the Cabinet Office works with relevant government Departments and agencies to ensure a coherent approach to national security. Ministers have the opportunity to consider key strategic national security issues at the weekly meeting of the National Security Council, chaired by the Prime Minister.

Q6. How is UK strategy challenged and revised in response to events, changing risk assessments and new threats?

15. The Government recognises that there is a need to maintain flexibility in its national security response, underpinned by a realistic understanding of the current context, the opportunities and threats the UK faces and a sense of how that context might change over time.

16. There are currently several horizon scanning functions within government, including a co-ordinating team within the Cabinet Office's National Security Secretariat, which offers systematic mechanisms for examining potential future national security threats and opportunities and enables us to plan and adapt accordingly. The Defence Intelligence Staff analyse longer-term strategic threats, and the MOD Development, Concepts and Doctrine Centre produces long-range analysis of the global strategic trends in the international system, and of the future character of conflict. For domestic security risks, a National Risk Assessment (NRA) process has been in place since 2004. This is updated annually and since 2008 a public version has been made available in the form of a National Risk Register. These horizon scanning mechanisms have fed into assessment of risk as part of the national security strategy and the SDSR.

17. The work of the National Security Council and the JIC both involve senior-level challenge functions. Government is also subject to external scrutiny and challenge through Parliamentary Select Committees and the Joint Parliamentary Committee on the National Security Strategy.

18. The cross-government strategic response to real-time events such as terrorism or natural disasters is provided by the COBR mechanism, chaired by the Prime Minister or senior Minister of the lead Department. Longer-term strategies examining the national response to incidents are often informed by independent reviews such as the Anderson Review into Foot and Mouth Disease and the Pitt Review into the summer 2007 floods. The recommendations of such reviews are usually implemented via Cabinet Committee processes.

Q7. How are strategic thinking skills best developed and sustained within the Civil Service?

19. Strategic thinking is a valued skill in the Civil Service. It is one of the six core requirements in the Senior Civil Service competency framework. There is also specific expertise within government, for example in the Prime Minister's Strategy Unit, which aims to encourage and promote strategic thinking across government.

Q8. Should non-government experts and others be included in the government's strategy making process?

20. The inclusion of non-government experts in the Government's strategy making process is important as a stimulus and challenge to its thinking and provides additional expertise where it may not exist within government. As part of the development of the national security strategy and the SDSR the Government has engaged with think tanks and key experts in the defence and security field to seek their views on the key strategic issues the Government faces. For example in cyber security, where the private sector own most of the Critical National Infrastructure (CNI), the Office of Cyber Security has held discussions with a number of non-government experts from across industry, the universities and the professional institutions to help with the development of its cyber plan.

Q9. *How should the strategy be communicated across government and departmental objectives made consistent with it?*

21. The national security strategy is being developed through the NSC, as the basis for the SDSR: both will be published in the autumn. This will enable relevant Departments to take full account of the national security strategy in developing their priorities.

Q10. *How can departments work more collaboratively and coordinate strategy development more closely?*

22. There are already mechanisms in place to facilitate collaborative working and strategy development across government, many of which have already been outlined in this response. The Government recognises however, that there is more that it can do to turn strategy in to action and will be considering how to strengthen and encourage a coherent and consistent approach to national security across government as part of its planning for the implementation of the national security strategy and the SDSR.

Q11. *How can reduced resources be appropriately allocated and targeted to support delivery of the objectives identified by the strategy?*

23. The Government must make difficult decisions in all areas of spending, including national security. A well developed strategy and effective strategic thinking will be essential to make the most of scarce resources, by identifying the Government's key priorities and focussing resource where they can have the most impact.

Q12. *Do other countries do strategy better?*

24. The Government recognises the value in studying and learning from other countries' approaches to National Security. This is already evident in the ongoing work to develop its national security strategy as part of the SDSR. The Government has adopted a risk-based approach to national security, drawing on the UK's experience of using this for domestic security and on the experiences of the Netherlands in developing a risk-based national security strategy. The Australian focus on national interest has also informed our thinking. As part of the SDSR the Government has consulted a number of close international allies, to engage them in its thinking and seek their views and advice early on in the process.

Other countries also look to the UK's experience of developing strategy. The US Department of Defence, for example, recently undertook a fact finding mission to the UK to learn from the UK's experience of pooled funding in support of more joined-up, cross-HMG approaches to conflict and instability overseas. Places for overseas students at RCDS are oversubscribed and highly sought after.

September 2010

Written evidence submitted by the Campaign Against Arms Trade

1. The Campaign Against Arms Trade (CAAT) in the UK works to end the international arms trade. Around 80% of CAAT's funding comes from individual supporters.

2. Many of the points CAAT is making in this submission are also being made to the Strategic Defence and Security Review (SDSR) and the Defence Committee's inquiry into it. Your Committee's inquiry, looking at the issue from a different angle, is most welcome. There is a real need for oversight and coordination, to make sure that the Government's security strategies are coherent and that actions of one part of government do not undermine another. This applies to many aspects of domestic policy, including energy, business and education, as well as those with a focus beyond the UK.

THE STRATEGIC DEFENCE AND SECURITY REVIEW

3. CAAT welcomes the fact that the Strategic Defence and Security Review (SDSR) is being coordinated by the National Security Council (NSC) and not by the Ministry of Defence (MoD). Hopefully, the establishment of the NSC will widen the debate about security and how to achieve it.

4. That the NSC is in charge of the SDSR has brought its own challenges as the NSC has little web presence and it has been difficult to discover even practical details such as where to send submissions and by what date. This contrasts sharply with CAAT's experience with other Government and parliamentary consultations, where such details are readily available on a website and are often sent to potentially interested parties.

5. It is disappointing that the NSC did not pro-actively seek out submissions from, and discuss them with, organisations advocating radical changes in the approach, including those with visions of a secure future achieved without using a military approach. Opening the debate by welcoming and encouraging diverse views would be likely to have brought fresh insight as to how security issues might be tackled.

6. Arms exports should be central to the SDSR as they jeopardise the UK's and other countries' security. While security arguments are deployed to justify them, military equipment is sold by commercial companies for commercial reasons. The UK's security strategy should recognise this.

SECURITY SHOULD NOT MEAN MILITARY MIGHT

7. Today, two decades after the end of the Cold War, there is a considerable measure of agreement that a conventional military threat to the UK itself from another nation state or a coalition of them is extremely unlikely. In 2008, in its “National Security Strategy of the United Kingdom” (NSS), the Government described the challenges to this, the “drivers of insecurity”, as: Challenges to the rules-based international system; Climate change; Competition for energy; Poverty, inequality and poor governance; and Global trends (economy, technology and demography).

8. Despite this NSS and its 2009 update discussing a broader interpretation of security, to date, the debate on the SDSR has focussed very firmly on military spending. This mirrors the current allocation of resources and needs to change markedly if the “drivers of insecurity” are to be properly addressed. A rather small, but welcome, discussion, particularly by military figures, has questioned the necessity for particular items of equipment, such as new aircraft, ships and Trident replacement, but even here the alternative is seen in terms of equipment for the wars being fought, rather than more radical non-military alternatives.

9. The arms companies, meanwhile, have not been reluctant to exploit new security concerns. The European Union’s Security Research Programme is fostering the growth of a “homeland security” industry in Europe and many of the familiar arms companies are setting its research agenda, proposing technical “solutions” to problems, sometimes with very questionable implications for, for instance, civil liberties.

10. The wider security challenges could be seen as a great opportunity. Tackling them could not only lead to a more secure peace, but also a more sustainable economy.

PRESSURE TO MAINTAIN THE STATUS QUO

11. The long time-spans of military equipment projects; a reluctance to discount any threat, however unlikely it is to materialise, as to do so might appear politically weak; and the remnants of the equation of military power with importance in the world have combined to leave the UK committed to heavy expenditure on large items of military equipment.

12. Pressure to maintain the status quo is also reinforced by the very close relationship between the arms companies and the Government. This gives the former immense influence over government decision-making. The relationship is sustained through the use of lobbying companies, sponsorship and donations, and public-private partnerships. More importantly, the Government’s arms export promotion unit, UK Trade & Investment Defence & Security Organisation (UKTI DSO); the “revolving door” whereby Ministry of Defence (MoD) ministers and officials move to work with arms companies; and joint government-industry bodies all contribute to an unhealthy closeness.

13. This can be illustrated by looking at the career for Sir Kevin Tebbit. He was the MoD’s Permanent Secretary from 1998 until November 2005. Retiring, he joined the Board of Finmeccanica UK, owner of helicopter manufacturer AgustaWestland, just months later in June 2006. He is now the company’s Chair and is also Chair of the Defence Advisory Group of UKTI DSO, as well as sitting on the National Defence Industries Council, a forum for consultation between senior government ministers and officials and industry.

14. However, it is not the career of one specific individual that proves a barrier to new thinking. Rather it is the cumulative effect of the many movements between the public service and industry which predisposes decision-making towards solutions that involve spending on military equipment, rather than on non-military alternatives.

CONTRADICTORY POLICIES

15. UK governments speak of strict arms export controls, but the policy and practice has been to promote arms sales with little or no regard for the damage they might cause or the wider implications of supplying them. Many countries where major conflicts are taking place are recipients of UK arms. Governments which abuse human rights and authoritarian regimes rank among the UK’s most important markets. Development concerns appear irrelevant as long as a country is willing to pay for weaponry. Arms sales are undermining other government policies.

16. Indeed, arms sales have priority even when relevant ministers oppose them. In 2001 BAE sold a £28 million Watchman air traffic control system to Tanzania, one of the world’s poorest countries went ahead because it was backed by then Prime Minister Tony Blair. International Development Secretary Clare Short opposed it.

17. In 2008 poverty was confirmed as a “driver of insecurity”. However, arms sales to India, including the £700 million Hawk deal signed during Prime Minister David Cameron’s visit to that country in July 2010, will not only contribute to the regional arms race in South Asia, risk global security and be likely to undermine government-community relationships with UK citizens of Pakistani origin. Importantly, they also use resources desperately needed to tackle poverty in a country where the United Nations Development Programme defines over half the population as poor.

18. Arms exports carry a message of acceptance and support for the purchasing government and they can ameliorate the impact of any criticism of that might otherwise be occasioned. They can also impede efforts to tackle problems such as corruption.

19. The most obvious example of this is Saudi Arabia. Although on the Foreign and Commonwealth Office's list of countries of human rights concern, criticism of the oppression of women, homosexuals or overseas workers is tempered by the desire to sell weapons to the oil-rich Saudi royal family. In 2006 the UK Government stopped the Serious Fraud Office inquiry into BAE Systems' weapons sales to Saudi Arabia, ostensibly for reasons of national security, but in reality to secure a deal to export Eurofighter Typhoons.

20. Such two-faced dealings with Saudi Arabia have not gone unnoticed. A Fatwa issued by Osama bin Laden in 1996, entitled "Declaration of War against the Americans Occupying the Land of the Two Holy Places", cites corruption in Saudi Arabia and arms purchases by the Saudi Government as major justifications for his call for a Jihad not only against the United States, but also against the Saudi royal family as well.

21. The addiction to arms sales also renders the export control procedures almost meaningless and with the promotion of arms exports such a priority, the Government's commitment to working for an international arms trade treaty is mere window dressing.

22. Arms manufacture itself is being exported with UK arms deals, including those with India and Saudi Arabia, as the contracts help those countries establish an indigenous industry there. This is part of a growing trend, a dangerous one from a proliferation perspective as more and more countries are able to produce high-tech weaponry.

23. The UK is also open to the charge of hypocrisy by continuing to possess nuclear weapons while calling on other states, such as Iran, not to develop them. To renew Trident would compound this and lessen the chances of other states forgoing such weaponry. Such potential proliferation threatens UK and global security.

24. There is much rhetoric from UK governments about the need to tackle climate change, but they have chosen to allocate far more taxpayers' money to support arms exports and production. In 2008 UK government-funded research and development (R&D) for renewables was around £66 million, compared to over £2,500 million for arms.

25. There are about 160 staff in UKTI DSO, dedicated to promoting military exports, more than those UKTI employees providing specific support to all other sectors of industry put together, despite arms being only 1.5% of total UK exports and, even then, 40% of their components are imported.

JUSTIFICATIONS DON'T HOLD UP

26. Despite the dangers posed by arms exports, the close relationship between the Government and the arms companies mean they continue and that governments search for justifications. These do not appear to stand up.

27. National security is the Government's main official argument for supporting arms sales. The premise is that military exports can guarantee the supply of arms for the UK armed forces by keeping production lines open in the UK. However, the arms companies that are supposed to provide the guarantee of supply are international businesses, with production taking place across the globe. All significant MoD purchases include many overseas components and sub-systems. It is entirely unrealistic to expect these companies and their international shareholders to prioritise any one country's armed forces over those of other markets.

28. The Government also speaks of the assistance given by military exports to reducing industry's fixed overhead costs and thus lowering the cost of equipment bought by the MoD. This, however, ignores the subsidy and support given to arms exports. The total subsidy is difficult to calculate, but even the MoD, in its 2005 Defence Industrial Strategy, admitted that: "... the balance of argument about defence exports should depend mainly on non-economic considerations."

29. Despite this, it is still claimed that arms sales are good for the economy. No independent study seems to have been undertaken which supports this. Freedom of Information (FoI) requests by CAAT to the MoD and the then Department of Trade and Industry have revealed that neither have conducted any studies into the economic impact of Al Yamamah 1 or 2. A parliamentary answer (*Hansard*, 26.10.10, Col 117/8W) referred to the Department for Business, Innovation and Skills (BIS) a "analysis" on the number of jobs sustained in the UK by Eurofighters ordered by the MoD. Follow-up FoI requests, however, revealed that the figures given had been arrived at by asking three companies the number of jobs they and their supply chains would lose if the order was cancelled. No independent analysis had been undertaken by BIS or independent researchers.

30. The argument that exports assist "defence diplomacy" and with the building of "bi-lateral defence relationships" is also advanced by the Government. That this assists national security is far from self-evident; that it enforces the military mindset and assists the arms companies is undeniable.

31. The number of jobs supported by the arms industry is rather fewer than is generally believed—many people are surprised when given the actual figures. In 2007–08, the latest year for which Defence Analytical Services and Advice employment statistics are available, the 65,000 jobs supported by arms exports accounted for 0.2% of the UK workforce and less than 2% of manufacturing employment. A further 150,000 workers were employed producing equipment for the UK armed forces, but even the military industry total of 215,000 jobs makes up less than 0.7% of the UK workforce and around 7% of manufacturing jobs. Military exports account for just 1.5% of all exports, with 40% of the content for these being imported.

PROPOSALS

32. A real security strategy would focus on cross-government solutions, with no preconception that these are military. Since policies right across the spectrum can have security implications, all ministers need to be aware of this and the Cabinet needs to keep the need for coherence on this issue firmly in mind.

33. The Government is making commerce a top priority for UK. However, some trades or projects have an impact of other government policy. The arms trade is one such. As a first step towards withdrawing from it, UKTI DSO should be shut, without transferring its functions elsewhere, and export credit support for military projects withdrawn. Allied to this, the UK's arms export criteria must be interpreted to ensure that the UK does not licence exports to regions of conflict, repressive regimes or where they threaten the meeting of social needs. It is vital that the UK does not support and strengthen the ruling elites while ignoring the poor and vulnerable.

34. At the same time, the UK should move away from buying equipment designed to address scenarios that are extremely unlikely to happen. Indeed, by seeing problems as military ones requiring a military solution, the UK is more likely to become engaged in wars. The UK Government could lead a global rethink on arms procurement, starting by cancelling the purchase of the Eurofighter Typhoon, the aircraft carriers and other "white elephant" projects. Trident should not be renewed, and the disarmament obligations of the Nuclear Non-Proliferation Treaty endorsed and acted on.

35. Resources should be transferred from supporting the arms companies to addressing climate change, widely acknowledged as the biggest threat to human security. A rapid expansion of renewable energy R&D and production is necessary, and this requires public investment that will, in turn, draw in skilled engineers.

36. Arms industry workers have skills that are needed to meet these new challenges. BAE Systems likes to portray itself as a major provider of high-tech jobs, but these jobs are dependent on R&D funding from the tax-payer. If the money changed sector the jobs would follow. Resources could be targeted at those geographical locations which might be disproportionately affected during the changes, as clearly these areas would have workers with the skills to undertake alternative engineering projects.

37. Tackling climate change rather than producing arms would win almost universal support and leave the UK and the world a more secure place for future generations. Rising to this challenge may also increase the number of young people attracted to scientific or engineering careers when these are seen as making a positive contribution to society rather increasing its ability to destroy.

August 2010

Written evidence submitted by Jim Scopes, former Director of Strategy at HMRC
SUMMARY
1. Main points are as follows:

- Strategy should be clear about the outcomes to be achieved—including international and defence strategy.
- Previous UK National Security Strategies have been primarily concerned with responses to existing threats rather than setting-out future goals; more "plans" than "strategies".
- The Coalition's programme for government offers a helpful broad strategic framework. However, it will be important that the business plans of key departments are aligned with each other and agencies outside government to ensure delivery of the identified outcomes.
- The capacity for strategic thinking in UK government has improved but there is further to go. Current recruitment, reward and promotion mechanisms favour reactive (problem-solving) behaviour rather than proactive (strategic) approaches.
- It would be helpful for government to increase the challenge function inside government, and this would be possible at little or no cost, for instance through the use of "red teams" from other departments.
- Placing budgets with outcomes is worth closer consideration.
- We need to continue learning from other countries.

BACKGROUND

2. I am currently director and co-founder of a sourcing advisory company. Previously, I was director of strategy at HM Revenue and Customs, working to David Varney. I am an associate of the National School of Government and through/with them continue to run training programmes on strategy development and strategic thinking for civil servants across Whitehall. What follows are my personal observations based on that experience.

Question 1: *what do we mean by “strategy” or “grand strategy” in relation to foreign policy, defence and security functions of government in the modern world?*

3. For me, a “strategy” must be clear about what it seeks to achieve—in other words the outcomes. The UK tends to be somewhat more cautious about describing its long term international goals than some other countries—for instance, the USA and France. In my view, the first two UK National Security Strategies mostly focused on identifying current threats and possible UK (immediate) responses to those threats, rather than describing a vision of the desired future world or a set of goals to help bring that world about. That appears to me to be more of a “plan” than a “strategy”.

4. The most effective strategies are those that offer clarity of vision or purpose. That clarity helps to mobilise all those who must work to achieve the strategy’s goals; without this, such mobilisation is inevitably impaired. As I say above a purely reactive ‘strategy’ is, arguably, not a strategy at all—it is a plan.

5. Clearly, achieving goals in an international context is complicated by greater levels of uncertainty and constraints on influence of even a powerful nation. This does not negate the need for strategic thinking—rather it suggests the need for wide understanding of the context (drivers, trends and events), caution in framing the ambition in terms of goals (though that is still needed) and frequent iteration between that ambition and implementation.

Question 2: *Who holds the UK “strategic concept” and how is it being brought to bear on the Strategic Defence and Security Review?*

6. This is not entirely clear to me; however, I believe that the National Security Council holds the UK “strategic concept” for security, defence and international matters.

Question 3: *Do the different government departments (eg Cabinet Office, Number 10, FCO, MoD, Treasury) understand and support the same UK strategy?*

7. My understanding of the work of the National Security Council is that, in part, it is intended to ensure that this is the case. The Coalition programme for government is also helpful in providing some clarity across government on the Government’s overall strategy. The previous government’s Public Service Agreements (PSAs) for the spending period 2008–11 were intended to encourage departments to work together to achieve shared goals, for instance on PSA 30: “Reduce the impact of conflict through enhanced UK and international efforts”. However, in common with other PSAs, the lack of alignment between accountability for resources (which continued to rest with individual departments) and accountability for achievement of PSA outcomes (which rested with PSA boards) compromised effectiveness. The same issue may well arise under the new administration: the role of enhanced Departmental Boards and of departmental business plans will be important in driving the work of each department. However, where issues cut across departmental boundaries (as in national security, defence, international development and international relations), it will be important that there is strong alignment between departmental business plans.

Question 4: *What capacity exists for cross-departmental strategic thinking? How should government develop and maintain the capacity for strategic thinking?*

8. Increased capacity for cross-departmental strategic thinking would help government to achieve desired outcomes in a range of complex areas. This is true not only in national security, defence, international development, international relations and climate change, but also in public health, justice, migration, community development, housing, children and family policy. All of these rely on collaboration across the system, both inside government and beyond government, and in the past have sometimes seen departmental strategies which are poorly aligned with each other and other delivery agents outside government. The development of capacity depends on two elements:

- (a) individual and organisational *ability* to think, plan and act strategically; and
- (b) individual and organisational *appetite* to work strategically.

9. Looking first at ability; a comprehensive range of tools and approaches are available to officials and ministers, including drivers and trend analysis, modelling, scenario-building, visioning, option appraisal, delivery mapping and so on. There are a number of web-based tools and guides offered by the Strategy Unit in the Cabinet Office (particularly the well-used “Strategy Survival Guide” <http://interactive.cabinetoffice.gov.uk/strategy/survivalguide/index.htm>), and Foresight’s Horizon Scanning Centre in GO-Science <http://www.bis.gov.uk/go-science/foresight/horizon-scanning-work>. The National School of Government, with whom I work, also offers training programmes as well as links to private sector and third sector providers through their Strategy Exchange website (www.nationalschool.gov.uk/strategyexchange). Evaluation evidence suggests that all these sources have contributed to increased familiarity with strategic thinking tools and increased confidence in their application.

10. However, in my view, this increased individual *ability* quickly withers unless it is reinforced by organisational *appetite* for strategic thinking and strategic working. Organisations, including governments, foster strategic appetite when there is a clear and sustained demand from ministers, boards and the wider Civil Service leadership for such thinking. Sadly—despite the inclusion of this competence in Professional Skills for Government—there remains a heavy bias towards “problem solving”. The Civil Service recruits

for these latter skills, incentivises performance and promotes individuals based on them. Little wonder then that strategic thinking ends up being side-lined or ignored. The result? An encouragement of reactive rather than proactive behaviour—to “firefight” rather than prevent fires breaking out. At it’s worst, this can mean senior managers allow crises to happen so that they can bring their problem-solving skills to bear and be rewarded/promoted as a result.

Question 5: What frameworks or institutions exist or should be created to ensure that strategic thinking takes place and its conclusions are available to the Prime Minister and Cabinet?

11. As mentioned above and in my personal experience at HMRC—strategic appetite amongst senior leadership is key. Permanent Secretaries, boards and ministers should be more demanding for strategic thinking from their staff. In my view, the FCO’s approach to strategy in 2007–08 is worthy of closer examination, because the Department took a series of measures to increase strategic capability. These were driven in no small measure by the demands made by the then Foreign Secretary. My fear is that the existing civil service leadership will continue to recruit and promote in their own image—valuing skills that tend towards “fire fighting” and the seeking of “quick wins”. In my view, ensuring “. . . *that strategic thinking takes place and its conclusions are available to the Prime Minister and Cabinet*” requires institutional change that embraces recruitment, performance and reward structures.

Question 6: How is UK strategy challenged and revised in response to events, changing risk assessments and new threats?

12. I believe that there is scope for more challenge in the system of strategy development in government generally. As indicated above, the rewards for officials are largely for adherence to process and for conformity. Challenge is often unwelcome, even when that challenge is to offer lessons from the past or from other countries or sectors. At board level the enhanced role of Non Executives may help to encourage challenge, but staff throughout departments need to be encouraged to think for themselves and to see the value of (and “market” for) such thinking. Strategy units with access to the permanent secretary and Board, as when I was at HMRC, can provide challenge and stimulus at the right level. But this depends on senior-level—permanent secretary (and ministerial)—sponsorship. There should be much greater use of “Red Teams” to question strategies and policies, drawn from across government (and therefore at minimal cost to the taxpayer) and encouraged to test ideas rigorously.

13. Challenge has often been left to consulting firms, who are commissioned to strengthen existing strategies or to develop alternative strategies. This can be unhelpful, not simply because of the cost to the taxpayer but because it can be too easy for a Department to dismiss the ideas of outside consultants and leave strategies unimplemented. Although many departments have developed scenarios—sometimes with the help of consultants, sometimes through work with the Strategy Unit, Foresight or the National School of Government—my experience is that the scenarios are too often not used in a way that helps the Department to anticipate and track emerging risks, threats and opportunities. In some cases the scenarios simply ‘sit on a shelf’. Scenarios can be regularly reviewed/updated and used as a mechanism to track changes to risks and identify new threats. They could/should then be used systematically and routinely by senior managers and departmental boards to test and challenge the work of their departments.

Question 7: How are strategic thinking skills best developed and sustained within the Civil Service?

14. As intimated above, good work has been done to date to improve strategic thinking ability; for example through the Strategy Unit, the National School of Government and Foresight and through a combination of secondments, training and project work. But it is not enough. So far only the supply side of the equation has been addressed. It is generally preferable to pull on a string rather than to push on it. Again as indicated above, government needs to ensure that greater recognition and reward is given to strategic thinking. For me that means institutional change. Until the civil service are able to construct a performance and reward system that focuses on longer term outcomes (not only their identification for setting direction, but also subsequent evaluation to measure delivery) I believe the service will continue to struggle to sustain strategic thinking skills.

Question 8: Should non-government experts and others be included in the Government’s strategy making process?

15. Yes. Most strategic thinking tools are ideal for framing discussion at community level, or with wide and often competing groups of experts. This can enrich thinking and ensure that silo-based “group think” is avoided and other perspectives included. Whilst at HMRC I tested and enriched our understanding of HMRC drivers through involvement of cross government and external experts and stakeholders. Web-based tools can also allow participation from a wider community; a successful example is the FCO’s use of www.avaaz.org.

Question 9: *How should the strategy be communicated across government and departmental objectives made consistent with it?*

Question 10: *How can departments work more collaboratively and coordinate strategy development more closely?*

16. Taking these questions together, I think it is helpful for governments—as for other organisations—to have an overarching strategy. A good example is the Scottish Government’s strategy, accompanied by its accountability website “Scotland Performs <http://www.scotland.gov.uk/About/scotPerforms>. This strategy offers “line of site from a set of high level outcomes through objectives to indicators which are then monitored and made public. Similarly, *Every Child Matters* is a good example of a sectoral strategy that helped to bring together the activities of many parts of the public sector to achieve better results for children. Increasingly, departments will be working towards cross-cutting outcomes (for example, “healthy children). If this is articulated in a high level strategy it becomes easier to see where and how collaboration adds value. Staff and public engagement in development of the strategy is an important factor in ensuring the strategy is meaningful to those who have to implement it, and in ensuring there is life in the strategy beyond its publication. Too many strategies end up ‘on the shelf’ through lack of such engagement. Timing strategy work well is also important—for instance, by keeping strategic reviews quite short and focused, and timed with events like the run-up to spending reviews or business planning cycles.

Question 11: *How can reduced resources be appropriately allocated and targeted to support delivery of the objectives identified by the strategy?*

17. It is essential to align resources with strategic objectives. In times of crisis—such as the current fiscal deficit—if anything it is more important than ever to be strategic. That means being clear about the priority of desired outcomes and then allocating money and other resources based on that prioritisation. This is not only helpful in terms of marshalling limited resources appropriately, but also in signalling that the strategy is real—not simply a document. Focusing on what the organisation is trying to achieve (the *outcomes*), rather than more narrowly on organisational activity or process (what it *does*) can also help to release more innovation in delivery, including low cost and no cost options.

18. There is some evidence that allocating money to outcomes (or results) is helpful. The Government of the Netherlands appointed a number of programme ministers in the last Dutch administration, who had a significant budget to achieve outcomes but did not have a line ministry or department, and there is some evidence that this approach was successful in achieving improved outcomes. Putting money against outcomes and tracking whether the programme is working creates the equivalent to the “bottom line” in a for-profit business.

Question 12: *Do other countries do strategy better?*

19. The UK is recognised as having done some very good work on strategy in recent years. However, a number of other countries have used strategic approaches to achieve major transformations in their economies, societies and in their global standing. Among the better-known examples are Singapore, Finland and the United Arab Emirates. The Canadian Government’s fiscal consolidation of the mid 1990s was a strategic process, based on a thorough assessment of future priorities. The key question is not whether a process was conducted “correctly” or whether the documentation was attractive, but whether the strategy made a positive difference to the wellbeing of a nation’s population and/or to the nation’s position in the world (ie on outcomes). The answer to this question will never be entirely straightforward, but there is good evidence that more strategic approaches help countries to achieve those broader outcomes, and that the UK could and should learn from that experience.

September 2010

Written evidence submitted by the Institute for Government and the Libra Advisory Group

SUMMARY

- The Institute for Government and Libra Advisory Group convened a series of discussions amongst UK national security professionals from November 2009 to March 2010 to diagnose problems with the existing arrangements for the making and delivery of national security policy and to outline possible reforms ahead of a General Election.
- These discussions brought together key practitioners and thinkers from within and without Whitehall. This note summarises key findings and provides some early observations on progress made by the coalition Government on this agenda.
- The discussions identified problems with the strategy and with structures that support strategy-making; the budgeting and performance management systems; and the generation of the appropriate talent and culture needed to instantiate change. Various proposals emerged for both incremental and more radical reform if the UK is to get better at delivering national security effect at home and abroad.

- A first look at the coalition Government’s reforms since the General Election indicate that some progress has been made in tidying up central structures and enhancing the FCO’s role in policy-making. However, it remains unclear how able the new structures are to take a truly strategic approach to cross-government priority-setting. We recommend that the PASC seek reassurance that three critical areas are being addressed:
 - Doing strategy and planning. Are Ministers confident that the practices, processes and culture of thinking strategically about national security issues and adopting best practices in planning are being adopted and are informing key national security decisions? Is the adoption of risk management tools at the centre doing enough to drive risk-based planning within departments?
 - Budgeting and performance management. Are budgeting systems being reformed so as to encourage integrated planning and delivery? Are cross-cutting results based management frameworks being put in place?
 - Audit/evaluation and critical challenge. Are appropriate arrangements being put in place to generate sufficient internal and external challenge and evaluation so as to give Ministers confidence that policies are having the desired impacts?

BACKGROUND

1. In late 2009, Principals from Libra Advisory Group, with extensive experience in Whitehall and national security reform overseas, and staff from the Institute for Government, with extensive experience of domestic policy reform in the UK, teamed up to tackle perceived failings in the way that HMG formulated and delivered foreign and national security strategy and policy.

2. The Institute for Government’s report, *Shaping Up*, published in January 2010 diagnosed three issues Whitehall needed to address in order to become more effective:

- The centre needed to move from micromanagement of outcomes and become the driving force behind strategy and capability—in particular the role of the Cabinet Office needed to change.
- Departments needed stronger internal governance to ensure that they delivered their objectives.
- Stronger mechanisms were needed to ensure better joining up where issues cut across departmental boundaries.

3. While *Shaping Up* was in preparation, Libra Advisory Group and the IFG convened a series of “strategic conversations” with key Whitehall departments, political advisors and external experts to look at how national security strategy is organised and implemented. The meetings took place in the period November 2009 to March 2010, under the Chairmanship of former Security and Intelligence Coordinator and Permanent Secretary at the Ministry of Defence, Sir Richard Mottram. Those meetings were supplemented by individual sessions in departments. The conclusions reached were those of the participants, neither of Libra, nor IFG—but they very strongly echoed many of the *Shaping Up* themes even though that was a thesis developed largely through the lens of domestic policy.

4. These discussions took place before the 2010 General Election. They reflected the interest shown in achieving a more strategic approach to these issues, both by the then Government, through the development of the UK’s National Security Strategy, and the ideas on how better to organise around national security issues in the Conservative Green Paper on national security. The discussions also built on the momentum for reform generated by earlier work such as that of the IPPR commission, chaired by Lords Ashdown and Robertson, and work in the UK’s overseas partners on national security reform, notably in the United States, Australia and France.

DIAGNOSIS

5. The discussions focused on three big areas of concern. The first was on the development of strategy and the structures that were used both to decide strategy but also to make it happen. Participants felt that the arrangements for coordination on counter-terrorism, with the lead in the Office of Security and Counter-Terrorism, worked well, but that this degree of strategic focus and clear line to delivery did not exist in other areas. While the National Security Strategy was regarded as a significant advance in terms of a cross-Whitehall analysis of threats, it failed on two counts. It did not force prioritisation and lacked a clear link to resource allocation. Weak coordination at the centre was also mirrored in weak coordination in many cases on the ground. This reflected persistent uncertainty as to how much of an activist, agenda-setting role the Cabinet Office should have versus a more passive coordination role.

6. The second area of concern was on budgeting and performance management. The National Security Strategy had no real role on either of these and the Public Service Agreement arrangements, which seemed to work relatively well in some domestic policy areas, did not work in relation to key national security issues, such as international conflict, and were probably testing the limits of the PSA system. Current budgeting arrangements hindered joined up strategising and working, either at threat level or at country level where

resource spend was determined by departmental, not HMG, priorities. Furthermore, there was a real lack of internal challenge on performance—with departments often very reluctant to challenge what other departments were doing.

7. The classic joined up budget in this area—the Conflict Prevention Pool—was small, managed ad hoc on a year by year basis and had tended to be diverted into funding immediate operations rather than address long-term prevention. In country operations were sometimes biased towards being done by people in uniform as MoD could access the Contingency reserve when civilian departments could not.

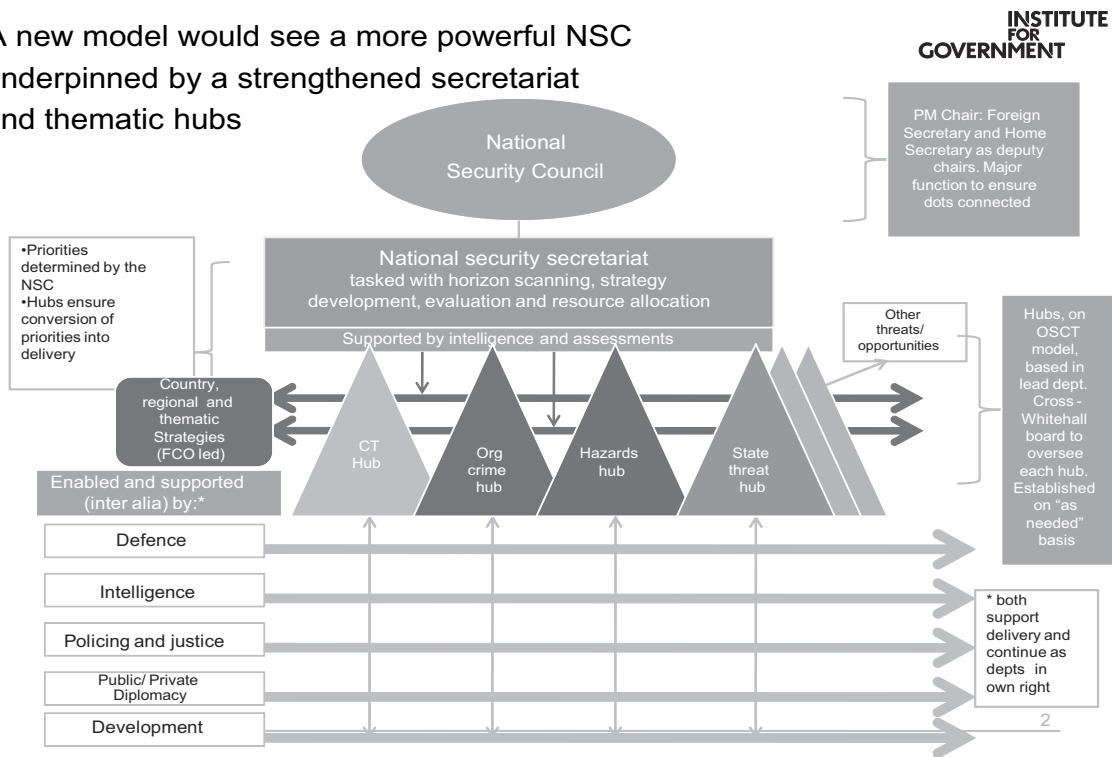
8. The final area for focus was on talent and culture. There was no “national security profession”, though there was a de facto national security cadre emerging. The National School for Government offered no courses on national security, and current arrangements for providing training on strategy, planning and national security issues were *ad hoc*. Despite some progress, there was an absence of joint training and strong cultural and skills differences between departments, with relatively little movement between departments (and what movement there was, was at risk at a time when being outside your home department put you at risk of being cut). Compared to some other countries, the UK was much less porous, with less interchange between the outside world (think tanks, academia) and Whitehall.

RECOMMENDATIONS

9. Given the range of voices and interests represented at the meetings and Whitehall consultations, it proved surprisingly easy to reach a degree of consensus on some of the needed reforms.

10. On strategy and structure, there was wide agreement that the structure at the centre of government in relation to strategy development, the ability to prioritise, and the coordination of delivery, especially in complex environments on the ground was not working very well. The conclusion was that a new model was needed, involving a more powerful National Security Council/NSID underpinned by a strengthened secretariat and thematic hubs, drawing on the OSCT model. Those hubs would lead on the key identified threat and would be based in lead departments, overseen by cross-Whitehall boards. The FCO should lead the translation of these priorities into specific country strategies to ensure a coherent, collective approach. This would also mean a streamlining of the internal organisation of the Cabinet with the separation of the national security secretariat from the global issues secretariat. (This issue has been resolved post-election in the new Cabinet Office organisation.)

A new model would see a more powerful NSC underpinned by a strengthened secretariat and thematic hubs



11. One of the particular implications of this recommendation was for a new and stronger role for the FCO as the leader of efforts on threat states and in developing prioritised country/thematic strategies which would drive departmental activity both in Whitehall but also overseas. Another implication, particularly given spending constraints, is that rather than departments having separate pools of analysts briefing individual Ministers, analysts should be pooled and their shared analysis should be presented to Ministers as a basis for making strategic decisions. One observation was the importance of ensuring that DFID’s significant investment in research needs to be more effectively tapped by analysts in the FCO and MoD.

12. The most pressing need to improve budgeting and performance management was to link it clearly to the national security strategy. There was reluctance to go as far as the IPPR in recommending a unified security budget which would have to be held in the Cabinet Office. But a strong case could be made for giving the NSC a role in overseeing the allocation of the national security resource envelope to make sure it aligns with strategic priorities. This could be done in part by an expansion of the virtual pooled budget approach, for instance by piloting further virtual pooled arrangements for “new” cross-cutting topics and priority countries. This would be in line with some domestic thinking about more area based approaches to budgeting (eg “Total Place” becomes “Total Pakistan”). Those pools need to run on a multi-year basis, rather than be set annually, and ideally should be top sliced from initial allocations rather than brought together by contributing departments.

13. The importance of being able to get a better handle on cross-cutting ways of measuring performance and impact, albeit recognising that demonstrating impact in foreign and national security policy may be harder than in domestic policy, was a strong theme of the discussions. With PSAs not being seen to have worked particularly well, a number of ideas were put forward to address assessment of impact. One missing tool in the UK system may be some form of “classified institute” akin to RAND in the US which is able to provide informed internal challenge and so provide Ministers with an independent source of advice.

14. In relation to talent and culture, the discussions recognised the efforts made by the leadership of FCO, DFID and MoD to inculcate a culture of “jointery” in places like Afghanistan. But participants concluded that further efforts along these lines would be required to make the structural and process changes take effect which would form the building blocks of creating a common culture and a more coherent approach to talent management across the national security area. The lead will have to come from Ministers and Permanent Secretaries to drive cultural change by clearly communicating the notion of “common endeavour”. While some of the underlying systemic problems will take time to address, incremental changes could begin to address the issues. There are a number of tangible steps which could be taken straight away. These include creating clear career paths for people in the national security area and pump priming more joint educational activity. Recruitment practices and willingness to spend on training differ enormously between MoD (which invests heavily in education and training), DFID (which often expects new recruits to have masters’ degrees in directly applicable subjects), and the FCO (which still recruits largely based on ability and adaptability). A further step would be more encouragement of interchange within government, between departments, and with the external national security community.

15. Finally, as identified in the Shaping Up report, there are a lot of rather prosaic barriers to making joint working work better—lack of common IT systems, multiple terms and conditions, different appraisal systems which act to make the ambition of jointness unnecessarily hard to realise in practice. These may now be being addressed by the activities of the newly established Efficiency and Reform group but in the longer run may require the creation of a single civil service on common terms and conditions.

So is the coalition shaping up for national security?

16. The first answer is that it is too early to say.

17. Internal structures appear clearer with the creation of the National Security Adviser post and the new secretariat, integrating the global issues brief. But at the same time, there are still some issues which could straddle multiple interests in the Cabinet Office—for instance energy security could be an NSS issue, is certainly an EU issue and is also a key area of domestic policy. At the same time, the position of the Foreign Secretary, as a Cabinet big beast, is changing the internal dynamic between departments.

18. What is not so clear is whether some of the changes of policy emphasis (eg the creation of a special relationship with India, protecting the UK homeland, the commercial focus of the FCO) are being translated into real trade-offs, policy choices and hence priorities. This should be being surfaced in the Security and Defence review—but the danger is that the coincidence with the very tight timetable for the CSR will mean that the big strategic choices are submerged in the more conventional interdepartmental budget haggling (there was already some evidence in our sessions that the October enthusiasm for joining up was eroding by March as the reality of the spending arithmetic began to dawn). The initial round of Structural Reform Plans has focused very much on departments rather than a collective HMG effort. In a perfect world, the spending position should be the catalyst for a much more radical look at effective joint working, elimination of duplication and cross-departmental prioritization.

19. Based on the Libra/IFG discussions and our experiences on the domestic and foreign policy sides of Whitehall, we think it would be worth exploring further three areas in which government could improve the preparation and execution of foreign and national security policy strategies:

“Doing” strategy and planning

20. By the end of the last administration, a community of foreign and national security policy “strategists” had begun to emerge across government. A number of strategy units existed which worked together on futures thinking, cross-cutting policy issues, and which helped each other to engender a culture of more forward-looking strategizing across departments. This embryonic strategy community had begun to develop a way of doing business and a series of quality products. In light of structural and personnel

changes since the election, and based on early evidence from departmental SRPs, we are concerned that this community has not been built upon. Hence, the gains made towards inculcating a more strategic approach to foreign and national security policy may be being lost.

21. We have a similar concern at the next level down, turning strategy into plans (whether in relation to themes or countries). There has been progress in the past few years towards a more professional approach to planning, in a cross-departmental manner. There has been some progress towards inculcating a culture of planning professionalism, results based management and multi-year and integrated planning exercises. However, Whitehall still has very few instances of, for example, country plans that are truly based on robust analysis, clearly direct all HMG resources over multiple years, and are operated on the basis of good risk management principles. Making such approaches to planning the norm rather than the exception will take sustained leadership at Ministerial level.

22. Risk management tools such as risk registers are being embraced by the government as one means to capture and hence manage national security risks. As part of a best practice approach to corporate governance and planning, such tools are to be welcomed. However, such tools will only be effective if they go beyond the ways in which departments used risk registers under the last administration. To make risk management a useful driver for better strategy and policy-making, senior decision-makers need to be held to account for development of contingency and option plans tied to regular reviews of risks. There may be an important role here for the national security secretariat to provide a form of internal audit function to ensure risk management practices are being applied and to sponsor after action reviews where policies do not succeed.

Budgeting and planning processes

23. Initial indications, for instance the SRPs, demonstrate a worrying trend back towards departmental silos. An important conclusion of the Libra/IFG discussions was the vital role to be played by virtual “pooled funding” and more joined up resource allocation against common plans, with shared measurement systems. Without such tools in place for budget allocation and results based management, cross-government national security strategies are unlikely to have great success. Furthermore, it is evident that the CSR pressures could act positively (catalysing joint working and real prioritisation) or negatively (prompting a retrenchment into departmental silos).

Audit/evaluation and critical challenge

24. The importance of such processes have been acknowledged by the new Government, for instance with the Office of Budget Responsibility and DFID’s accountability guarantee. However, it remains unclear what plans exist for more systematic approaches to a combination of private and open challenges to cross-cutting national security policy issues and performance. The Libra/IFG discussions provided some examples of approaches that could be adopted to generate more robust challenge, and evaluation as well as improving the permeability of the UK’s national security decision-making cadre.

THE AUTHORS

The authors of this submission have drawn on the findings of the Libra/IFG strategic conversation but are responsible for the interpretations drawn, particularly of events since the election. The views expressed here do not reflect any corporate views of Libra Advisory Group, the Institute for Government, or the organisations with which Richard Mottram is associated.

Sir Richard Mottram is currently connected with a number of private sector, government, and third sector organisations and is a visiting Professor at the London School of Economics and Political Science (LSE). He was formerly a civil servant and for much of his career worked on defence strategy, defence policy, and the defence programme. He held a number of permanent secretary posts, including of the Ministry of Defence (1995–98) and, finally, in the Cabinet Office (2005–07) as permanent secretary for intelligence, security, and resilience and Chairman of the Joint Intelligence Committee.

Dr Andrew Rathmell is currently a Principal with Libra Advisory Group, a part of Coffey International Development. His most recent Whitehall posting was as a strategy project director with the Foreign Office Strategy Unit (2008–09), where he led cross-government strategy projects on conflict, South Asia and international institutions. Since 2003, his work, primarily for the UK and US Governments, has concentrated on stabilisation, state-building and conflict management, notably in Iraq and Afghanistan. A former Research Director at RAND Europe, Senior Lecturer at King’s College London, and Research Fellow at Exeter University, his public policy work since the early 1990s has covered homeland security, national defence and a range of foreign policy issues. He is the author of numerous reports and articles on these topics, and a former special advisor to the House of Commons Defence Select Committee.

Jill Rutter is a Whitehall Fellow at the IfG. She was previously director of strategy and sustainable development at DEFRA. Earlier, she held a number of roles at Treasury, No 10 and BP.

August 2010

Written evidence submitted by Nick Birks

SUMMARY

1. This submission responds to Question 7 How are strategic thinking skills best developed and sustained within the Civil Service?

- Strategic thinking is a way of thinking. Advances in behavioural and brain science in the last twenty years or so offer new insights into the way humans think. But less attention is paid to the psychology of strategic thinking than to the structural impediments to strategic thinking in government (job design which favours problem solving above goal-seeking and risk-averse adherence to process, the silo focus on delivery accountabilities that see peripheral vision as a distraction).
- Civil servants in decision-making roles may “not know they don’t know” what strategic thinking is, and favour mainstream risk management rather than more appropriate, but less well known, uncertainty management techniques.
- Strategic thinking can flourish for those with a psychological predisposition to strategic thinking if structural barriers are eased, but everyone can benefit from tools and techniques to underpin strategic thinking with a methodological approach.
- The Civil Service may in future need to recruit for personality types more predisposed to strategic thinking than to a delivery focus.
- It may be that government will have to mandate that departments (or their future equivalent) have a challenge function that is immune to changes of leadership and the patronage strategic thinking relies on.
- Different types of strategic thinking include strategic analysis in support of a particular administration’s key priorities, and strategic thinking aimed at the identification of longer term issues (which may be what is meant by “Grand Strategy”). The Cabinet Office Strategy Unit has been very good at the former. Foresight and WHISPER are the nearest to the latter but otherwise it is the province of external think tanks, which are sometimes solution-led.

BACKGROUND

2. This submission is made in a personal capacity. It is based on experience from the exercise of the author’s accountability for “raising the capability for strategic thinking” across a government department.

3. Strategic thinking is a core competence for the Senior Civil Service. If the role of the Civil Service is to change to one of a smaller, more strategic, centre assessed on its capability for creative thinking and innovation it will need people who think differently.

4. Strategic thinking requires an understanding of what is meant by strategy. There are various definitions of strategy but the National School of Government’s is specific to government “Strategic organisations develop an understanding of their likely future operating environments. It is not a sufficient ambition for government simply to understand how to survive in a particular future. The job of government is to change the future, that is, to set out a vision of a desired future and through policies and achievement of those policies, to bring that future about”.

Question 7: *How are strategic thinking skills best developed and sustained within the Civil Service?*

5. As the qualification “strategic” indicates “strategic thinking” is a different way of thinking. If you think differently you will behave differently. Matthew Taylor’s 21st Century Enlightenment Project at the RSA is based on the fact that the 18th Century Enlightenment changed the way people thought, and thus what they did.

6. Advances in behavioural and brain science in the last thirty years offer new insights into human cognition and the way people think. The RSA’s social brain project has produced a report called “Steer” (2010)² which recommends teaching schoolchildren how their brains work and how they think following pilots that showed that better decisions are made with this awareness. It may be that default thinking envisages the future will be more of the present, which is inimical to strategic thinking.

7. Iain McGilchrist (*The Master and His Emissary: The Divided Brain and the Making of the Western World*; Yale University Press; 2009) draws on the work of V I Ramachandran to show how the (currently dominant) left hemisphere of the brain seeks closure and constructs mechanistic models of the world such that the model persists even when evidence shows it has been overtaken. (For example patients confabulate narratives to explain why their paralysed left arm following a right hemisphere trauma is not paralysed—it is someone else’s arm: the left hemisphere model of the world, one in which the left arm was not paralysed). It may be the case that “left-brained” organisations, and the public sector, self-select for rational people which makes their environment less comfortable for creative and strategic thinking.

² <http://www.thersa.org/projects/social-brain/reports/steer-the-report>.

8. Strategy is about the future: “The future [is] a psychological space, into which we project our hopes and fears, our dreams and expectations.” (Hardin Tibbs: *Making the Future Visible: Psychology, Scenarios and Strategy*; 1999). Everyone has their own view of the future and often these different assumptions are not recognised, and default thinking assumes that the world in which decisions will have to endure will be the same as the world in which the decision is made—or extrapolations will be made from today, when the “cocktail effect” of the intersection of different trends will produce discontinuities which assumptions do not take account of.

9. Particular personality types prefer closure, others openness (respectively the Judging and Perceiving dimensions of the Myers-Briggs Personality Type Indicator). Strategic thinking may suit those with a predisposition to openness, who are comfortable with ambiguity and uncertainty.

10. Some organisations (Shell and BP) have said they select for particular personality types for strategy work. Recruits to the Civil Service may self-select for a culture that values particular ways of thinking. That culture may make it difficult for people to exercise strategic thinking. A focus on actionable thinking and delivery reinforces such cultures.

11. Ashridge Consulting uses a model attributed to Ralph Stacey showing that different kinds of strategic thinking are appropriate to different circumstances and strategic dexterity is needed in switching modes of thinking. Where there is a high degree of agreement and a high degree of certainty, strategy is a journey. If agreement and certainty are low, strategy is exploration. Comfort levels with each mode of thinking vary according to personality profiles.

12. Policy making by the Civil Service aligns itself to the key priorities of the administration of the day. That requires strategic analysis of a particular kind. But even a ten year time frame could conceivably see three or four political administrations, and strategic thinking needs to identify long term issues that face society. The Cabinet Office’s Strategy Unit has the research and analysis function that provides the former but the author is unaware of any function equivalent to a “skunk works” within government. The nearest equivalents are Foresight in the Government Office of Science and the WHISPER cross-government network out of the Royal College of Defence Studies. Other than this the function tends to be performed by external think tanks, some of which may have particular agendas.

13. The Civil Service response to greater complexity has been to “silo” skills and policy areas which is inimical to cross-disciplinarity and favours “point solutions” which afford control and accountability but do not take account of the whole system and simply move a cost from one balance sheet to another.

14. It’s difficult for hard pressed civil servants to find time to be interested in something that will not solve today’s problems. That’s not what they are measured and assessed on. Civil servants are often consumed with today’s problems. The response, when trying to engage people on thinking long term, is often “we can worry about the future after today’s priorities”.

15. Those who “don’t know that they don’t know” what strategic thinking is may be too focused with jobs too demanding to allow them to indulge their intellectual curiosity. This may mean that strategic thinking courses self select for those who least need it. It also favours “shoot from the hip” wishful-thinking strategy. The push for evidence-based decisions (or evidence-informed decisions, recognising recent research showing that evidence is a social construct) may mitigate that except where solutions seem so obvious there seems no reason to explore whether there is any evidence. Some evidence is counter intuitive and people would not think to look to it to support their instincts.

16. Both “strategy” and “futures” can be power words that seek to exclude. Rather than using “terms of art” such as these it may be preferable to talk about ways of thinking that help people do their jobs today by making better decisions.

17. Even those with a low natural tolerance for ambiguity can benefit from the tools to help them identify, embrace and cope with uncertainty and develop strategies that are resilient to a number of possible future outturns, not just the one assumed as most likely.

TOOLS & TECHNIQUES TO SUPPORT STRATEGIC THINKING

18. Because strategy involves taking decisions today that will shape, or be affected by, the future, there is a temptation to fall into a trap of attempting to predict the future, or to make “toxic assumptions” that reduce uncertainty to risk, because there are tried and tested tools and techniques for managing risk. These risk management processes naturally frame thinking in terms of risk rather than opportunity: problem solving rather than goal-seeking, which inhibits strategic thinking.

19. Civil servants are incentivised for adherence to process and avoidance of risk, not pursuit of outcomes. Geoff Mulgan says “In business strategic thinking often begins with organizational capabilities and then looks for how they can be used in different ways to create as much value as possible. Public strategy has traditionally begun the other way around, with goals: it then designs organizations and programmes to meet them and treats any additional capacity as a threat to focus. It’s often seen as illegitimate for bureaucrats to seek new roles. But both politicians and officials often acts as entrepreneurs, looking for new demands in a dialogue with the public in which goals are not fixed.” (*The Art of Public Strategy*; Oxford; 2009)

20. People with successful careers in the Civil Service are often focused on delivery and can sometimes see the peripheral vision necessary for strategic thinking to be a distraction. They find it difficult to step outside of a role in which they have been successful and may have a sub conscious interest in preserving the status quo, in which they know how to perform well, even when the environment has changed. The culture favours fire-fighting, where people can be seen to be successful, rather than outcome-focused long term prevention, whose invisibility may not enhance careers.

STRUCTURAL BARRIERS

21. Strategy involves outcomes or impacts. Outcomes are cognate with prevention and it is easier to measure intervention than prevention (measuring how many teeth a dentist drills is easier than measuring how much decay has been prevented). What gets measured gets done, what gets done is what is capable of being measured, but the important things are often not susceptible to measurement.

DEMAND

22. An appetite for strategic thinking requires a demand or “pull”. This often depends on visible patronage from the top of the organisation otherwise it is marginalised in favour of more visible and relevant activity. Another reason it needs top level patronage is that it is otherwise seen as a niche or peripheral activity and is also threatening because it has the potential to challenge established ways of thinking which have served careers well.

23. High level sponsorship can often disappear with changes of leaders. For example a new leader may demand more focus. This dependency on patronage makes it difficult to sustain strategic thinking, and the inherent nature of strategic thinking (which encourages challenge of successful, established approaches) can have alienated influential people in the organisation.

24. Strategic thinking can also be seen to be non-corporate, questioning existing strategy. It needs a ‘safe harbour’ within departments which are not at the mercy of the patronage of particular leaders of the time. If strategic thinking is to be successful, departments will have to tolerate diversity of thinking and accommodate the ‘personality types’ and questioning and challenging of established, and hitherto successful, worldviews.

25. The learning points for courses the author has run to promote strategic thinking in a government department include:

- We all come to the future with different assumptions, it is psychological territory.
- The future is not more of the present.
- The world is constantly changing.
- The only reason to consider the future is to make better decisions today.
- Uncertainty management is different from risk management.
- We cannot reduce uncertainty, there are tools we can use to identify, embrace and work with uncertainty, and test the resilience of policies and strategies we are making today, over the longer term.

September 2010

Written evidence submitted by Dr Robin Niblett

SUMMARY

- This paper takes Grand Strategy to be the application of a state’s means in particular ways towards achieving its long-term national interests on the international stage.
- The question today is whether the complexity of international affairs places a premium on flexibility and crisis management over developing a Grand Strategy that may tie a government to policy and resource choices that prove incapable of foreseeing the threats of the future.
- However, the UK confronts in 2010 a series of profound changes in the world which demand not just crisis management but also proactive UK responses based on clear strategic thinking.
- Moreover, the coalition government appears to have rejected an international posture that is reactive in the face of global change. It has stressed the importance of building the UK’s bilateral relations with key emerging powers, placed open markets at the heart of its foreign policy and established a National Security Council (NSC) that is tasked with coordinating a new Strategic Defence and Security Review (SDSR).
- But adopting a proactive approach to global change will only work if the Government submits itself to the discipline that must accompany strategic decision-making. The Government faces one near-term and two longer-term challenges to converting its strategic instincts into something approaching a Grand Strategy.

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- The near-term challenge is that the intense pressures to cut government expenditure will subvert the process of basing the new NSS and resulting SDSR on ‘grand’ strategic thinking.
 - The first longer-term challenge is that the urgent is likely to continue trumping the strategic. The NSC is also responsible for coordinating the UK Government’s response to short-term internal and external threats. This means that it is under constant pressure to ensure that it not fail the test of watchfulness and rapid, effective response.
 - The second is that the Government’s approach to strategic decision-making appears to be focused principally on national security and not on how to pursue the long-term national interests of the country in the round, ie including the Government’s broader diplomatic and economic interests.
 - For Grand Strategy to have the space to flourish within the UK Government’s decision-making, there needs to be an organisational approach that protects as far as possible the strategic from being swamped by the urgent and that also enables the Government to think strategically beyond threats and risks and towards opportunities and ambitions.
 - As a central element of this approach, the FCO should be responsible for driving a strategic, cross-departmental process of consultation that synthesises long-term UK interests towards global issues, such as energy security, climate change and open markets, alongside the country’s relations with existing and emerging powers.
 - Second, with severely reduced financial resources and an expanding range of risks and opportunities in a changing world, any UK Grand Strategy will require that the UK leverage the support of other countries who share the country’s broad interests.
 - The UK will also have to be a proactive player in institutions that reflect and promote its values and interests. NATO, the UN, the G20 and the EU will all be essential for the UK’s future strategic security and prosperity.

INTRODUCTION

1.1 What is Grand Strategy in relation to foreign and security policy? Ideally, it is the application of a state’s means in particular ways towards achieving its long-term national interests on the international stage.³

1.2 As such, it requires three assets. First, the ability to define the state’s long-term national interests within its geopolitical context, as distinct from the near-term threats to its well-being. Second, it requires a comprehensive understanding of the resources at the state’s disposal, not just in terms of quantity, but also quality. Third, it demands that a government be capable of applying the means at its disposal towards the country’s long-term goals in the most effective ways possible. As military history has taught us, superior numbers do not lead automatically to victory on the battlefield—it is both the quality of a country’s resources and the ways in which they are deployed that can carry the day.

1.3 This paper offers some ideas for how Grand Strategy might be incorporated into the UK Government’s planning and decision-making process. It starts with a brief statement in support of the concept of a Grand Strategy. It then notes the pressures that can and will militate against a Grand Strategy and strategic thinking in general. It closes with some suggestions of how to help ensure that strategic thinking is fostered over the long-term within the Government in support of the UK’s national security and broader national interests.

WHY A GRAND STRATEGY

2.1 It is not axiomatic that every government interested in promoting its national interests and protecting the country’s national security should give priority to developing a Grand Strategy. Especially today, it can be argued that the complexity and unpredictability of international affairs and the proliferation of risks to national security place a premium on flexibility and adaptability. Developing a Grand Strategy may tie a government to objectives and policies as well as to ensuing resource choices that prove incapable of foreseeing the threats of the future.

2.2 The most recent heyday of strategic thinking accompanied the Cold War. During this period, however, the UK and its allies confronted a relatively well-defined enemy (the Soviet Union) and an ideology (communism) that threatened UK and allied interests. As a member of the US-led “West”, the UK followed US Grand Strategy, even as it adapted and mutated. George Kennan’s strategy of “containment” was one Grand Strategy designed to confront the Soviet threat. Under President Ronald Reagan, the idea of “competitive strategies” was designed to challenge the Soviets in terms of military-technological investments and support for proxies.

³ The Brady Johnson Program in Grand Strategy at Yale University, led by Paul Kennedy, John Lewis Gaddis and Charles Hill classifies Grand Strategy as “a comprehensive plan of action, based on the calculated relationship of means to large ends”, <http://www.yale.edu/iss/gs/index.html>. Paul Kennedy also describes Grand Strategy in *Grand Strategies in War and Peace* (New Haven: Yale University Press, 1992) as “the capacity of the nation’s leaders to bring together all of the elements [of power], both military and non-military, for the preservation and enhancement of the nation’s long-term (. . . best interests)”.

2.3 In contrast, the post-Cold War world appears to be particularly ill-suited to strategic thinking—not only because of the loss of a clearly defined external opponent, but also because of the proliferation of new threats and the unpredictability of their interaction. Transnational risks, such as climate change, international terrorism, WMD proliferation, food and energy insecurity, and cyber-security, pose direct threats to a United Kingdom that is among the most integrated into a just-in-time global economy. Confronting their effects requires the support not just of allies such as other EU members and the United States, but also of countries that are competitors economically and geopolitically, such as China and Russia.

2.4 In such a context, it can be argued that the Government’s principal responsibility in the context of national security and international policy is to maintain the capacity for effective crisis management.

2.5 However, the UK confronts in 2010 a series of profound changes in the world which demand not just crisis management but also proactive UK responses based on clear strategic thinking. Otherwise, the UK will condemn itself to becoming a victim to the negative aspects of those changes while potentially foregoing opportunities to promote its interests in a changed world.

2.6 The key trends that define the changing international context for the UK have been listed in numerous recent publications, among them two recent reports from Chatham House’s project on “Rethinking the UK’s International Ambitions and Choices”.⁴

These trends could be defined as the shift in the global centre of economic and political gravity from West to East; the growing competition for resources that is accompanying this shift; new patterns and characteristics of conflict, where non-state actors using a combination of basic and sophisticated technologies can stymie forces that are far superior in number and equipment; the decline in US power relative to emerging powers and non-state actors; a Europe that appears to be hobbled by negative demographics and a lack of institutional coherence at the EU level; and the emergence of new structures of global governance involving a more diverse and self-confident range of countries.⁵

2.7 Recognizing the importance of these changes, the UK released two National Security Strategy (NSS) documents in 2008 and 2009. As their title indicates, however, the documents are focused principally on the changing nature of the threats to the UK rather than on the mix of threats and opportunities that the changing world now offers.⁶

2.8 The coalition Government appears to have rejected an international posture that is reactive or purely threat-driven in the face of global change. It wants to be proactive in adjusting the UK to changed international circumstances. It has stated the broad outlines of its intended foreign policy as . . . “a distinctive British foreign policy that is active in Europe and across the world; that builds up British engagement in the parts of the globe where opportunities as well as threats increasingly lie; that is at ease within a networked world and harnesses the full potential of our cultural links, and that promotes our national interest while recognising that this cannot be narrowly or selfishly defined”.⁷

2.9 Among its distinctive strategic priorities is the need to build “strong bilateral relations for the United Kingdom”.⁸ In addition, the Government has placed a special emphasis on trade and open markets, pointing to the opportunities for the UK offered by major emerging markets from China and India to Turkey and Brazil. Prime Minister David Cameron has asserted that the UK “should be messianic in wanting to see free trade and open markets around the world”.

2.10 Most significantly from the perspective of this paper, the Government has instituted a formal mechanism—the National Security Council (NSC)—responsible for “strategic decisions about foreign affairs, security, defence and development’ and that will align national objectives in these areas”. The NSC will bring together “all the Departments of Government in the pursuit of national objectives, so that foreign policy runs through the veins of the entire administration”.⁹

Reflecting this central, strategic role for the NSC, the National Security Adviser, Sir Peter Ricketts, and his staff have been given the responsibility for pulling together the Government’s new NSS and the resulting Strategic Defence and Security Review (SDSR). The SDSR will have a wider scope than previous reviews of this sort and will, “guide the work of all the departments concerned with national security including the Ministry of Defence, the Foreign and Commonwealth Office, the intelligence agencies and elements of the Home Office’s work such as counter-terrorism and organised crime. It will also look at the UK’s support for international development where this contributes to international security and stability”.¹⁰

⁴ <http://www.chathamhouse.org.uk/UKrole>.

⁵ For further elaboration, see Robin Niblett, *Playing to its Strengths: Rethinking the UK’s Role in a Changing World* (London: Chatham House, 2010); and Alex Evans and David Steven, *Organizing for Influence: UK Foreign Policy in an Age of Uncertainty* (London: Chatham House, 2010).

⁶ The first line of the 2009 NSS update states that, “Providing security for the nation, safeguarding our citizens and our way of life, remains the most important responsibility of government”. Cabinet Office, *The National Security Strategy of the United Kingdom: Update 2009: Security for the Next Generation* (London: TSE, 2009).

⁷ William Hague, “Britain’s Foreign Policy in a Networked World”, speech at the Foreign & Commonwealth Office, 1 July 2010.

⁸ William Hague, “Britain’s Foreign Policy in a Networked World”.

⁹ William Hague, “Britain’s Foreign Policy in a Networked World”.

¹⁰ See Cabinet Office website on the National Security Strategy and Strategic Defence and Security Review, <http://www.cabinetoffice.gov.uk/intelligence-security-resilience/national-security/strategy-review.aspx>.

2.11 But adopting a proactive and strategic approach to global change will only work if the government submits itself to the discipline that must accompany thinking through a Grand Strategy—ie it needs to institute a process that goes beyond a one-off defence and security review, however strategic its intent, and that articulates clear long-term goals for all of government while defining the means and methods of achieving them. The Government faces one near-term and two longer-term challenges to converting its strategic instincts into something worthy of being called a Grand Strategy.

OBSTACLES

3.1 The near-term challenge is that the intense pressures to cut government expenditure will subvert the process of basing the new NSS and resulting SDSR on ‘grand’ strategic thinking.

3.2 The size of the overall cuts in government spending that are envisaged means that anything but across-the-board reductions of relatively similar sizes between the three military services could lead to the long-term degradation of a particular military capability (carrier-based air projection; amphibious landing; mine clearing; major land intervention; long-range bombing etc).

3.3 This presents a serious dilemma for a country like the UK that is mid-sized in terms of its financial, military and diplomatic resources, but that has retained global security and diplomatic commitments from an era when it oversaw a world-spanning empire and, then, played a leading role in a NATO alliance that confronted a world-wide communist threat.

3.4 Faced with the prospect of losing the UK’s full spectrum of capabilities, the case for stating that the world is unpredictable in terms of security threats can become self-justifying. The idea that the UK then simply needs the same combination of military capabilities, but at a lower level can appear “strategic”.

3.5 But cutting UK defence capabilities across the board may not enable the UK either to promote or protect its interests in a world where the scale and ubiquity of the risks are likely to grow.

3.6 A UK Grand Strategy should highlight geographic regions and geopolitical risks or opportunities where the UK could concentrate its influence and resources and highlight others where it could decide to relinquish capacity and influence or rely on the support of allies.

3.7 The first longer-term risk is that, however much the creation of the National Security Council is meant to embed strategic thinking at the heart of UK decision-making and action in the field of security, it is likely that the urgent on its agenda will trump the strategic.

3.8 The fact that the number of staff currently working in the National Security Secretariat on crisis-prevention/management (including counter-terrorism and cyber-security) appears to outnumber those who are focused on the country’s longer-term security interests at a ratio of roughly two-thirds to one-third, reflects a dilemma for the NSC.

3.9 The NSC is responsible for coordinating the UK Government’s response to immediate internal and external threats. This means that it is under constant political pressure to ensure that it not fail the test of watchfulness and rapid, effective response. The default instinct of NSC discussions, therefore, is likely to be towards international crises (the latest developments in Afghanistan or North Korea, for example; or the latest cyber-threat or the latest terrorist plot) and not towards re-configuring the nation’s means and resources towards the security challenges of a rapidly changing world (such as UK energy security or how to prepare for possible rifts between India and China or how to build a global consensus on mitigating climate change).

3.10 The second long-term risk is that the Government’s approach to strategic decision-making appears to be focused principally on national security (via the central role of the NSC) and not on how to pursue the long-term national interests of the country in the round, ie including its broader diplomatic and economic interests.

3.11 To be sure, each government department responsible for the UK’s international relations has its strategy units and heads, and there are multiple avenues for inter-departmental coordination on specific aspects of national strategy. But it is unclear whether there is a central organisational or political focus in government for Grand Strategy as there is for National Security. William Hague, the Foreign Secretary, has articulated the some long-term strategic priorities for the country in his recent speeches, but delivery and oversight of these objectives are not resourced in the way that national security is through the NSC.

WAYS FORWARD

4.1 For strategic thinking to have the space to flourish within the UK Government’s decision-making, there needs to be, first, an organisational structure in government that protects as far as possible the strategic from being swamped by the urgent and that also enables the Government to think strategically beyond threats and risks and towards opportunities and ambitions.

4.2 In a recent Chatham House paper entitled, *Organizing for Influence: UK Foreign Policy in an Age of Uncertainty*, Alex Evans and David Steven suggest that the Government split more formally the responsibilities for the near-term and longer-term between different branches of government. Specifically, they recommend distinct responsibilities for the NSC, FCO, and DFID.

4.3 Their major recommendations are as follows:

- The Government should view the UK’s international strategic objectives through three overlapping and complementary lenses: national security, global issues and fragile states.
- The National Security Council should not define the national security mission too broadly—it should focus principally on direct threats to British citizens that could have severe consequences for their welfare within a limited time horizon.
- The Foreign and Commonwealth Office should be responsible for driving strategic, cross-departmental consultation that synthesises long-term UK interests towards global issues, such as energy security, climate change and open markets, alongside the country’s relations with existing and emerging powers.
- The Government should ensure the Department for International Development has a preventive agenda toward fragile states, which could be a major source of insecurity in the future, but which rarely receive the coordinated UK government attention that they warrant.

4.4 Second, with severely reduced financial resources and an expanding range of risks and also opportunities in a changing world, any UK Grand Strategy will require that the UK leverage the support of other countries who share the country’s broad interests.

4.5 The UK will also have to be a proactive player in institutions that reflect and promote its values and interests. NATO, the UN, the G20 and the EU will all be essential for the UK’s future strategic security and prosperity. Once again, giving the FCO the responsibility to coordinate and drive the UK’s agendas in these institutions will be essential.

4.6 In the end, however, the Government will need the British public’s support if it is to marshal the financial resources and the political legitimacy with which to pursue a bold Grand Strategy. The Government should talk frequently, openly and honestly about how the world is changing, about the challenges, opportunities and choices that this presents and the resources that the UK should be prepared to allocate to promote its future prosperity and security.

September 2010

Written evidence submitted by Dr Paul Cornish

This paper is in response to an “Issues and Questions Paper” circulated by the Public Administration Select Committee in July 2010. The Paper poses 12 questions, each of which is addressed below. Some questions have an abstract and discursive tone that is reflected in the responses given.

SUMMARY POINTS:

- Strategy forms the connection between policy (ie government security and defence policy) and practice (ie the preparation and use of military force).
- A national strategic concept must encompass analysis, authority, ambition and action.
- The UK does not yet have a strategic concept.
- The UK does have a national strategic process, but what matters is whether government departments will choose, or be required to support and implement the outcome of, that process.
- The national strategic process must bear the seal of Prime Ministerial authority.
- There is insufficient capacity for, and interest in, cross-departmental strategic thinking.
- The National Security Council must be central to the development of a national strategic culture.
- More could be made of the Royal College of Defence Studies and the Joint Services Command and Staff College.
- The involvement of non-governmental experts (in an advisory capacity only) is under-developed.
- Futures/trend analysis should be undertaken systematically and coherently, within one body.
- When resources do not match commitments, more attention should be paid to risk management.
- Other countries do strategy differently, rather than better.

What do we mean by “strategy” or “grand strategy” in relation to the foreign defence and security functions of government in the modern world?

1. “Strategy” is a term in general governmental use as well as in the commercial sector and elsewhere. As a result, strategy has come to mean little more than “policy” or “planning ahead”. It does, however, have a precise origin, stemming from the Greek *strategia* meaning generalship, or the art of the military commander. While the term retains some of its original meaning, one difficulty for those concerned with the application of military force is that “strategy” will never be reclaimed from widespread use and it will never

be possible to confine its usage exclusively to military matters. It should always be borne in mind, therefore, that in “strategy” we have a term that has (or should have) a specific meaning in one context, but a more diffuse meaning in others.

2. In the military/defence context strategy should describe a relationship between security and defence policy on the one hand and military action on the other. Strategy, in other words, is about purposive activity. This seems obvious: all strategy—military, commercial, industrial, political, criminal, individual etc—is surely about purposive activity. But according to a deeply embedded Western intellectual tradition, where generalship is concerned it has become especially important that “purpose” and “activity” should not be conflated. When military force is applied, the purpose should be not merely to achieve military ends, but to serve some overarching and legitimising political goal. Since Carl von Clausewitz, the early 19th century Prussian soldier-philosopher, we have been familiar with the idea that the primary strategic task is to establish the political goal, and only then to consider the role of military force in achieving that goal. In the sense used here, strategy is what gives policy its ways and means, and military action its ends.

3. Clausewitz divides the activity of war spatially and temporally into three overlapping areas of activity: country/war, theatre of operations/campaign, position/battle. These correlate closely with the division of warfare into the strategic, operational and tactical “levels” taught in western military academies and staff colleges:

- (a) Strategy refers to the higher organisation and planning of defence and war: the interface between the military and the diplomatic/political worlds.
- (b) Operations are the level at which armed services are organised and equipped to carry out strategic decisions and plans.
Tactics, reflecting Mahan’s observation that “tactics” are about “contact” with the enemy, are ~~not~~ concern of fighting formations and units from divisional to platoon level.

4. It is useful to add one level to the top (Grand Strategy) and another to the bottom (Individual) of this hierarchy:

- (a) Grand Strategy has been used to mean “all the factors relevant to preserving or extending the power of a human group in the face of rivalry from other human groups.” Other terms, such as “total strategy”, “war policy” and “high politics”, have been used to convey the same meaning, but at a time when war for survival is arguably a remote contingency the traditional use and meaning of grand strategy as an exceptional activity is obsolete. Yet with some redefinition the term can remain useful. Security and defence challenges are more complex, interwoven and mutable than in the past. This is also a time in which it is considered most effective to meet these challenges with a “comprehensive approach” or “joined up government”, as well as a time of financial stringency affecting all functions of government. In such circumstances, grand strategy can be used to locate strategy (as defined above) within the overall plan for government, indicating that strategy is one among several aspects of normal government rather than an exception to normal government. Grand strategy can then show where defence and security lie within the overall plan for government and how strategy might be prioritised against other areas of government activity and expenditure.
- (b) Individual. Albeit at the bottom of the politico-military hierarchy, individual members of the armed forces have always been the essential components of military activity. This statement is so obvious as to be scarcely worth making but with the advent of real-time surveillance and communications and the extensive media coverage of military operations in recent years the importance of individuals has become far more pronounced. Sometimes the activity of an individual soldier can have strategic significance—cf. the idea of the “strategic corporal”.

5. Where politically motivated military activity is concerned we now have a five-level model: Grand Strategy; Strategy; Operations; Tactics; and the Individual. The relationship between the levels is circular: grand strategy sets the overall context in which strategy is determined and resourced; strategy shows how political goals can be achieved through the use of military operations; operations are shaped by what is tactically possible; tactics are driven by the operational plan and are limited by what is individually feasible; the individual is the foundation upon which the whole effort is built and can on occasion have direct significance at the strategic or grand strategic level. What is important about this “levels of war” model is that it describes a dynamic, action- and outcome-oriented politico-military process. As Clausewitz argued, “The political object is the goal, war is the means of reaching it, and means can never be considered in isolation from their purpose.”

Who holds the UK “strategic concept” and how is it being brought to bear on the Strategic Defence and Security Review?

6. Some governments are systematic in preparing and publishing a national strategy. Every US Administration, for example, is required by the 1986 Goldwater-Nichols Act to publish a National Security Strategy. The document has often appeared late, and sometimes not at all; the latest edition appeared in May 2010.

7. The United Kingdom is a more recent and rather reluctant convert to an idea that might be thought to go against the grain of British pragmatism. Britain's political classes might consider national mission statements to be the preoccupation of other, less self-confident and less experienced countries. The British preference has been for incrementalism in strategy—"ad hocery" or "muddling through".

8. The UK cannot yet be said to have a "strategic concept" if by that term we mean a combination of several elements: analysis, ambition, authority and action:

- (a) Analysis: a published description/forecast of the international situation in the early 21st century.
- (b) Ambition: a concise articulation of the "interests" and "values" which the UK Government will seek to protect and/or project in the context it describes/forecasts.
- (c) Authority: leadership on the part of central government to insist that the concept must drive policy.
- (d) Action: a commitment to implement the concept on the part of all relevant government departments (eg Cabinet Office, HMT, FCO, MoD, DFID).

9. The UK Government has, however, altered its approach in recent years, producing a National Security Strategy (NSS) at the rate of one per year: the first version appeared in March 2008, the second a little over a year later and with the third due later in 2010. The first two versions of the NSS were impressive analytically and descriptively (particularly NSS 2009) but lacked "authority" and "ambition"; it seemed that compliance with the NSS remained at the discretion of the relevant government departments. This state of affairs might change with the advent of the National Security Advisor and National Security Council (NSC), with the NSC's work to "commission and oversee" a Strategic Security and Defence Review (SDSR) in parallel with its work to "develop and publish" a new NSS, and finally with the "strong involvement" of the Treasury in the work of the NSC.

10. The relationship between the NSS and the SDSR is difficult to discern. The most obvious relationship would be linear/sequential, whereby the NSS would drive the action of the MoD as a delivery department, set out in the SDSR. However, by some accounts the preference is instead for the rationale (ie the NSS) and its implementation mechanism (ie the SDSR) to develop in parallel, consistent with an umbrella concept (eg "Adaptable Britain").

Do the different government departments (eg No 10, Cabinet Office, FCO, MoD, Treasury) understand and support the same UK strategy?

11. It is my understanding that these government departments, as well as DFID and the Home Office, have all been involved in/contributed to the development of the NSS 2010. In that respect it would be hard to imagine that these government departments were not aware of the NSS and understand it. But whether they all support and will implement the NSS will depend on the following:

- (a) Whether the NSS is written in such a way as to provide clear and unequivocal strategic guidance as to the operations to be undertaken by the delivery departments.
- (b) Whether the delivery departments will be required by No. 10 to implement the NSS.
- (c) Whether the Treasury will ensure adequate resources are made available.

What capacity exists for cross-departmental strategic thinking? How should government develop and maintain the capacity for strategic thinking?

12. In the field of security and defence, I am aware of a certain amount of inter-departmental strategic working through committees and through cross-departmental posting of officials. The latter is particularly effective when those concerned are experienced mid-career officials. I am aware also of formal Whitehall structures that seek to develop an inter-departmental strategic approach; the Prime Minister's Strategy Unit, the Conflict Pools, the Post-Conflict Reconstruction Unit and its successor the Stabilisation Unit are all illustrative. In my view, however, the culture of government in the UK is not amenable to cross-departmental strategic working: government departments consider themselves sovereign in their field and protect their "turf" vigorously. This is reflected in (or perhaps caused by) the Treasury's resource allocation system that privileges a culture of departmental sovereignty over inter-departmental working.

13. As far as I am aware there has been and remains much less scope for cross-departmental strategic thinking. In some cases, such as the MoD's Development, Concepts and Doctrine Centre, I believe there has been cross-posting of staff in order to undertake strategic thinking and futures work. I understand that some non-MoD officials also attend the Royal College of Defence Studies (RCDS). But in general, my perception is that government departments conduct their own strategic thinking, possibly driven by the turf protection motive described/referred to above.

14. What is required is an inter-departmental strategic "think tank", an organisation known to be independent of the departments of state and which reports to/advises the Prime Minister and Cabinet Office. Staff for this organisation could be recruited from outside government, to form a new cadre of civil servants, or from within government. The first option runs the risk of creating a team of "whizz kids" who know little about government and whose analysis would be considered to lack foundation. The second option is preferable, ensuring that the government strategy organisation would reflect the culture and preferences of the various departments and would be able to make use of the most capable people within those departments

for periods of two or three years. The NSC seems to promise something of what is outlined here. But for this to work the relevant departments of state would have to support the initiative fully. The initiative would also require adequate resources, not least to enable sophisticated computer modelling, scenario planning and “war gaming”, and appropriate staffing levels.

What frameworks or institutions exist or should be created to ensure that strategic thinking takes place and its conclusions are made available to the Prime Minister and Cabinet?

15. As indicated above, the requirement must be for a body which can conduct research and analysis and pose strategic questions impartially at the national level rather than partially at the departmental level. As far as I can see the NSC is the only organisation to undertake this function and it is in the best place (the Cabinet Office) to do so.

16. It will probably be insufficient merely for the conclusions of an inter-departmental strategy organisation to be made “available” to the Prime Minister and Cabinet. There should also be some indication of “leadership pull”. There should be a sense that the Prime Minister supports the work of the strategy body and wants/needs its advice. Equally, there should be evidence from time to time that the Prime Minister is willing to act upon the analysis received.

How is UK strategy challenged and revised in response to events, changing risk assessments and new threats?

17. There can be no doubt both that UK strategy has been challenged over the past 15–20 years: the end of the Cold War; the first Gulf War; the Balkans conflicts; the fire strike; flooding; Sierra Leone; the foot and mouth outbreak; 9/11 and 7/7; operations in Iraq and Afghanistan. My perception is that UK strategy has been revised as a result of these challenges; how could government have done otherwise? I consider that the revision of strategy has been cautious, which I welcome, and has been more *ad hoc* than formal and declaratory. This is not to say that strategic shifts have not been reflected in formal government policy—consider both the “New Chapter” to the 1998 Strategic Defence Review, the NSS sequence outlined above, and the excellent “Strategic Trends” work of the DCDC—but it is to suggest that the UK preference is first to assess and to act, and to describe/explain later. In a particularly complex and volatile international security environment this is the best, if not the only approach.

How are strategic thinking skills best developed and sustained within the Civil Service?

18. I am not familiar with the Civil Service training syllabus. Exposure to other departmental cultures in the course of a career is an obvious and necessary step towards the cultivation of a government-wide strategic culture. Attention should also be paid to formal training and education in risk assessment and management methodologies, in scenario planning and exercising etc.

19. The UK has considerable assets already available with which to develop strategic thinking, notably the Joint Services Command and Staff College and the Royal College of Defence Studies. I am not sure, however, that these bodies are exploited as fully as they might be.

Should non-government experts and others be included in the government’s strategy making process?

20. Non-government experts should certainly be included in the strategy making process. It would be unintelligent to do otherwise. Yet there should be a clear demarcation between analysts/advisers—whether governmental or non-governmental—and decision-makers. Various people and organisations should be invited to advise and comment on policy, but it is the exclusive responsibility of government to decide and to act, for which it must be held accountable.

21. The Ministry of Defence makes an admirable effort at liaising with non-governmental research institutes and policy analysts. However, efforts to include non-government experts in the policy process in an advisory capacity have at best been sporadic and at worst ineffective. From time to time some individuals and some organisations have enjoyed a high level of access to the policy-making process. But this is unlikely to encourage the growth of a critical and vibrant national strategic culture, such as that in the United States and in some European countries. It is noticeable that the UK is less effective than many other western democracies in developing a durable relationship between policy-makers and non-governmental experts, and it is puzzling why this should be the case, given that the UK has a very sophisticated security and defence establishment as well as a wide range of research institutes and university departments working on security and defence matters. Efforts such as the Advanced Research and Assessment Group (ARAG), while well conceived, could not durably bridge the divide between government and non-governmental experts, were not regarded as being at the leading edge of security and defence, and were considered by independent research institutes and academic departments to lack both policy authority and intellectual credibility. The failure of ARAG might have been a function of budgetary constraints and the choice of location.

How should the strategy be communicated across government and departmental objectives made consistent with it?

22. I am not sufficiently familiar with intra-governmental communications to be able to respond fully to this question. I would suggest, however, that strategy without authority—ie the Prime Minister’s authority and leadership—will not overcome the forces of departmental sovereignty.

How can departments work more collaboratively and coordinate strategy development more closely?

23. In addition to the points made above, I would suggest a more consolidated and systematic approach to futures/trend analysis. In my understanding, futures analysis—which is of course an essential ingredient in timely and effective strategic planning—is undertaken separately by a number of government departments. Yet there is only one future, rather than several. That future is fundamentally unknowable but with trend and scenario analysis it is possible to prepare intelligently and self-critically for the future rather than wait for it to happen. By pooling resources from interested government departments the NSC could develop a first-class futures/trend analysis capability. This capability would lend itself readily to the development of government-wide grand strategy, one that would not preclude each government department addressing its specialist concerns.

How can reduced resources be appropriately allocated and targeted to support delivery of the objectives identified by the strategy?

24. To the extent that there can be a solution to the resources/strategy gap, I believe that solution must lie in the adoption of a risk-based approach to strategy. The challenge is to devise a risk management methodology which is prospective (as all risk management must be) and which can deal with a risk picture that will continue to evolve. What is required, in other words, is a risk management posture that has credibility and authority even without knowing the precise nature, likelihood and timing of the risk or the potential harm. The national risk position/appetite evolves as well; a function of shifts in public and political opinion. A risk-based approach must enable the refreshment of ideas and judgements about both the threat/hazard and about the risk position. It will never be possible to produce a perfect response to risk, but with careful preparation and risk refreshment it should be possible to ensure that the answer is as good as can be expected.

25. NSS 2010 together with SDSR 2010 should generate a system that can link values/interests, capabilities, resources, current commitments and futures in one coherent system. The system should be able to balance these MoD-internal demands against each other, and should then balance MoD against other governmental commitments within an overarching grand strategy.

Do other countries do strategy better?

26. Strategy is neither absolute nor uniform. It is only possible to do strategy within the cultural and political context from which the rationale to maintain and use armed force is derived. It is always instructive to assess how other countries frame and implement their strategy. But other countries can never do strategy better, only differently.

September 2010

Written evidence submitted by Professor G Prins

1. INTRODUCTION

Without doubt there is a profound structural problem about strategic thinking in Britain today. Specifically it is about activities that have proliferated, especially over the last fifteen years, which are presented as strategic thinking in government, but actually are not. As the Calling Notice to this inquiry suggests, one dimension of the problem is certainly about who does strategic thinking; but it is of even greater consequence to answer the logically prior question: what strategic thinking actually is. It is both surprising and sad that such questions must be asked. Britain used to lead the world in such matters. There is still no finer example of grand strategic thinking than Castlereagh’s great State Paper of 5 May 1820, which reviews the world after the defeat of Napoleon and articulates constant geopolitical and ethical axia of British interests. But that was long ago. This Paper will explain that other countries, notably Australia and Sweden, are further advanced both intellectually and procedurally in aligning government strategic assessment to the 21st Century. We can learn from them.

2. SHAPE AND CONTENT OF THIS PAPER

This paper will:

- first give recent evidence of the current “levels of analysis” problem in government strategic assessment relating to defence and security;

- then identify the three key characteristics of Britain’s contemporary strategic context that any assessment process that is fit for purpose must be able to engage;
- finally propose the methodological essentials, and one institutional option for how this could be done; and
- the Committee’s Calling Notice Questions are reproduced and answered in their own terms in the Annex.

Part One: evidence of the current problem

3. A strategic defence & security review is under way. But recent evidence of the type of issue beginning to surface from within it into public discussion (in this case the idea of pooling aircraft carriers with France) suggests that, in Vice Admiral John McAnally’s words, “the overwhelming impression is not one of the Strategic Defence & Security Review we were promised but rather of a hasty spending review in which the MoD is groping for the least incoherent ideas which meet the Chancellor’s demands . . .”¹¹

4. The same concern about both the process and the nature of current strategic assessment may be deduced and illustrated from the reception to the essay that Vice Admiral Sir Jeremy Blackham and I have published in the current issue of the RUSI Journal, entitled, *Why Things Don’t Happen: Silent Principles of National Security*.¹²

5. Following Sun Tzu’s advice, we recommend how, by paying for the right sort of defence forces to exist and (ideally) do nothing, while constantly capable of many potentially active and undefined “somethings”, we may help ensure that bad things don’t happen. We argue that unchanging geopolitical verities of British interests should principally shape our defence priorities, and that these are maritime. We argue that our defences must again be Palmerstonian—independently capable in order that we may be good allies. Accepting that proposition in turn requires a clean break from Whitehall’s widespread, reflexive misunderstanding of globalisation, that confuses the hope for supranational multilateralism via the EU, UN etc with the reality of their fading powers in a darkening, less policed world. We argue that the forgotten principles of national security are silent non-nuclear deterrence and that their principal expression is naval, which leads us to recommend practical ways to rescue the RN from the brink of incoherence to which neglect has brought it.

6. Now we hear that many inside MoD and Whitehall are reading this essay as “a naval case”; whereas despite my co-author’s past service career, the RN is not its principal subject at all. Our essay aims to erect grand strategic criteria grounded in principles external to the SDSR against which its eventual product can be scored. The “tribal” response illustrates exactly the pervasive tendency to confuse first order (strategic) national security ends with second order (tactical) means. This is the “levels of analysis” category mistake that current structures and assumptions of thinking actually stimulate, which vitiates most government “strategy” that I encounter, and not only in MoD. It results reliably in unintended consequences. Eyes are closed and minds are closed. The problems are increasingly “wicked” but the analysis is “tame”.

Part Two: Three key characteristics of Britain’s strategic context that must be always engaged by assessment methods for them to be “fit for purpose”

7. *Geopolitics of the British national interest.* Geopolitics is about the relative physical positions and interactions on the globe of the major powers, their cultures and economies; and it is like the weather. It presents in many forms but it is still the weather. It is an inevitable but recently forgotten foundation of grand strategic thinking that needs to be recalled to mind. Contrary to some expectations, the internet age has no more abolished geopolitics than the nation-state.

8. *The “wickedness” of most major looming problems.* But if eternal verities take new forms, many of our most pressing national security challenges do have new “wicked” forms. “Wicked” problems are open system issues, incompletely understood with no bounded data set, no stopping rule for research, no possibility for iterative experimentation and notorious for producing perverse, unintended consequences when governments try to act on them.¹³ But the challenge of “wickedness” is barely yet registering in British officialdom and not at all in its assessment methodologies which remain “tame” (where those conditions are met).¹⁴ That is not the case elsewhere. Australia and Sweden are both actively grappling with this challenge.¹⁵

¹¹ *The Times*, 1 September 2010, p 24.

¹² August/September 2010, Vol 155 (4) pp 14–22.

¹³ H W J Rittel & M M Webber, “Dilemmas in the general theory of planning,” *Policy Sciences*, 4(2), June 1973, pp 155–69.

¹⁴ This is detailed in fn 4 p 22 of Blackham & Prins, “Why things Don’t Happen . . .”

¹⁵ Australian Public Service Commission, *Tackling Wicked Problems*, Commonwealth of Australia, 2007. Peter Shergold, former Cabinet Secretary, was instrumental in welcoming such work. Cf P Shergold, “Lackeys, careerists, political stooges? Personal reflections on the current state of public service leadership,” *Australian Journal of Public Administration*, 63 (4), December 2004.

9. The relationships between risks and threats. Combine loss or denial of national identity with unrealistically transformative expectations of globalisation, an inability to understand “wickedness” in strategic challenges, excessive belief in the ability of government to achieve predictable outcomes and the bureaucratic momentum of “tame” methods of threat assessment. The result is an inability to see that risk environments may strengthen in consequence, and can incubate threats (as with unconditional terrorism).¹⁶ But noticing these vulnerabilities is predicated upon assessing the prior two areas mentioned.

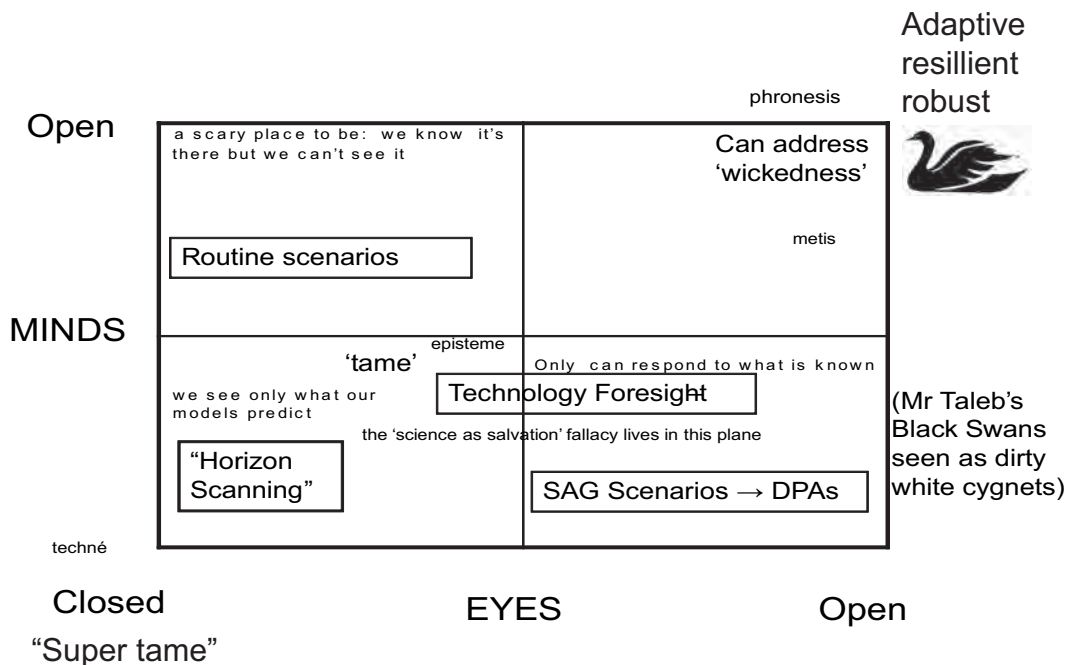
Part Three: Methodological and constitutional remedies for identified defects

10. *Knowledge levels.* A different fundamental reason why current methods are not effective is that they fail to distinguish four forms of knowledge and, therefore, cannot choose which to use, when, and how they can support each other. Furthermore this failure permits the “Science as Salvation” fallacy to flourish. Dazzled by the world-altering powers of Enlightenment science, it assumes problems are amenable to scientific solution. This fallacy underpins the recent proliferation of Scientific Advisers across departments. It also makes it appear shameful for civil servants to admit to ignorance or to say that nothing can be done (or should be done) by government.

11. In the *Nicomachean Ethics*, Aristotle distinguishes three forms of knowledge. There is *techné*—masterful “know how” knowledge which changes things; and there is *epistemé*—reproducible, theoretical knowledge which is normative. Both these are powerful in “tame” contexts, although the complexity of modern life decreases the purchase of each individual’s *techné* and *epistemé*.¹⁷ But the third knowledge is essential for human affairs (says Aristotle), as well as for all “wicked” problems. This is *phronesis*—practical wisdom which must guide when we face the unknown.

12. To *phronesis* we should add *metis*—conjectural knowledge (sometimes translated as “cunning”): the learned capacity for handling complexity that combines flair, wisdom, forethought, subtlety of mind, deception, resourcefulness, vigilance, and opportunism. It can provide the ability to anticipate, modify and influence the shape of events.

13. *Phronesis* and *metis* are the forms of knowledge which equip us to recognise the entirely new for what it is and to make choices in the face of uncertainty. Knowing only white swans, to recognise a black one, nonetheless. The diagram below locates current government assessment methods on a matrix framed by our eyes and our minds, open and closed. What are needed, and what I with others have long been developing, are methods which can be “routinised” and yet allow us to cope with the unknown. We called it Staged Appreciation. It incorporates tested procedures with developments of Professor Shackle’s “surprise index” to provide “choosables” in a “wicked” world. Strategy becomes, in Shackle’s haunting phrase, “the imagined, deemed possible.”¹⁸



¹⁶ G Prins & R Salisbury, “Risk, threat and security: the case of the United Kingdom,” *RUSI Journal*, 153 (1) Feb 2008, pp 22–27.

¹⁷ This is, of course, the spring-board insight for F Hayek, *The Constitution of Liberty*, Routledge, 1960.

¹⁸ G L S Shackle, *Decision, Order & Time in Human Affairs*, Cambridge University Press, 1969.

This diagram is taken from joint and on-going work with several state and non-state parties by Dr Lorraine Dodd, Professor Gwyn Prins and Professor Gillian Stamp to develop and trial techniques for staged appreciation of strategic options in a “wicked” world 2007. It, in turn, exploits the results of an extensive programme of development by experimentation to trial a Strategic Assessment Method for MoD led by Professor Prins as Visiting Senior Fellow to DERA, 1997–2002. Elements of SAM became operational successfully, including in classified contexts, before losing momentum in the break-up of DERA. S Davies & M Purvis, “SAM combined progress and validation report (U)” DERA/CDA/HLS/990148/2.0, March 2000.

14. Assessment staff trained in Staged Appreciation should have two standing roles. In light of their routine assessment of the three key characteristics:

- (a) *responsive*—to report on the correctness of “fit” of any departmental strategic analysis to its subject; and
- (b) *pro-active*—to issue “open minds/open eyes” challenges to any departments.

15. The *Parliamentary Remembrancer’s Office*. Such tests are a form of Assay. Since 1282, annually the Queen’s (or King’s) Remembrancer has empanelled a jury of goldsmiths for the Trial of the Pyx to test the (physical) goodness of the currency independent of the Royal Mint. By analogy, such tests are now required for Government Strategic Assessment. The new function might therefore be appropriately called that of the Parliamentary (as distinct from the Queen’s) Remembrancer. How should this Assay be conducted, where placed and how supervised? These are not new questions.

16. Established at arm’s length, there is the risk of its work being ignored. Such was the fate of Ivan Bloch, a founder of modern Operational Research and adviser to the Last Tsar, who funded his own laboratories and who predicted the nature of the Great War with terrible precision in the 1890s. He wrote in *The Future of War* (1898) that “. . . the nations may endeavour to prove that I am wrong, but you will see what will happen.” We did. He was not.

17. Therefore better be inside the belly of the whale. In 1902, the Prime Minister of the day, A J Balfour, established the Committee of Imperial Defence to combat the ad hoc nature of defence and security decision-making. The Committee was established at a level above that of the officials. Balfour’s words when introducing the Committee in the Commons on 5 March 1903 are apposite in this case: The CID would “. . . survey as a whole the strategical needs [of the Empire], to deal with the complicated questions which are all essential elements in that general problem and to revise from time to time their previous decisions, so that the Cabinet shall always be informed . . .”

18. AJ’s point is that political leadership is an art, not a science. It is not necessary for Whitehall to control everything directly for strong and effective government to be possible. The truth of experience is in fact the reverse: attainment of the latter state always requires oversight and usually requires strict control of the executive and its agents; and there are proven ways in which technical expertise can be brought to bear alongside democratic control. After a period of excessive executive power and commensurate enfeeblement of Parliament, oversight of the new assessment unit should surely be under primarily Parliamentary rather than Executive control? The Parliamentary Remembrancer’s Office might be modelled closely upon that of the Parliamentary Commissioner for Administration.

19. Established in 1967, the PCA is a servant of Parliament with the privileges of an officer of the House and appointed by the Queen under Letters Patent. The office is modelled on that of Comptroller and Auditor General which provided precedent for an outside authority to carry out investigations within government departments. However, the powers of the PCA are greater: the same as the High Court with respect to attendance, examination of witnesses and production of documents. Wilful obstruction of the PCA or her staff is punishable as contempt of court. Her reports on investigations are privileged and she reports to a Select Committee. Indeed, just as I hope may be the case for work—especially for controversial work—from the Parliamentary Remembrancer’s Office, PCA reports can end up in debate on the floor of the House. Both her occupational pensions report and that on civilian internees of the Japanese during the Second World War (“A Debt of Honour?”) were so debated, for both were Section 10(3) reports under the Parliamentary Commissioner Act—meaning that the Government did not accept them. There have only been four such Section 10(3) reports since 1967, two occurring since 1997. Of course the consequences of the defiance of her findings on the prudential regulation of Equitable Life by the previous Government (a Section 10(4) report) is instructive also, and constitutionally encouraging for this model. The First Report of the Select Committee on the PCA, 1990–91, observed that the PCA had established himself as, “an invaluable aid to the individual and a constructive critic of the executive” and as, “part of the fabric of the United Kingdom’s unwritten constitution”. So this is a good and operative example which can offer a proven template for the new strategic assessment functions here recommended.

20. Its work would therefore be more able to command usefully the attention of the PM and Cabinet by being under Parliamentary supervision, perhaps of a Joint Committee of Lords and Commons, not theirs?

September 2010

Annex

THE PASC'S QUESTIONS, AND ANSWERS

What do we mean by "strategy" or "grand strategy" in relation to the foreign defence and security functions of government in the modern world?

Answer: Grand strategy is the way in which the elected representatives of the people, *honouring* and *articulating* the national interests of the British people and therefore commanding legitimate authority (which is the central art of democratic politics), instruct the Civil Service to frame and cause to be executed policies which protect and advance the national interest. It is the first-order task of government. It is NOT four things: It is not a "planning" or managerial function, which is a tactical second order consequence. It is not a civil service function, as it has, too much, been seen to be. It is not a science at all, either in fact or by analogy. It is not a statement (as implied in question 8). It is a recognition of unchanging geopolitical truths and their translation into shaping principles and a hierarchy of priorities, which may change in expression from time to time.

1. *Who holds the UK "strategic concept" and how is it being brought to bear on the Strategic Defence and Security Review?*

Answer: who owns a sunbeam? No-one and every-one: this is not an ideological concept nor yet a management formula but a sentiment. "Strategy" is the consequent material expression of specific interests and actions in specific cases.

2. *Do the different government departments (eg. no 10, Cabinet Office, FCO, MoD, Treasury) understand and support the same UK strategy?*

Answer: certainly not. And what within their institutional frames/bounds would ever encourage them or afford anyone to do such a thing? After 13 years of the long march through the institutions, of "TB/GB" trench warfare, politicisation and coarsening of staff, elision of advocacy with inquiry, decapitation of departments and of "sofa" centralisation, plus an overinflated sense of state competence, Whitehall is unfit for purpose. Reform cannot be undertaken from within it. Parliament has to recover the use of its atrophied muscles to articulate and to require this and to hold the executive to account.

3. *What capacity exists for cross-departmental strategic thinking? How should government develop and maintain the capacity for strategic thinking?*

Answer: Too much of the wrong thing. Closed eyes and closed minds, which helps explain why neither short term crises nor long term interests are efficiently engaged. Proliferation of chief scientific advisers and the "science as salvation" view underpinning this. Thus a "government office of science" (why?) and "foresight", "horizon scanning" "DPAs" are built on and promoting closed mind/open eyes policies. Climate Change Policy is an excellent case in point.

4. *What frameworks or institutions exist or should be created to ensure that strategic thinking takes place and its conclusions are available to the Prime Minister and Cabinet?*

Answer: none appropriate. What is required are the described functions of the Parliamentary Remembrancer's Office

5. *How is UK strategy challenged and revised in response to events, changing risk assessments and new threats?*

Answer: At present, hardly at all. Risk and threat are words that are used too loosely and interchangeably, whereas they are fundamentally not so. Structures and procedures favour comfort by fitting circumstances to structures of thought and thereby not understanding what is seen: open eyes/closed minds, especially vulnerable to ideological leads. Result: usually miss the key things.

6. *How are strategic thinking skills best developed and sustained within the Civil Service?*

Answer: By dismissing all the ramified assessment bureaucracies of the past decade, the faux-commercial language of targets, contracts and "deliverables" and the low-grade staff servicing them. By employing well educated, historically literate, reflective people with at least one foreign language (for what this confers in cultural insight)—and preferably with philosophical and/or mathematical training.

7. *Should non-government experts and others be included in the government's strategy making process?*

Answer: Of course. Parliamentary Remembrancer's Office will be at liberty and under expectation to consult (cf ¶ 19 of submission).

8. *How should the strategy be communicated across government and departmental objectives made consistent with it?*

Answer: the framing of this question illuminates the problem. There is no such thing as reified, bottled “strategy”—this is to repeat the mistaken assumption in the cited statement from the Security Minister’s description of the NSC. Strategy is a culture of thinking and is present as principles for staged appreciation. Read Castlereagh’s 1820 paper to see this put into practice.

9. *How can departments work more collaboratively and coordinate strategy development more closely?*

Answer: in Defence and Security, by re-establishing a clear hierarchy of authority: from Cabinet informed by NSC and Parliamentary Remembrancer, to FCO to MoD and both instructing DFID.

10. (a) *How can reduced resources be appropriately allocated and targeted to (b) support delivery of the objectives identified by the strategy?*

(a) By a careful sweep with Occam’s Razor, cutting down/excising executive agencies and by then animating the functions of the Parliamentary Remembrancer’s office. . .

(b) for strategic assessment purposes as prescribed in the paper. “Delivery” of “objectives” “identified” is all cast in the thinking and terminology that is the source of the problem.

11. *Do other countries do strategy better?*

Answer: Yes. Australia; Sweden (among the democracies that are culturally closest to us). No doubt the Chinese continue to do efficient long-term assessment, or maybe Cuba; but unlikely to be in ways that are palatable to us.

Written evidence submitted by Cat I M Tully

1. As a Strategy Project Director in the FCO Strategy Unit for the past two years until earlier this month, I have been privileged to see many of the challenges and opportunities facing the strategic development of the UK’s foreign, defence and national security (FDNS) policy. Some of these are being addressed, in particular through the recent establishment of the NSC. Others remain insufficiently acknowledged or addressed. I therefore have taken the opportunity to respond to your request for responses to your inquiry on “Who does UK Grand Strategy”, by laying out some personal reflections on my time in the FCO SU. I hope they will be relevant, since my role’s principle objective was to drive strategic decision-making and capability in foreign policy—I am certainly happy to elaborate further on them informally.

2. I have structured my responses to your questions around the following headings: strategic context, definition, structure/process, and method. In summary:

- Most countries are facing the need to be more strategic in their FDNS policy. The UK is in a good position to do so.
- There is some good practice, but as a whole, UK FDNS policy making is not systematically strategic. There are top-down (political) as well as bottom-up (Departmental practice) drivers of existing UK FDNS policy incoherence. Following the establishment of the NSC, HMG should focus on the latter. A combination of new incentives, processes and structures will be needed to encourage closer cross-Departmental working.
- HMG can approach this by: first, identifying lead Departments or Cabinet Office Secretariats responsible—and resourced—for leading HMG strategies (both Grand Strategy and thematic/country strategies); and second, developing a clear doctrine on what good strategy-making involves. There is a growing body of knowledge on this.

Strategic Context: strategy-making is increasingly important for FDNS policy—but is hard

3. Common and well-explored drivers (technological, economic, demographic) are leading to increasing complexity in the international sphere.

- The line between domestic and foreign policy is ever-more blurred, with the increasing, non-linear impacts of vectors such as climate change, diaspora, logistical and financial flows, and extremist ideology requiring responses abroad and at home. Experts in the domestic sphere increasingly play a part in international fora and our actions abroad progressively impact the UK citizen on the street.

- New players, with different approaches and perspectives, have more impact. Not just countries such as the BRICS, but also non-traditional actors, eg sovereign wealth funds, philanthropists, epistemic communities, criminal networks and business.
- In addition, strong economic pressures require a more efficiently delivered and effectively prioritised FDNS policy. The increasing complexity and unpredictable nature of the international system also puts greater weight on risk management, resilience and flexibility, over traditional policy responses.

4. In response, many western governments—and some developing countries—are explicitly searching for a clearer articulation of their strategic interests, priorities and approach: a “Grand Strategy”. They are also looking to understand the systemic nature of the interlinkages of different policy areas and tools that were previously more distinct.

5. The UK is in a particularly good position to be able to do this:

- we have an excellent set of well-respected delivery arms each containing excellent technical expertise, including the Armed Forces, diplomatic service and aid agency, but also SOCA, DECC and OSCT;
- a strong reputation and links to the wider global public and non-traditional actors, including through the BBC and British Council, leadership on global responses to challenges like climate change, and support for the value of openness and trade; and
- HMG has state-of-the-art strategic capability in the domestic policy sphere (through the work of Departments, the Strategy Unit network and the Futures community).

6. However, the UK also faces external and internal challenges in developing strategic clarity in the FDNS policy realm:

- The main external challenge is the UK’s status as a global power. It has hugely complex, multiple interests, not least the maintenance of the international system and its norms. The holy grail of identifying the UK’s ‘core national strategic interests’ is therefore somewhat illusory. Prioritising among issues, countries and stakeholders is difficult for a P5 country, since both a global presence and policy position on most issues are expected. It is much easier for smaller countries (Nordics, Singapore, Canada) to be clearer about their priorities and distinct contribution.
- Internally, the UK faces the challenge that there is little common agreed HMG understanding of the strategic context (drivers and the role of the UK) and the role of Departments in developing and delivering a UK Grand Strategy. The result is different perspectives across government on the definition, structure and processes to do with strategy, and of the value of embarking on such endeavours in the FDNS policy realm. For example, I have heard both deep scepticism and strong support for the value of: counter-factual thinking and exploring different future scenarios; working with different actors; or the extent to which different Departments should be focused on newer policy issues, eg climate change. There have been many diagnoses of this internal incoherence in government, and they tend to fall into two camps:
 - Top-down explanations locate the source of incoherence within the political leadership of the time. A common recent narrative identifies sofa-government, presidential-style foreign policy decision-making, the break-down in Cabinet government and rifts between relevant Ministers, for the lack of clear strategic vision and delivery.
 - Bottom-up explanations locate the source of incoherence within Departmental differences in culture, practice, history, incentives and mission. More weight is given to the role of Departments in promoting or blocking cross-government coherence.
 - Obviously, both explanations provide a partial explanation of the truth and reflect real problems that needed to be addressed. The risk I perceived at the end of my tenure in the FCO SU, however, was that the responses being implemented to address the lack of FDNS policy coherence were located in the “top-down” solution set and too little was being done to tackle the “bottom-up” challenges. In my view, the creation of the NSC has addressed many of the concerns about “top-down” drivers of policy incoherence. The key question now is how the Civil Service can mobilise its dedication and expertise to support this political statement of intent. I have therefore focused my comments on the “bottom-up” barriers to FDNS policy coherence—though recognising that there remains work to do on the political side.¹⁹

¹⁹ Eg one key area of FDNS policy needing continuing political leadership is around promoting and shaping a public debate about the role of the UK in the world, both taking into account what UK citizens think and making the case for particular policies if necessary.

Definition: “strategy-making” is a process of alignment, not a piece of paper

7. I use the following definition to explain what strategy is: “An evidence-based, coherent and aligned view among a group about where they are, where they feasibly want to be and how to get there.” A strategy requires clarity on the group’s interests, objectives, assets and the context within which it operates. Strategy-making is therefore a process of alignment—not a piece of paper. This definition has the advantage of being applicable to most contexts (eg business, not-for-profit, corporate strategy as well as policy and delivery Departments, domestic as well as international policy).

8. Within the HMG FDNS policy realm, I distinguish three different spheres of strategy:²⁰

- (a) Grand Strategy, namely the UK’s vision of itself in the world, its high-level interests and objectives, and how it goes about promoting them;
- (b) thematic and country strategies, namely component parts or sub-sections of the UK’s Grand Strategy in relation to specific themes or countries; and
- (c) Departmental corporate strategy, namely each Department’s view of its strategic context, its objectives, and how it uses its assets to promote them.

9. The key question is how to ensure that: all three spheres are resourced, informed and developed appropriately; and they are coherent, in particular that the thematic and country strategies support the Grand Strategy, and that the Departmental corporate strategies support the delivery of both.

Structures/Processes: encouraging further cross-departmental working will need a combination of new institutions and practices—but most of all, the incentives need to be right

10. The incoherence in FDNS policy, as described in paragraph 6, comes from a lack of a clear focus within HMG tasked with owning—ie taking the overall UK perspective and possessing the necessary decision-making powers—the planning on (a) and (b). Instead, Grand Strategy and thematic/country strategies are often the aggregate sum of different Departmental actions within each policy area.²¹ There are two major problems with this approach: it is inefficient, since Departmental objectives and levers can pull in different directions; and it means that policy areas may be over or under-resourced, because the sum of individual Departmental interest may be different to the meta-HMG interest. Three examples of this include: low FCO focus on Latin America, despite a potentially higher HMG interest due to business, economic factors and organised crime. Another example is DFID only focusing on Ghana, Sierra Leone and Nigeria in West Africa, despite the need to develop a more regional approach to address the variety of security threats to UK interests. The final example is the ongoing lack of clarity across HMG on who and how to address longer-term complex issues (like the impact of demographic changes and global resource scarcity on UK national security).

11. Does the NSC resolve this? Not fully. It is a major step forward since it promotes joint working through commissioning joint pieces of work, it can resolve tensions and questions about prioritisation, and is a forum for identifying issues coming up on the horizon and moving resources to new policy priorities. However, an NSC can only look at the most important of FDNS policy issues and itself needs to be serviced by an effective Whitehall machinery that itself works in a truly joint way. This does not happen at the moment.

12. There is good practice, of course, as anyone working in this area in government will have experienced:

- Existing structures do promote better cross-Whitehall strategy development. The National Security Secretariat, the FDP secretariat in the Cabinet Office, the FCO Strategy Unit (now Central Policy Group), the joint DECC-FCO Energy Committee, the China Whitehall Group, the joint DFID-FCO Sudan Unit, the Stabilisation Unit do so with differing degrees of success (see next paragraph). The OSCT is an example of a cross-Whitehall structure with the resources to be able to drive a multi-agency approach to a thematic challenge.
- Departments do respond to the changing strategic context independently, eg the recent FCO work exploring how it can better support the UK’s economic recovery.
- And many desk officers have excellent networks across Whitehall and work effectively with their counterparts in different Departments on their day-to-day work.

13. The challenge is that practice is ad-hoc across Whitehall, reinvents the wheel frequently and depends on the individuals involved. There are few incentives, apart from professional dedication, to working systematically with other HMG Departments. And these solutions do not always work when Departmental interests and priorities are in conflict. This means:

- the quality of strategies are variable. “Strategies” can be a shopping list of interests, objectives and activities, rather than reflecting a common understanding of priorities and policy tensions, with feasible outcomes and effective risk-management plans. They are sometimes reactive, short-term and based on the status-quo;

²⁰ There may be a case for cross-Whitehall strategies on engaging key non-state actors (eg International Organisations, business, civil society groups) but this is a second order question and shelved here.

²¹ The current SDSR, managed from the Cabinet Office, has made a brave attempt to take on the task of pulling together the collective view, but suffers from many of the challenges outlined in paragraph 13.

- the quality of collaboration is variable. Joint strategies led by Departments sometimes do not reflect a truly cross-Whitehall perspective, but instead a partial perspective. The “strategies” pulled together at the centre can sometimes be an amalgamation of different Departmental inputs. As discussed in paragraph 7, strategy-making instead requires a process of alignment between the parties involved. The fora and process for facilitating these discussions do not always occur. The FCO recently examined a series of country strategies and identified huge variation in process and cross-Whitehall buy-in;
- existing excellent HMG analytical resources (eg MOD and DFID analysts, the FCO’s Research Analysts) are under-utilised in strategy-making. The sum of expertise on different themes and countries across government is vast—and insufficiently influence policy across Departmental boundaries; and
- cross-Whitehall horizon scanning and risk-management falls short of what individual Departments do separately, compounded by the fact that FDNS and development Departments have different time horizons.

14. The two-pronged response is to define ownership and develop a common cross-Whitehall process. Or, in MOD-speak, “Command and Control” and “Doctrine”. A possible response is that on Grand Strategy, key strategic countries and themes, the NSS should take the lead with a clear mandate to do the following: collect evidence; incorporate external expert views; hold an overview of the UK’s full assets, interests and objectives; horizon scan; and make proposals to ministers about resolving strategic tensions or different options. There are obviously existing bodies, eg OSCT, that should take a similar role for their policy areas. The FCO should then have the lead on most remaining country and thematic strategies. This is only a suggestion—what is important is a clear cross-Whitehall lead who takes the overall HMG perspective and can propose unpopular resourcing or prioritisation decisions. For this to have legitimacy and credibility, however, there needs to be an agreed set of consultation and analytical processes. Namely, common practice that ensures all Departmental views and information are incorporated—and to address the shortcomings identified in paragraph 13.

<i>Possible solutions²²</i>	<i>Structures and institutions</i>	<i>Processes</i>
(a) Grand strategy	<ul style="list-style-type: none"> — Expanded National Security Secretariat to service NSC with seconded staff from different Departments, or a joint FCO-Cabinet Office NSS — Specific sessions of the NSC to discuss horizon-scanning — Fora for FDNS Department senior leaders/policy DGs to meet and discuss common issues and align strategic vision — A joint FCO, DFID, MOD Strategy Unit, commissioned by NSC and FDNS Department senior leaders 	<ul style="list-style-type: none"> — Clearly defined process for developing Grand Strategy, with the thinking done at the centre, rather than commissioned out in bite-sized bits — FDNS Strategy Units to become centre of excellence on strategy-making
(b) Thematic and country strategies	<ul style="list-style-type: none"> — Clear departmental leads for each thematic and country strategy — A joint FCO, DFID, MOD Strategy Unit, commissioned by NSC and DGs — Joint Units and budgets 	<ul style="list-style-type: none"> — Clearly defined process and methodology for developing thematic and country strategies — Joint training on strategy-making — Joint analytical units or establish analytical communities of interest around country or thematic topics — A joint professional cadre that work across FDNS Departments — All SMS/SCS policy posts are open to external recruitment and are fixed-term posts

²² There are additional ideas in the informal note “A conversation on National Security convened by Libra Advisory Group and Institute for Government on National security 2010 and Alex Evans and David Stevens report for Chatham House on Organising for influence: UK foreign policy in an age of uncertainty”.

(c) Corporate Departmental strategies	— HMT to assess alternative ways to resourcing FDNS than only Departmental budgets. Separate the policy-making part of the Departmental budget from the delivery side, and encourage Departments to bid jointly	— Coordinated Departmental business planning processes — Include incentives for working on cross-government strategies — Hard incentives for all SMS/SCS to work in different Departments (and externally)
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15. More radical solutions have been proposed elsewhere, including in studies from previous decades. One suggestion is to separate the delivery arms of the defence, diplomatic (and development) departments and unite their respective policy roles into one central “global issues” policy department. This is a “nuclear” option—and risks absorbing resource internally at the expense of a focus on delivery, but it should be explored at least.

16. In summary, the solutions to the coherence challenge is as much about process and incentives as about structure and institutions. How does HMG resource these ideas? Most do not require extra resources. However, they do require time, changes to Departmental culture and reprioritisation of existing resources. Most important, senior leaders in Departments need to believe that there is value in investing their resources into this objective—that there will be tangible outcomes from introducing a more systematic approach to strategy-making versus the status quo. From my personal experience, some people get the need to enhance cross-Whitehall working—and some do not. The case needs to be made powerfully, because those who do not buy into it can create profound barriers despite strong ministerial and significant senior leadership support. So the most important step is for FDNS Department senior leaders to agree the problem and the potential prize. Then a cross-FDNS Departmental group could be pulled together from existing analytical, strategy, futures (and possibly HR and finance) units to develop a realistic proposal for implementation.

Method: good strategic thinking on FDNS issues is a complex undertaking, but a toolkit can be developed to propagate it—similar to that by the PMSU on domestic policy²³

17. Having come to the FCO from the domestic policy-focused Prime Minister’s Strategy Unit, a few things struck me about the nature of strategic thinking in foreign policy (not all applicable to Defence, National Security (or Development) policy):

- The nature of research and evidence is different. There is little quantitative analysis available, and policy discussions on issues tend to be influenced by well-respected individuals (“talking heads”) rather than a well-established body of research. Group-think, narratives and metaphors proliferate, a useful heuristic for speedy decision-making but that militates against fresh thinking. The role of evidence in policy-making is comparatively minor and undervalued.
- There are a variety of pressures for foreign policy decisions to be made quickly, including genuine reasons beyond the gift of HMG (world events change daily), as well as ones that could be internally addressed (eg under-resourcing, a culture of accepting strategic rethinks done by one person in a week).
- In comparison to domestic policy, the FDNS policy process within government is more complex, since with very few exceptions it involves at least two and often many more Departments.
- The domestic strategy toolkit therefore needs to be adapted to reflect these differences. For example, it needs to show its value in responding to unexpected events, use the excellent diplomatic network as a more regular source of data, provide systematic challenge to group think and establish clear processes for coordination between Departments. It also needs to strengthen skills that are used more regularly in FDNS policy, for example:
 - The ability to systematically analyse different future scenarios—because of high external uncertainty, relatively low impact of HMG levers on foreign policy issues, and the necessity therefore to prepare for different eventualities and stress-test HMG’s proposed objectives and policy.
 - The ability to systematically analyse and engage with all types of stakeholders—since influencing is the key foreign policy lever (as opposed to the wider set of domestic legislative, tax and exhortative levers). Stakeholders tend to be greater in number, diversity and complexity in foreign policy issues, including the internal Whitehall stakeholders that are an integral part of developing and implementing effective policy.

September 2010

²³ The FCO has been developing a useful systematic approach to international policy-making. This could be combined with other FDNS departments’ approaches to form the basis of a FDNS toolkit.

Written evidence submitted by Professor Julian Lindley-French

“Worn down, doubly decimated, but undisputed masters of the hour, the French nation peered into the future in thankful wonder and haunting dread. Where then was that SECURITY without which all that had been gained seemed valueless, and life itself, even amid the rejoicings of victory, was almost unendurable? The mortal need was Security”.

Winston Churchill on the French after World War One.²⁴

ABSTRACT

Grand strategy is the organisation of large means in pursuit of large uncertain ends over medium to long time frames. Such strategy is informed by history, identity and the credibility of the national narrative both domestically and internationally. Since the creation of the national debt in the 18th century as a way of financing war the strategic concept that emerges from such strategy has traditionally represented a balance between what must be done and what can be afforded given the severity of any given threat. A successful strategic concept thus depends on sound political leadership and strategic judgement for without such leadership such strategy tends to become a Treasury-led bureaucratic process of governance. Given the radical shift underway in the global power balance such a good governance approach to security may no longer be sufficient. However, given the atomistic structure and cultural imperatives of Whitehall it will still likely take a great shock before the conditions for genuine cross-department thinking and action are created. Therefore, it is vital that strategy is led by the Prime Minister and seen to be so, possibly through a small (and inner) Security Cabinet which informs fundamental decisions of state that go to the first duty of government—the security of the citizen. However, the UK lacks a consistent and sustained approach to strategy and it is thus hard for London to establish a framework for strategy that incorporates prioritisation, inter-agency response integration, risk awareness and management, response leadership and accountability. Moreover, “grand” strategy has recently been too narrowly and heavily focused on counter-terrorism and Afghanistan. Rather, all possible risks and threats, both internal and external, must be considered and assessed for which knowledge and insight will be vital (in addition to intelligence). Today, affordability is the driving force of grand strategy and defence is a case in point. Demonstrating the value of defence investment in peace, ie proving value for money is akin to proving a negative. If war does not happen to what extent is it due to defence investment? Since time immemorial British governments have grappled with this question and by and large managed to balance strategy and affordability. However, the 2010 Strategic Defence and Security Review (SDSR) is essentially misguided because it considers strategy through the wrong end of the strategy telescope because it takes the financial crisis as an absolute rather than a phase to be weathered prior to the return to sound strategy.

THE MAKING OF BRITISH GRAND STRATEGY

Recommendations

1. Britain needs a National Security Strategy (NSS) worthy of the name supported by a suitably authoritative National Security Council (NSC) that offers a radical new Whole of Government approach that will enable sound armed forces to underpin a necessarily activist foreign and security policy built on a properly funded diplomatic and aid effort.
2. Critical will be a Security Minister and/or a National Security Advisor of real political stature as part of an inner Security Cabinet and who is focussed solely on that brief.
3. The NSC will not dominate the power ministries (DfID, FCO, Home Office and MOD) but must be able to undertake the “political entrepreneurship” to give the NSS traction across Whitehall.
4. Critical will be a National Security Strategy that has real planning traction. Thereafter, much will depend on the extent to which the National Security Council (NSC) with the backing of No 10 (a) can bring together the power ministries in pursuit of national strategy; and (b) rise above a mainly bureaucratic, internal approach to reinforce stated political aims with outside expertise.
5. A much tighter strategic relationship is needed between the Foreign and Commonwealth Office (FCO), the Ministry of Defence (MoD) and the Home Office and DfID. First, the FCO needs to become far more adept at exporting the British strategic message by better promoting the strategic stabilisation/prevention concept to partners and allies and in so doing build a new diplomatic and political consensus. Second, far greater efforts are needed on the part of British diplomacy to communicate British strategic resolve, as well as openness to new partners. Third, the FCO must play its full diplomatic role by helping to create the security space upon which stabilisation and reconstruction relies. Fourth, the UK must develop an integrated Strategic Communications strategy; connecting across government, the United Kingdom including Scotland, Northern Ireland, Wales, London, the City and remaining overseas Territories (Falkland Islands/Gibraltar), the economy and inclusive of the BBC.
6. Given the scope and nature of change in the world and the crisis in British forces and resources the NSC is the natural focus of a security brains-trust that draws in the best and the brightest from across the country (and beyond) to work alongside those charged with the difficult task of discharging British national strategy.

²⁴ Churchill, Winston S. “The Second World War, The Gathering Storm”, Vol. 1. p 6.

7. Cross-government structures under the NSC/Cabinet Office should ideally include a Strategy Group made up of both officials and non-government experts to build on the Strategic Trends work of DCDC with a specific remit to establish likely forecasts and context for Intelligence and Planning.

8. A Security Situation Centre could maintain a picture across the UK security landscape incorporating both internal and external threats and linked to a National Intelligence Council.

9. A consistent strategic framework is needed across government to establish structure and methodology that incorporates prioritisation, inter-agency response integration, risk awareness and management, response leadership and accountability.

10. The development of strategic thinking skills must be taught because strategy must properly encompass the scope of change. Effective security and defence education (up to 4/5 star civilian and military level) could be the most effective way supported by a Strategy Development, Concepts and Doctrine Centre which promotes a Whole of Government approach. Much more could be made of the existing defence education structures (Royal College of Defence Studies and UK Defence Academy) to offer high-level security and strategy training and simulations to senior practitioners and politicians, possibly in conjunction with the National School of Government.

11. It may be useful to establish a special strategy group of fast track civil servants (not unlike the French *énarques*) who are trained from the beginning of their career in cross-government strategic planning and mobility.

12. In the near term it might be useful to start a programme of simulations and exercises using the UK Defence Academy in Shrivenham and/or RCDS across the security functions of government that adapts the kind of work being undertaken in NATO under the banner of Project Comprehensive Fusion (which is building on Exercise ARCADE FUSION) and which specifically seeks to develop strategic civil-civil and civil-military working relations.

13. In an uncertain strategic environment applied knowledge and the insight that emerges from analysis and experience provides the context for actionable intelligence. Indeed, compared with the United States there is very little reach back to think-tanks and other academic institutions that could challenge and support the often budget-led assumptions that emerge from what passes for strategic reviews. Therefore, whilst the American model has its detractors the US model could prove illuminating.

14. A security audit is needed to test affordability and to release money for investment in a functioning NSC. For the United Kingdom affordability is the key to effective grand strategy and it is clear that any new security structure will need at the very least to impose no increase to the overall security investment given the parameters of the Comprehensive Spending Review (CSR). Given the sheer scale of growth in security investment over the past decade it is highly unlikely that such investments have struck a balance between efficiency and effectiveness.

CORE MESSAGE

Grand strategy is the organisation of large means in pursuit of large uncertain ends over medium to long timeframes and involves the political calculation of what is vital and essential to national security given the relative power and position of a state. Such strategy is normally the preserve of second rank powers which retain strategic ambition and yet are relatively short on forces and resources and which need to maximise effect and influence in complex and changing environments. The United Kingdom is strange for a great power in that London effectively abandoned classical grand strategy after the 1956 Suez Crisis. Indeed, whilst the French decided never again to be dependent on US grand strategy the British decided to embrace it. Thereafter, British strategy has by and large been defined by US interests and the British reaction to it. However, the growing influence of the European Union in British foreign and security policy has created a most unhealthy dichotomy which makes British grand “strategy” at its most simplistic the search for the middle ground between the US world view and the French and German European view. Consequently, with the US increasingly focused on Asia-Pacific and the EU ever more parochial such middle ground is fast disappearing. Therefore, if the United Kingdom is to influence vital change and protect itself against the consequences of unwanted events a more activist grand strategy will be needed. Britain is more an engineer than an architect of the international system. However, the sheer pace and change of power in the global power balance would suggest that for a system to survive that is in the British interest more than mere good governance is now required, hence the need for grand strategy. Such strategy would necessarily exploit two traditional British strengths; the balancing of power and the leverage of the strategic interests of others in pursuit of the grand British strategic interest—a stable, trading, open, reasonably secure state-centric international system. “Balance” is everything in grand strategy and in spite of the great defence depression engendered by the Strategic Defence and Security Review (Strategic Pretence and Impecuniosity Review?) Britain must look beyond the short-term (and genuinely so). Britain is too rich and powerful to hide from strategic change and too weak to dominate which places particular emphasis on a clever and innovative balancing of ends and means. Strategy operationalises power and structure follows power. Therefore, only a National Security Strategy (NSS) worthy of the name supported by a suitably authoritative National Security Council (NSC) that offers a radical new Whole of Government approach will enable sound armed forces to underpin a necessarily activist foreign and security policy built on a properly funded diplomatic and aid effort. Critical will be a Security Minister and/or a National Security Advisor of real political stature.

The NSC is unlikely to be in a position to dominate the power ministries (DfID, FCO, Home Office and MOD) but should be able to undertake the “political entrepreneurship” to give the NSS traction across Whitehall. The alternative is stark; a Treasury-led version of the 1920s Ten Year Rule by which the British will effectively contract out of influencing and shaping the environment and focus rather on the bureaucratic management of decline. Grand strategy is after all ultimately about influence and Britain is at a grand strategic crossroads.

Q1: What do we mean by “strategy” or “grand strategy” in relation to the foreign, defence and security functions of government in the modern world?

Evidence: According to *The Economist* in 2007 the British Gross Domestic Product was \$2.7tr (world rank: 5), Britain had 6% of world trade (world rank: 5) and British foreign direct investment was \$224 billion (world rank: 2).

Strategy or grand strategy is the organisation of large means in pursuit of often large uncertain ends. It concerns the generation, application and organisation of power, resources and forces. At its core is strategic judgement which is first and foremost established on a firm grip by government of the position of a state in the power hierarchy of states, the type of state it leads (trading, self-sustaining, educated, uneducated etc), the physical nature and position of a state (land-locked, long sea border, island) and the tools available to influence others. Grand strategy enables a state through the organisation of all national means (security policy, of which defence policy is a part) to secure its vital, essential and general interests, defend itself and to live at peace with itself and others in (preferably) mutual prosperity. Such strategy is informed by history, identity and the credibility of the national narrative both domestically and internationally. National strategy (grand strategy) operationalises and informs security policy but comes before (not after) defence policy which can only be crafted after over-arching national security aims and objectives have been established. Grand strategy is thus a function of national intent, the relative power and influence of others (allies, partners, and adversaries) and the inevitable friction in the strategic environment. If power is relative, strategy is relative to power.

Q2: Who holds the UK “strategic concept” and how is it being brought to bear on the Strategic Defence and Security Review.

Evidence: The UK national debt is now over £900 billion or the equivalent of £15,000 per person in the United Kingdom. It is forecast to become £1.1 trillion, over 30% of GDP. Between 1920 and 1955 the average was 130% of GDP. (www.ukpublicspending.co.uk/uk_national_debt_chart.html)

A strategic concept is the what, the where, the how and the why of national strategy and concerns ultimately the shape and nature of action. A strategic concept enshrines the first principle and purpose of a state—the security of the citizen. However, a strategic concept also concerns the “how much” of national action. Since the creation of the national debt in the eighteenth century as a way of financing war the strategic concept has traditionally represented a balance between what must be done and what can be afforded given the nature of the threat. Indeed, it is for that reason the Prime Minister is also the First Secretary to the Treasury. Today, in the absence of any existential threat the level of the national debt can be said to be relatively high in historical terms at over 30% GDP. However, between 1920 and 1955 the average was 130% of GDP as both World Wars One and Two had to be afforded together with the Great Depression that place in the inter-bellum.

Q3: Do the different government departments (eg No 10, Cabinet Office, FCO, MoD, Treasury) understand and support the same UK strategy?

The evidence would suggest that departments of state understand and support UK national strategy only nominally. That is hardly surprising as supporting strategy requires understanding, communication and accountability, in addition to being tasked. Moreover, the focus hitherto on inputs rather than outputs has led to the National Security Strategy (NSS) being only one of a raft of initiatives that tended to generate heat rather than light. Moreover, the most notable cross-government “experiment”, the Provincial Reconstruction Teams (PRTs) in Iraq and Afghanistan developed as a consequence of (a) American strategy; and (b) a decidedly bottom-up approach which emphasised co-operation in the theatre of operations. Therefore, much depends on the political leadership’s determination to ensure that the national strategic concept both reflects the contemporary political mission and the pursuit of structural and enduring British interests. The past decade has too often reflected the confusion of values with interests. Of course, to some extent interests must reflect values but a demonstrable and practical link between the British national interest and the security of the British tax payer must be central to a strategic concept. Equally, without political leadership strategy too often becomes a bureaucratic process of Treasury-led governance.

In the past when a clear and present existential threat to the country was apparent the UK incurred far more debt in pursuit of security than is the case today. However, whilst the strategic environment contains many risks and not a few threats there is at present no existential threat such as that posed in the past by Nazi Germany or Soviet Russia. Consequently, in such an environment “strategy” becomes an issue of choice and discretion and in the absence of a clear political lead (and a weak Cabinet Office) the four main foreign and

security policy ministries (DfID, FCO, Home Office and MOD) lead mini-strategies that emphasise fragmentation in national strategy. The Overseas Development Act (ODA effectively established a DfID foreign policy of its own, the FCO desperately under-funded leads a depressed diplomatic corps much of it Europe-focussed, whilst the US-centric MOD has been trying to keep up with an activist defence-led American grand strategy on British resources and to all intents and purposes has been fighting a war whilst the rest of Whitehall has remained doggedly at peace. The Home Office, with its focus on social cohesion, policing and counter-terrorism views security from a very domestic perspective. The intelligence services sit uncomfortably between the ministries, wary of each other and trying to cope with the consequences of over-rapid expansion.

Critical will be a National Security Strategy that has real planning traction. Thereafter, much will depend on the extent to which the National Security Council (NSC) with the backing of No 10 (a) can bring together the power ministries in pursuit of national strategy; and (b) rise above a mainly bureaucratic, internal approach to reinforce stated political aims with outside expertise. Indeed, in the past British grand strategy (such as it has ever existed) has been controlled too tightly by Mandarins. Moreover, such exercises to date have tended to reflect the political concern of the moment and the assuaging of public opinion and have consequently generated little synergy across government (nor guidance) that has led to real planning traction within government. With no disrespect to the current incumbents the Security Minister and/or a National Security Advisor of real political stature focussed solely on that brief. Indeed, because the NSC is unlikely to be in a position to dominate the power ministries it must be able to undertake the “political entrepreneurship” to give the NSS traction across Whitehall.

Q4: *What capacity exists for cross-departmental thinking? How should government develop and maintain the capacity for strategic thinking?*

Quotation: “In a period of crisis there is a balance to be struck between taking all measures necessary to provide adequate military defence, and taking steps which could themselves accelerate deterioration into conflict. The Government’s crisis management machinery must be capable of this balancing act. It must cope with situations which could vary from tension drawn out over months to developments measured in hours. It must be able to offer Ministers a range of options for resolving the crisis. It must be able to bring together and assess rapidly information from a wide variety of diplomatic, political, economic, military and intelligence sources”. PDGS <http://www.pdgs.org.ar/Archivo/omd-crisis.htm>

The key word phrase is “cross-departmental thinking”. During crises there is an effective system for crisis management which serves the Cabinet through the Defence Crisis Management Organisation (DCMO) and the Permanent Joint Headquarters (PJHQ). The Joint Intelligence Committee (JIC) considers the political and strategic implications of actionable intelligence. However, in normal times there is marked degree of stove-piping with ministries too often competing with each other over budgets etc than really looking to establish cross-departmental approaches. Indeed, one of the many problems faced by the Comprehensive Approach (systematic civil-military co-operation) is that whilst field officers of various ministries (and governments) tend to make things work in the field during operations cohesion at the strategic level has proven to be very difficult. This has been exacerbated over the past 10 years by cultural and political differences between the ministries, most notably DfID and the MOD.

Equally, there are some efforts to create more synergy. There are many inter-departmental committees across Whitehall and the number of postings between ministries is increasing. However, there is very little structured high-level strategic thought or collaboration across Whitehall with the specific and sustained objective of generating a high-level cross-Whitehall strategic picture that properly considers the position, role and interests of the United Kingdom in a changing strategic environment.

Where attempts have been made to develop a cross-department culture that would support such thinking, such as the Prime Minister’s Strategy Unit, the Conflict Pools, the Post-Conflict Reconstruction Unit and its successor the Stabilisation Unit, the level of leadership has made it hard to get ministries to properly support such efforts. This atomistic approach to government is reinforced by funding arrangements by the Treasury which tends to promote a culture of competition rather than co-operation by ministries that see themselves as separate orbs in an essentially anarchic realm.

This tendency towards competition is reinforced by the culture of the British Civil Service. Understandably resistant to and suspicious of *les grands dessins* so favoured by the French, strategy has come to mean good governance, management and managing reduction which reflects the fact that for some two hundred years Britain has been the status quo power. The mission therefore has been to stop dangerous change rather than as a matter of principle foster constructive systemic change. Britain is more an engineer than an architect of the international system. However, the sheer pace and change of power in the global power balance would suggest that for a system to survive that is in the British interest more than mere good governance is now required, hence the need for grand strategy. Sadly, given the atomistic structure and cultural imperatives of the Government it will likely take a great shock before the conditions for genuine cross-department thinking to achieve critical national security goals are created.

Q5: What frameworks or institutions exist or should be created to ensure that strategic thinking takes places and its conclusions are available to the Prime Minister and Cabinet?

As the turf-battles in the US attest a more presidential approach to security leadership by government does not necessarily lead to more strategic synergy across government. Given the scope and nature of change in the world and the crisis in British forces and resources the NSC is the natural focus of a security brains-trust that draws in the best and the brightest from across the country (and beyond) to work alongside those charged with the difficult task of discharging British national strategy. As such, any such grouping must be in a position to challenge Whitehall conventions as much as seek creative solutions to the essential British security dilemma of the age—how to leverage influence and effect to close the gap between what British security demands and what it can afford, as well as prepare for a future that given the friction in the world is almost certainly going to be dangerous. Additionally, cross-government structures under the NSC/Cabinet Office should ideally include a Strategy Group made up of both officials and non-government experts to build on the Strategic Trends work of DCDC with a specific remit to establish likely forecasts and context for Intelligence and Planning. A Security Situation Centre could maintain a picture across the UK security landscape incorporating both internal and external threats and linked to a National Intelligence Council. Certainly, the seniority and influence of the Security Minister would need to be strengthened to be at least on a par with the Secretaries of State for Foreign Affairs and Defence.

Ultimately, it is vital that the Prime Minister is seen to lead such thinking by investing real political capital, possibly through a small (and inner) Security Cabinet which would inform fundamental decisions of state that go to the top (and first duty) of government—the security of the citizen. To that end, any such structure (and supporting national security strategies) must satisfy consistently and address continually five critical questions:

1. Does strategy offer the prospect for developing a more integrated response framework?
2. Does strategy adequately provide for mechanisms to recognise and raise awareness of the early signs of new threats or hazards?
3. Does strategy recognise and seek to address any deficiencies in risk analysis and risk identification?
4. Does strategy contain a clearly thought out method of prioritisation?
5. Does strategy offer an adequate leadership model?²⁵

Q6: How is UK strategy challenged and revised in response to events, changing risk assessments and new threats?

Quotation: “The Cold War threat has been replaced by a diverse but interconnected set of threats and risks, which affect the United Kingdom directly and also have the potential to undermine wider international political stability. They include international terrorism, weapons of mass destruction, conflicts and failed states, pandemics, and trans-national crime. These and other threats and risks are driven by a diverse set of underlying factors, including climate change, competition for energy, poverty and poor governance, demographic changes and globalisation”. The UK National Security Strategy.

Every British and Western government has faced a profound challenge over the past 10 years in that almost all the “events” that have occurred have been very hard to anticipate, (as had American responses to them). In essence, in an attempt to maintain the Special Relationship with the US the UK was in 2001 forced suddenly to switch from a primarily European-focused security and defence effort to a global-reach effort. Consequently, whilst the 1998 Strategic Defence Review hinted at such possibilities no-one in London could have foreseen the sudden demands on British armed forces (in particular) that were made. Therefore, since 1998 British strategic analysis has been endeavouring to catch up with change that is probably as rapid and as uncertain as at any time in the past century through a series of DfID, FCO or MOD white papers or “new chapters” which in the absence of an overarching grand strategic framework has tended to emphasise contending strategies and partial responses. In other words, the British have been “muddling through”, by simply trying to doing more of the same better. Some moments of strategic transition do not favour such an adjustment approach.

Clearly, some events can never be foreseen (or the reaction to them of key partners which is a key factor in British grand strategy). Where there has been particular fault is not so much in an inability to make strategic judgements to deal with likely shocks, but rather the inconsistent and often seemingly unconnected flow of defence reviews, security strategies and development acts together with how best to deal with the relationship between internal and external security that any Whole of Government approach must necessarily consider.

In the absence of a consistent strategic framework across government it is hard to establish structure and methodology that incorporates prioritisation, inter-agency response integration, risk awareness and management, response leadership and accountability. Rather, “grand strategy” has in fact been heavily focused on a counter-terrorism strategy and the role of Britain in Afghanistan in relation to that. This has made consideration of the implausible but possible impossible which after all is also the purpose of grand strategy. Certainly, the confluence of energy competition, regimes legitimised by economic growth rather than democracy, the democratisation of weapons of mass destruction and huge illicit capital flows, not to

²⁵ The author acknowledges the work of Frank Gregory in identifying these questions.

mention weak states and religious fundamentalism, demand that such dangers be considered as part of balanced national strategy. With the establishment of the NSC the UK thus needs to become far more systematic in the use of both national security strategies and defence reviews and therein properly understand the relationship between strategy and policy. Security policy establishes vital, essential and general interests; strategy operationalises policy, whilst defence policy and strategy are the military components of overall national strategy. Moreover, such an exercise should be carried out at least every four years, quasi-independent of government and inform not justify government choices. The two dangers that emerge from the current and flawed risk assessment and “strategy” process is either an obsession with fighting the last “war” better or a determination to recognise only as much threat as the Treasury thinks the country can afford.

Q7: How are strategic thinking skills best developed and sustained within the Civil Service?

Quotation: “global warming, flu pandemics, the emergence of rogue states, globalisation and its impact on power balances, global poverty and its impact on population movement, energy security, the proliferation of weapons of destruction and organised crime are all significant security problems, and we shouldn’t exaggerate the threat from international terrorism” Sir Richard Mottram, 2007

The development of strategic thinking skills must be taught because strategy must properly encompass the scope of change. Indeed, effective strategy identifies which tools and structures should lead to prevent, and which to deal with consequences. The Civil Service rightly prides itself on detail. However, implementing grand strategy requires the ability to generate a big strategic picture that can be shared across government and implemented down the command chain—both civil and military, national, regional and local. Effective security and defence education (up to 4/5 star civilian and military level) could be the most effective way supported by a Strategy Development, Concepts and Doctrine Centre which promotes a Whole of Government approach. Strangely, whilst military officers are given education and training at every level of command below the general rank, it is assumed that grand strategy is understood once promoted to 2-star rank and beyond. The same would appear to apply to the Civil Service. Britain’s radical idea in 1960 was the move away from a conscript military and the professionalisation of the armed forces, the radical organisational idea needed in 2010 is a genuine Whole of Government structure from strategy to implementation focussed on output performance rather than simply input measurement and underpinned by knowledge and access to it. Much more could be made of the existing defence education structures (Royal College of Defence Studies and UK Defence Academy) to offer high-level security and strategy training and simulations to senior practitioners and politicians, possibly in conjunction with the National School of Government. Put simply, it can no longer be assumed that politicians charged with onerous security responsibilities of state can suddenly and magically develop the expertise that effective strategic decision-making in a complex environment so patently requires. That is the essence of strategic judgement and it must be informed judgement.

Q8: Should non-government experts and others be included in the Government’s strategy-making process?

In an uncertain strategic environment applied knowledge and the insight that emerges from analysis and experience provides the context for actionable intelligence. Indeed, compared with the United States there is very little reach back to think-tanks and other academic institutions that could challenge and support the often budget-led assumptions that emerge from what passes for strategic reviews. Therefore, whilst the American model has its detractors the US model could prove illuminating. Think tanks in Washington are staffed with those temporarily out of government and those with real expertise. Thus, analytical excellence and experience work side by side on a daily basis helping to challenge and inform policy and planning. This modus operandi contrasts with the recent experience of London which has seen government employ huge numbers of political or special advisors, the vast majority of whom enjoy either very narrow expertise or were charged with maintaining ideological momentum. Very little outside expertise can be said to really influence British national strategy.

Q9: How should the strategy be communicated across government and departmental objectives made consistent with it?

At the very least a much tighter relationship is needed between the Foreign and Commonwealth Office (FCO), the Ministry of Defence (MoD) and the Home Office and DfID. First, the FCO needs to become far more adept at exporting the British strategic message by better promoting the strategic stabilisation/prevention concept to partners and allies and in so doing build a new diplomatic and political consensus. Second, far greater efforts are needed on the part of British diplomacy to communicate British strategic resolve, as well as openness to new partners. Third, the FCO must play its full diplomatic role by helping to create the security space upon which stabilisation and reconstruction relies. Fourth, the UK must develop an integrated Strategic Communications strategy; connecting across government, the United Kingdom (including Scotland, Northern Ireland, Wales, London, the City and remaining overseas Territories (Falkland Islands/Gibraltar), the economy and inclusive of the BBC. These are all key to the stabilisation and prevention message. Once a strategic narrative has been crafted for external and public consumption it

will be easier to then organise bureaucracies behind it. Communication is ultimately about leadership and thus must be jealously guarded by the political leadership to prevent it being “finessed” too much by senior civil servants with more parochial ambitions.

Q10: How can departments work more collaboratively and co-ordinate strategy development more closely?

Evidence: The 2010 defence budget is less than half that of 1979 and less than a third that of 1986. At roughly £30 billion per annum it is also 25% less than it was in 2000 prior to wars in Iraq and Afghanistan. Author’s own research.

As the evidence presented above attests the first requirement is to establish a reasonable link between the scale of the security challenges, its affordability and the resources so allocated. Having assessed the scale and nature of challenges then decisions can be made as to the tools needed to deal with them and where to place those tools. Certainly, for the United Kingdom to maximise influence ministries are going to have to become far more “joint” to use the military jargon, and be very clear about their place and responsibilities under national security strategy. The work being undertaken by the British-led Allied Rapid Reaction Corps (ARRC) to operationalise the Comprehensive Approach could offer a way forward. First, a distinction will need to be made between the strategic function of government and the roles of ministries therein (that is by and large already in place but needs to be more clearly enunciated). Second, the normal delivery functions of ministries need to be maintained. Third (however), it may be useful to establish a special strategy group of fast track civil servants (not unlike the French *énarques*) who are trained from the beginning of their career in cross-government strategic planning and mobility.

Such an approach would of course take time and thus it might also be useful in the near term to start a programme of simulations and exercises using the UK Defence Academy in Shrivenham and/or RCDS across the security functions of government that adapts the kind of work being undertaken in NATO under the banner of Project Comprehensive Fusion (which is building on Exercise ARRCAD FUSION) and which specifically seeks to develop strategic civil-civil and civil-military working relations. In effect, government would create a deployable group of strategy experts to advise and lead within government. However, to do so would require of government a systematic approach at the highest levels to generate all elements and partnerships vital to the successful generation and conduct of complex strategy reliant on complex civilian and military partnerships.

Q11: How can reduced resources be appropriately targeted to support delivery of the objectives identified by the strategy?

Evidence: Defence spending since 1997 has increased by 11%. The US has increased its defence expenditure by 109%, China by 247%, Russia by 67% and Australia by 56%. Since 1997 the British have increased expenditure on health by £45.1 billion (147%), whilst on education by £35 billion (75%), whilst overseas aid now at 0.7% GDP²⁶ ($\frac{1}{3}$ of the Defence Budget) has increased in real terms by 215% whilst the intelligence services have seen a fourfold increase since 2001. Defence spending since 1997 has increased only by 11% which is less than historical inflation over the same period. Author’s own research.

For the United Kingdom affordability is the key to effective grand strategy and it is clear that any new security structure will need at the very least to impose no increase to the overall security investment given the parameters of the Comprehensive Spending Review (CSR). Equally, the above figures would suggest some room exists for a reallocation of expenditures. Indeed, such large and relatively rapid increases in expenditure that have taken place over the past decade driven as they have been by an input culture are rarely efficient. Thus, the challenge for the government will be to establish strategy that balances efficiency with effectiveness. However, using the defence budget to help fund such a structure would be ill-advised due to the sheer exhaustion of a defence force and bureaucracy that for 10 years at least has been operating well beyond defence planning assumptions.

It is worth dwelling on the defence dilemma for a moment as strategically credible armed forces are the bedrock upon which grand strategy is ultimately established. Demonstrating the value of defence investment in peace—the mantra of Value for Money for example—is indeed akin to proving a negative—if war does not happen to what extent is it due to defence investment? Since time immemorial British governments have grappled with this question and just about managed to balance strategy and affordability. However, the response to the current financial crisis threatens to break that linkage, perhaps for the first time in perhaps four hundred years.

Between 1979 and 1986 the British defence budget increased in absolute terms for a range of factors such as the Soviet invasion of Afghanistan, and the Euromissiles crisis. Moreover, in 1982 Britain also fought a short war against Argentina to recover the Falkland Islands. Equally, the then incumbent government under Margaret Thatcher believed that relatively strong British armed forces were a vital tool of British influence. However, over the period 1986 to 2010 the defence budget as a function of gross domestic product (GDP) declined from 5% to 2.1% and yet over the same period the tasks and scope and intensity of operations

²⁶ The BBC has been remarkably reluctant to reveal its actual budget but estimates and releases suggest that the BBC and Overseas Aid (DfID) budgets are both about 0.7% GDP.

climbed markedly. In fact, having stripped out historical inflation and allowing for Defence Cost Inflation²⁷ the 2010 defence budget is less than half that of 1979 and less than a third that of 1986. At roughly £30bn per annum in cash terms, it is also 25% less than it was in 2000 prior to wars in Iraq and Afghanistan. In other words, successive British governments over recent times have made a conscious decision to ask a lot more from the British armed forces for a lot less investment.

This “do more with less” syndrome has been apparent since before the end of the Cold War. Since 1981 there have been four separate defence reviews all employing various euphemistic titles to cut cost. The New Management Strategy of the late 1980s; the Peace Dividend 1990 and Options for Change incorporated with the 1994 Front Line First: The Defence Costs Study. The 1998 Strategic Defence Review (SDR) which sought to make sense of the role of armed forces in the post-Cold War world and the 2002 SDR New Chapter. Only the SDR tried to consider the size and shape of the armed forces in relation to strategic and structural change in the world, but its findings and proposals were then starved of funding year on year thereafter and it effectively described the wrong world. In effect, the ends became the means.

Between 1979 and 1986 Britain did manage to maintain a performance advantage over potential adversaries that also helped the British to exert significant influence over both allies and adversaries. In the jargon of the day Britain “punched above its weight” which was achieved mainly by aligning British grand strategy closely with that of the US. These forces proved reasonably effective during the 1991 Iraq War, as well as during the Balkan Wars of the 1990s and Sierra Leone in 2000. However, as the first decade of the 21st century has unfolded the reserve of effectiveness, competency and prestige of British armed forces has dissipated as the investment, size and use have become unbalanced, mainly due to following an activist post 9/11 American grand strategy on British resources and mismatched/imbalanced capabilities.

The supporting figures bear this out. Between 1979 and 1992 British defence expenditure remained ahead of defence and historical inflation and saw balanced investment in both the teeth (front-line) and tail (research, procurement, development, education and logistics tails). However, by 2000 the military performance advantage was in steep decline and by 2010 it had effectively been exhausted. Consequently, the gap between forces and resources left British armed forces fielding many force structures affordable at 5% GDP, but no longer affordable at 3.5%, let alone the 2.1% expended in 2010. In effect, the British concentrated on maintaining capability at the expense of scale and strategic performance was thus sacrificed to maintain operational performance in Iraq and Afghanistan.

However, the 2010 Strategic Defence and Security Review (SDSR) would appear to be compounding these mistakes because it considers strategy through the wrong end of the strategy telescope because it takes the financial crisis as an absolute rather than a phase to be weathered prior to the return to sound strategy. As such it employs the language of a great defence depression to justify the budget rather than the need, similar to that of the Great Depression of the 1930s that to all intents and purpose destroyed any level of ambition. Indeed, by creating a narrative of effective decline it highlighted the bureaucratic management of decline rather than the political leadership of strategy, which should always be front and centre in British defence policy. Specifically, the SDSR is based upon existing operational analysis models designed to balance between existing force structures and capabilities and emphasise precision (intervention) over mass (stabilisation); not to devise new strategic designs. The SDSR is thus run by the MoD simply to achieve the 20% salami-cuts required to meet the Comprehensive Spending Review; not to enable strategic thinking. The final SDSR decisions will likely then be given to a newly formed and critically understaffed National Security Council, formed at the 5 Star level and required also to deliver on National Security Strategy.

Q12: *Do other countries do strategy better?*

Quotation: “Our strategy starts by recognizing that our strength and influence abroad begins with the steps we take at home. We must grow our economy and reduce our deficit . . . Simply put, we must see American innovation as a foundation of American power . . . We must also build and integrate the capabilities that can advance our interests, and the interests we share with other countries and peoples. Our Armed Forces will always be a cornerstone of our security, but they must be complemented”. President Barack Obama, US National Security Strategy, May 2010

Not really, although some think they do—most notably the Americans and the French. The problem is to grip the nature of uncertainty and avoid the wrong call which will result in over-investment on inappropriate structures and forces. However, where both Paris and Washington are more effective than the British is the use of the process of grand strategy making to shape the agenda to which others react and to see such strategy-making as a continual process to inform both leaders and practitioners. The Americans produce a National Security Strategy every four years by law and with it a Quadrennial Defense Review (QDR), which promotes a continual process of re-evaluation and re-invention. The French produce regular Livres Blanc and Loi des Programmes. Where both the Americans and French differ from the British is the extent to which (a) outsiders are involved; and (b) the time given to ministers to consider strategic implications. Indeed, it is a mark of British muddled thinking that a new National Security Strategy will come after the SDSR (given the recent change of government) demonstrating the degree to which in the UK the defence policy cart comes before the strategic horse.

²⁷ There is ongoing discussion as to Defence Cost Inflation as to whether it exists as a system (Defence) wide phenomena of a unit level intergenerational/unit purchase cost. Increasingly, given the complex nature of the Military Industrial Complex, it is recognised that DCI (at somewhere between 6–8%) needs to be addressed at the system rather than exclusively the unit level.

This contrasts with Paris. In a speech in June 2008 President Sarkozy established the parameters of contemporary French grand strategy when he said “. . .the changing world forces us to prepare certain shifts. In short, I believe the time has come to give French diplomacy a ‘doctrine’. This must not prevent pragmatism in the conduct of affairs. A doctrine means a clear-cut vision of the world, and of the long-term objectives and interests we defend. It’s a set of values which guide our action. It’s what gives us meaning and coherence over time. It’s the pre-requisite for our independence”.²⁸ Indeed, the Sarkozy Doctrine (ie the parameters for the organisation of large French means in pursuit of French ends) reflects (and informs) similar statements made by the new British Government as it tries to establish a pragmatic foreign and security policy in an age of austerity in which the generation of influence through institutions (EU, UN, NATO, OSCE) remain critical to French grand strategy.

At a declaratory level the stated ambitions of French foreign and security policy are effectively those of the British. France seeks to ensure the security and independence of France and the French. Paris has world-wide interests and thus global responsibilities. Paris stresses that French security interests cannot be separated from the rest of Europe, “and our partners who share our destiny and values”. Co-operation is vital in the face of new threats such as terrorism, nuclear proliferation and what President Sarkozy has called “ecological disorder”. Finally, to Sarkozy the promotion of French economic and commercial interests in a globalised world will be central to French foreign policy.

THE MAKING OF BRITISH GRAND STRATEGY

For British grand strategy to be worthy of the name the centre of gravity of British national strategy must thus be the successful shaping of the strategic environment in accordance with British national interests: nothing more, nothing less. Traditionally, the British have been rightly suspicious of radical prescriptions for international relations and thus understandably nervous of “grand” strategies and the “grands dessins” that have sometimes been favoured on the other sides of both the Atlantic and the Channel. Indeed, the role of “balancer” is deeply embedded in the British strategic mind. Lord Palmerston’s famous dictum that nations had neither permanent friends nor enemies, only permanent interests might have been uttered at the height of 19th century British imperial power but still to an extent holds true today, albeit in a far more nuanced manner.

The strength of Britain’s partnerships and alliances will ebb and flow with the political and strategic requirements of Britain and its partners at any given time. Indeed, that is political reality. However, the opportunity afforded by victories gained in both World War Two and the Cold War still have political traction but only if Britain has the vision, the will and the commitment to seize the opportunity. Unfortunately, too much of the effort of government today suggests repeated attempts to re-label impotence in an attempt to mask the pace and extent of self-imposed relative decline from the British people. Whilst it is certainly the case that the emergence of China, India and others on the world stage is leading to a new balance of power, neither the West nor Britain are in terminal decline. However, unless the despond of defeatism that seems to affect and afflict much of Europe is overcome decline could well become a self-fulfilling prophecy and Britain must act to stop it. Indeed, the zero sum game and with it the idea that if power rises on one part of the planet it must by definition decline elsewhere, is a compelling and neat academic treatise. Unfortunately, it is wrong. There is no automatic reason why an increase in the power of China, India *et al* should automatically lead to a loss of Western power. Power and its wielding are subject to many factors.

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²⁸ Interview given by President Nicolas Sarkozy, “Politique Internationale”, May 2007. www.ambafrance.ng.org