HOUSE OF COMMONS

Defence Committee

Oral evidence: Integrated Security, Defence and Foreign Policy Review, HC 165

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Watch the meeting

Members present: Mr Tobias Ellwood (Chair); Stuart Anderson; Sarah Atherton; Wayne David; Mr Tanmanjeet Singh Dhesi; Richard Drax; Mr Mark Francois; Gavin Robinson; John Spellar.

Questions 54-129

Witnesses

I: Lord Stirrup, former Chief of Defence Staff, and Lord Ricketts, former Ambassador to NATO and former National Security Adviser.

Examination of witnesses

Witnesses: Lord Stirrup and Lord Ricketts.

Q54 **Chair:** Welcome. I declare this session open. It is slightly different from what we normally do. Thank you very much for joining us today, Lord Stirrup and Lord Ricketts. You will know that numbers are depleted a little bit. We are also missing the throngs of the public that are normally here hanging on every word. They are here in spirit; I am sure they are watching on the BBC Parliament channel. As we have had to take the necessary precautions following the new guidance on the coronavirus, it has been decided that they cannot be here in person, but we are glad that you are. You are very much welcome here today.

You will be aware that we are focusing on the huge integrated review—this opportunity for Britain to press the reset button on our place in the world and our defence posture. As we are dealing with something very current that is testing Britain in a way that we have not seen before, I want to get your reflections—without putting you on the spot—on the Armed Forces' role, which we may see develop, in supporting Britain in dealing with the virus. We have already seen the medical teams being signed up as well. Do you envisage a role developing for the Armed Forces as the scale of this event unfolds? How valuable are the Armed Forces in participating and supporting? We all know from our experience that the best planners—the strategic analysts—come from the MoD. Is there a contribution that they could make in helping other Departments? To throw finances into it, will there be a financial impact, ensuring that we do not lose sight of the current threats and all the other issues that we have to face as well? Just some general thoughts.

Lord Stirrup: It is a great pleasure to be here. Of course, the Military is always there to provide assistance to the civil authority and civil power, as it has done over the decades and centuries, and we have seen that many times in the past. We saw it with flooding, with foot and mouth and in all sorts of areas. The only slight caveat I would enter with this situation is that of course the UK is still running a number of current operations and rotating people through those, so I have no doubt that the Military will be anxious to protect the necessary personnel from exposure to covid-19, to the extent that that is possible, so that it will have the resources to continue rotating those people through the operations. That will be one consideration, but this is a time of national emergency, and the Military will do whatever it is called upon to do. It has resources, as you all know only too well, and it can make those available.

Lord Ricketts: Thank you for the opportunity to appear. I will not venture on to military terrain: we are still in talks about it. I would just say that when we set up the National Security Council in 2010, one of the tasks that we took on was resilience planning for disasters and emergencies of all sorts. The pandemic bears out the wisdom of the Government putting resources and time and strategic thinking into preparedness for the

unexpected. We actually listed pandemics as one of the potential top-tier threats in 2010, so in the Cabinet Office as well as in the Ministry of Defence, they have been preparing plans against those sorts of eventualities, which we need to do. We will continue to have to do that in all sorts of different areas.

Our National Security Council and the structures we have got are the crisis management structures at the heart of Whitehall. Cobra is now famous in the media, but Cobra is of course the Cabinet Office briefing rooms underneath the Cabinet Office, staffed by the National Security team, who can do the central co-ordination there. That part of Government is well prepared, and just as well.

Q55 **Chair:** There is going to be the challenge in that the insurance that our Armed Forces provide normally—stepping in, filling the gaps of capability—will be affected by the very same challenge faced by the very people they want to help. If 20% of the Armed Forces' capabilities is affected by coronavirus, that will not just impede our ability to help, but inhibit our ability to conduct all those other duties that we have around the world.

Lord Ricketts: The Armed Forces are part of the population of the country, so they face the same health and safety issues as everyone else. But it is the ultimate reserve of national power, and when things get really bad, Governments will of course turn to the Military as the ultimate reserve.

Lord Stirrup: I am aware that the Military have already started to limit, as much as they can, the exposure of people who are scheduled to be deployed on operations within the coming months, in order to protect them as much as they can.

Q56 **Chair:** This is an international crisis. We have seen countries act individually, and there have been comparisons between how we are doing this. Is there a role for more senior organisations to take greater leadership, whether it be the United Nations, the G20, even NATO, to better co-ordinate the fight against something that is affecting the entire globe?

Lord Ricketts: It is a crisis that both shows the importance of international co-operation and how fragile it is. When national governments are under real pressure, they default back to national solutions, even if the virus does not respect boundaries or borders or frontiers. That is the conundrum. Yes, we need an international response, and of course the WHO, which is part of the UN, has been the global co-ordinator, to the extent it can. Personally, I am not sure that NATO has much of a role in the response to the crisis, although NATO will have issues about readiness and preparedness of NATO armed forces in the face of the pandemic, of course.

Organisations like the G7, supposedly like-minded democracies, are the sort of area, along with the EU, which is—perhaps slightly belatedly—now beginning to organise itself. We are in this awkward position—it is not for

this Committee—of being in transition, subject to the EU but not actually part of the EU.

So yes to international co-ordination, and the global mechanism is the one that is most important, although the pull towards nationalist policies tends to undermine that.

Lord Stirrup: Clearly, the health issues and the medical issues are at the fore at the moment, but this is going to have a serious impact—it is having one already—on business, the economy and finance. In the context of the Committee's investigation, we all know that a sound defence relies upon a sound economy. International co-ordination in getting economies up and running again, protecting businesses and getting them back on their feet as quickly as possible, is crucial to all of us in society, and to defence as well.

Q57 **Chair:** That is the point that Richard was discussing earlier. Lord Ricketts, you have been an ambassador in other countries. We have now curtailed any form of travel. We have expats around the world. Is there support to be provided by the Armed Forces across the world, whether through maritime service fleet or whatever, to provide lily pads of health protection—places for Britons to go to remove themselves, perhaps, from exposure, or substandard health systems that they may have to lean on?

Lord Ricketts: I would say that the frontline for support to the British community abroad is the consular services of embassies—high commissions around the world—who will be there, doing all that they can to help British people. Yes, the travel advice has just changed to advising against travel. Many people around the world will want to come back to the UK. Some will choose to stay in the countries where they are and where their families are. It has to be the responsibility of those countries to look to their protection.

I do not think that we can really expect to project British Armed Forces to go and create safe spaces for British people abroad; they have to look to their local authorities. If they need help over repatriation or whatever it is, the British Government is stepping in, as it has been, for example, in the case of the closure of the ski resorts, which has caught a lot of British people without plans and wanting to get back home. That is the essential task of the consular services. If they needed military transport or something like that, I am sure that they would call for it, but we are lucky in having one of the largest global networks of consular staff, who are very dedicated as well.

Q58 **John Spellar:** Surely we would use chartered aircraft rather than military aircraft for this.

Lord Ricketts: I would have thought so, as long as chartered aircraft are available. The commercial aircraft are the most effective.

Lord Stirrup: I think there are a lot of airlines looking for business.

Chair: You make an astute point. Are there any other questions on this

before we turn our attention to the integrated review? If not, I thank our witnesses for indulging us on those issues.

Q59 **John Spellar:** This review has been called the deepest review of our security, defences and foreign policy since the end of the cold war. In that case, is it reasonable to expect it to be completed by July?

Lord Stirrup: I do not know the extent to which the hyperbole surrounding the announcement of these things can be taken as gospel. We have had lots of reviews since the end of the cold war, and we have had some pretty fundamental ones. "Options for change" was a pretty significant review, for example. We argue about the value of the various reviews that have been undertaken over the years, but in my view one thing is crucial: if you are to have a strategy that is worth the name, you must address ends, ways and means together. Means in this case are essentially the defence budget. If you do not do the whole package, including the money, together, then you do not have a strategic review.

Lord Robertson—I would say this even if he were sitting here—is very keen on the effectiveness of the review that he carried out, which was implemented in 1998. It was very good, but the money was not done at the same time. The Treasury did not fund that review properly. It was at least £0.5 billion short and, within a year or two, defence was running major savings exercises because of it. However you do it, you must do it at the same time as the money.

Lord Ricketts led this, so he can talk about it at great length, but in 2010 the criticism was made that the review was rushed. However, we had to do it at the same time as the spending review. Had we not done it then, defence would have wound up with far less money than it did end up with at the end of the day—I am quite certain of that. So to answer your question, it all depends on how the spending review is conducted. If the spending review is to be conducted in that timescale, the defence review must be too.

Lord Ricketts: My response is no, I do not see how a deep and thorough integrated review covering the entire spectrum can now be done by July. We did ours in 2010 in five months. It was rushed, but as Lord Stirrup says, it had the advantage of meshing with the Comprehensive Spending Review; therefore, the final arbitrations in the spending review could be helpful to the priorities we established in the SDSR, as we called it then. I do not see how you can possibly complete a full review over the months now, not least because of the bandwidth available from senior Ministers and the Government more generally.

Of course, I do not know whether they will want to put off the entire exercise, including a Comprehensive Spending Review. If they are going to go ahead with a spending review in July, which they may well do because the whole of Government spending will have been bent out of shape by the pandemic crisis, perhaps they should be aiming for at least the outlines, the principles, of an integrated review—the foreign policy baseline, some principles regarding Britain's role in the world, and some

initial priorities—leaving more detailed work to be done later. I honestly do not see how they can do a proper job between now and July.

Q60 **John Spellar:** Would you care to hazard a suggestion on how long they should take?

Lord Ricketts: I think Jock is right that detaching it from a Comprehensive Spending Review would be dangerous, but I should have thought it would take at least the rest of this year—perhaps longer, depending on how much time and effort is absorbed by the crisis over the next few months.

Lord Stirrup: And depending, of course, on how much work has already been done. I am sure a great deal has.

Q61 **Chair:** Lots of things to unpick there. The first is the bandwidth, and we have already called for a delay in the integrated review, simply for the reasons you highlight, with the coronavirus already taking up huge amounts of effort. On our visit to Andover last week, we discovered that submissions are already being demanded of the top team in the Army—the land forces—by this coming Friday. You talked about the foreign policy baseline, Britain's place in the world, but they have not even been told what that is, what our approach should be to the Gulf—any themes at all—yet they are making submissions. At the same time, we pick up that the Foreign Office are presenting five separate essays on their view of the world, yet the Armed Forces have not seen this work. We are not impressed, in these initial stages, with how this is being gone about.

Lord Ricketts: I have not had that inside information. I have great respect for my former colleagues who are undertaking this. The Government bringing Professor John Bew from King's College into the policy unit to work on the foreign policy baseline is an excellent idea; it is excellent to have fresh thinking in Government on that. But you have to do these things in a structured way; you have to set your baseline. What is the Government's view on Britain's role in the world outside the EU, with global competition, US-China competition, coming to the front of the stage? What is our view on multilateral work and on cutting a distinctive role in the world as an independent country? Where do we come down on all that?

Then, I think we need to come to risks. What are the risks we perceive? In 2010, we did a national security risk assessment exercise and we set out our four sets of priorities of risks. The top four risks became issues that we then tried to fund when it came to the spending round. Unless you start with the country's interests and then look at the risks and the threats you are trying to face, you cannot really do the capabilities you need. I hope that they are pursuing that course.

I believe the foreign policy baseline is being discussed. That is good, but there is an awful lot more to follow from that. Unless you have a structured process, then, as you say, the options put forward for capabilities and the priorities that are set—in the end, strategy is all about

choosing and setting priorities—will be offered without knowing what the Government's intention is on the foreign policy position of the country.

Q62 **John Spellar:** Peter, you were talking about the sequencing. Will you flesh that out a little bit as to different chapters of the review? What sequence do you think they should be in?

Lord Ricketts: Drawing on what we did in 2010, you have got to start with the Government's view of the country's role in the world. That has changed. In a sense, this is a fundamental review because this is a change in Britain's position in the world, a more fundamental change than any time in the last 50 years. It is an opportunity to think about how we see ourselves, and how active a country we are going to be. How much will we be taking the initiative to try to help deal with crises and conflicts in the world? Or are we going to give most of our effort to promoting British trade and free trade agreements around the world, for example? When that is clear, then the threat landscape needs to be looked at and how that has changed. From there, it is a matter of considering the various aspects of Government capability that can be applied.

Of course, there is the defence role, but there are also so-called soft power Departments. What role will diplomacy play? How much can we look to the development world to help to resource some of this foreign policy activity? Where does counter-terrorism, policing and organised crime fit into that? When the priority threats are known, you can begin to look across the spectrum of Government capabilities. For example, you could decide that the role of the Armed Forces was going to be a rather different footprint in the world than is the case for global diplomacy. It is easier to be global in the soft power world of diplomacy and development than it is to be genuinely present and effective as an armed force around the world. Those sorts of issues have to flow from the grand, national strategy that has to come at the front of this exercise.

Q63 **Chair:** You are illustrating the reasons for breaking our own study into two. We are looking at the first issue conceptually: how should a good review be conducted? It is slightly sad to see that some of the errors made in the past—the timing, the alignment with the spending review, and the chronology of decision making—are already being made. That is quite sad to see.

Lord Ricketts: If I could add one point, Lord Stirrup did the 2010 review with me as Chief of Defence Staff. Looking back at the review, it was a serious effort to think strategically. One of our problems was that we did not have enough ministerial time and attention in the National Security Council to look deep down into the difficult issues. At the time we were not in the middle of a global pandemic crisis, but there was a new Government that had a lot of new things to do between an election in May and the publication of all these documents in October. With hindsight, it would have been better to have had more time to really dig into the detail of some of the difficult defence choices that they had to make. I can only imagine that there will be less time for senior Ministers in the next four weeks.

Chair: I would put money on it that the integrated review gets pushed back.

Q64 **Stuart Anderson:** Thank you, that was enlightening. Lord Stirrup, if we take what you said, albeit with caveats—that as long as the review is done in line with the spending review—and what you said, Lord Ricketts—that you did not think the timeframe is correct—do you stand with the Government's view that a lot of the work has been done in previous reviews, which you both know extensively, and that we can build on that? Could we take a lot of that information from those reviews and use that?

Lord Stirrup: The answer is yes and no. Clearly, there is much going on in the world that is the same as it was five or ten years ago; equally, a lot is different. As Lord Ricketts said, this is essentially about choices. The kinds of choices that are facing defence at the moment—as is the case with all sorts of enterprises across the country—are fundamental ones to do with new technologies. We are facing different kinds of threats, which make use of some of those new technologies—particularly information technology—and we must consider how we respond to those threats. I think there are some fundamental issues that really do have to be bottomed out that have not been thought through before. It is important that time is spent on them, because one gets the sense sometimes, when one reads various comments from Government officials about what is going to happen in the review, that they see the answers as fairly simplistic—"Well, we must go much more for digitisation", and these kinds of things. There is a lot in that, but equally, when the next conflict comes along, the one thing we can be sure of is that it will surprise us in one way or another. You have to retain a degree of balance across defence as well, because inevitably, in the wars that we have fought throughout our history, we have almost always had to ride the first punch and absorb it, and have the resilience to do that, then have the adaptability and agility to respond to the kinds of challenges we face that we did not or could not foresee.

There are some really important questions to be bottomed out. As for the fact that a lot of work has been done in advance, it is the general stuff. It is not the detailed digging down into these fundamental questions of choices.

Lord Ricketts: The other thing that I think officials and military officers need is the political guidance as to what the Government now feels is the country's role in the world. Of course, our interests as a country are largely unchanged from one decade to another, but the way we go about protecting them has changed a lot, and the landscape in which we are doing it has changed a lot. The geopolitical landscape is looking very different now to what it did in 2010. Britain's position is different—outside the EU and having a lot of choices to make there—and organisations like NATO are under greater stress than they were 10 years ago, with a sense of divergence among the major leaders on their priorities. President Macron may have been going too far in talking about NATO as brain dead, but he was pointing to the lack of any strategic, unifying objective in the alliance. All those are changes that this review ought to be responding to.

Q65 **Chair:** You touched on a couple of interesting points there—first, the character and changing nature of conflict. This is an opportunity for the Armed Forces themselves to shake out and perhaps do things a bit differently. This would not be No. 10 telling them what to do or even the National Security Council, but it would be for them to say, in the way that the Air Force split away from the Army 100 years ago, "Is it now time?" because we have cyber and space coming up as well, and our cyber capability is spread across a number of Departments. Do you have thoughts on whether a rationalisation should be looked at as part of this review?

Lord Stirrup: There are always rationalisations to be made, but one of the most fundamental changes that has taken place in defence over the last three decades has been the growth of a joint enterprise, to a much greater extent than existed in the past. You mentioned the Air Force splitting away from the Army and, of course, from the Navy, but in many ways, they have been fused back together, so the argument about whether there should be a rationalisation of the services is, in my view, a dead argument. The argument is actually how the total defence enterprise operates most effectively in these new domains. There are a lot of questions still to be answered about that, undoubtedly, and those are the sort of things that need to be addressed. Personally, I do not believe that reorganising the deckchairs is the answer to this. You can have a slightly better organisation or a slightly worse organisation, but by and large, the culture determines how efficient the total enterprise is and that has to be addressed in this review.

Q66 **Chair:** That is interesting. On the NATO front, NATO is getting caught up in the overlap, or the lack of overlap, with Europe and European defence with the EU. In the discussions that are taking place, given Britain's contribution to the debate on European security, would you recommend that it is separated from the Brexit discussions to do with trade and our long-term relationship with Brussels? It is getting caught up at the moment, as a bargaining chip.

Lord Ricketts: It is a very large issue, yes, and I certainly do not think it should be a bargaining chip. I think that the trade and economic relationship should be treated as one already enormously complex set of issues. The internal security issues around policing, law and order and justice co-operation, all of which are based on EU legal treaties, are another set of problems. Then there is a third set, which is how we are going to work with European partners on defence and intelligence in the future, where we need less legal texts, but more good will and a sense of co-operation among Governments because it is more intergovernmental.

At the heart of that I would put our bilateral co-operation with France on defence. I would say that as a former ambassador, but I think the two Armed Forces are exceptionally well matched, respect each other and work well together. We have a lot of operational co-operation going on together, as you know, Chair. We have our nuclear facility shared with the French in Burgundy. However the politics of dealing with Europe on defence settle down, bilateral defence relations, particularly with France but also with

Germany and others, will be very important. I think all those are rather distinct parts of what is called the future relationship negotiation.

Lord Stirrup: The only thing I would add to that is that military operations are just about always, and certainly should be, in pursuit of a political objective. You can have very good military co-operation between the UK and French armed forces, but if the political objectives and the political understanding aren't aligned, then it is not going to work. We have always had very good relationships with the French armed forces and work very well with them, for decades. Where it has fallen down is when there has been a divergence of the political objectives at the top.

Q67 **Mr Dhesi:** In our previous evidence sessions, witnesses have pointed out very eloquently that calling something integrated does not necessarily make it so. How can we get to the Government having a fully consolidated and holistic approach to the review?

Lord Ricketts: I agree: you do not make something integrated by giving it the title. Indeed, there is nothing novel about taking an integrated approach. I would say we did that in 2010. We talked about a defence and security review, we wrapped in development, co-operation and internal security, and we put resilience planning at the heart of it as well, so that was in a way an integrated review. Actually, the whole concept of a National Security Council is about integrating, because it is supposed to reach across the Government and make sure that all the different actors are co-ordinated and joined-up and working together.

What can the review do? Well, I think it can strengthen the incentives for Whitehall to work together. There are now quite a lot of these pools—there is a conflict pool and a stabilisation pool and so on. In other words, there is a pot of money that different Government Departments can draw on in pursuing the same objectives. The risk is they get too bureaucratic, but the idea of joint money to promote joint working across Departments is good.

As Lord Stirrup says, not only the Armed Forces but the rest of Whitehall have come a long way in joint working over the last 15 years. I know a little bit about how the intelligence community go about things. The terrorist threat has really forced them to work much more closely together than before. So I don't think there is a problem across the Government of all these different actors sitting around the National Security Council table working together; the usually problem is money. In my experience, Government Departments work well together up to the point where money is involved and then they dig into their trenches, which is why these joint pools are an incentive for them to work together.

Q68 **Mr Dhesi:** Lord Stirrup, do you agree with that analysis? Do you think that this review should be taking more of a thematic approach in terms of addressing issues that cut across various Government Departments?

Lord Stirrup: I do agree. I think the challenge for Defence and for Whitehall more widely is generally a culture within which this kind of co-operation is sustained over a long period of time. In my experience—I am

sure Lord Ricketts would agree—during the conflicts in Iraq and Afghanistan, the Foreign Office, DFID and the Ministry of Defence worked extremely closely together, with trilateral meetings of the Ministers on a monthly basis with the officials. They really did work very tightly together. Of course, that was under an enormous external pressure.

What happens when that pressure disappears? What tends to happen is that people revert to bad habits. The same can be true in defence, so I think the issue is how you get a sustainable culture, rather than how you do things in the short term. The crucial issue in terms of security and defence going forward is going to be those processes for working between Departments, so do you routinely consider other Departments' needs when you look at your own? Do you routinely have those kinds of meeting at the highest level? It does need to be at a high level because that drives behaviour down through the organisation. If you have that, then you can address these thematic issues in the way that you describe, which I think is important.

Q69 **Mr Dhesi:** In terms of those thematic issues, what themes should the review be addressing and how should they be structured?

Lord Stirrup: For me, there are three key themes that should run through—certainly through a defence and security review—in principle. The first, as Lord Ricketts already alluded to, is resilience; the second is agility and the third is adaptability.

Inevitably, we tend to talk about specifics in these reviews—do we need this capability or do we need that capability—but equally inevitably, the future, as I suggested earlier, surprises us, so the real question is, do you have a system? Do you have a process? Do you have equipment? Do you have people who can adapt and think on their feet, and can change in the face of changing circumstances? That, it seems to me, is the thing that we, institutionally, have been weakest at and need to be strongest at. You can find no better example than the circumstances in which we find ourselves today.

Q70 **Mr Dhesi:** Lord Ricketts, do you agree with that thematic approach or would you suggest something different?

Lord Ricketts: I certainly agree with that. Indeed, we called our approach in 2010 an adaptable approach. If you are looking for more specific themes that the review ought to be concentrating on, the whole area of cyber, which cuts across all Government Departments but of course is very important in defence, is certainly one. Space is another, the new domain, where Britain has enormous interests at stake and some decisions to take; I think that is important. Force projection has got to be an important theme, given that the aircraft carriers and their aircraft are now coming on stream. How are we going to use this capability, for what purpose? How are we going to use the Armed Forces for influence and effect in the world? I think this is quite an important theme as well. And then, of course, there will be many others inherited from the past, including, absolutely now, resilience planning and the lessons from this

absolutely extraordinary upheaval that we are living through at the moment, which has to have consequences for the way the Government plans in the future.

Q71 **Chair:** I think you and I met in the Italian beer garden in ISAF Headquarters. Do you remember that?

Lord Stirrup: I do.

Chair: You were with Des Browne, who I think was Defence Secretary at the time. Stan McChrystal closed it down as soon as he arrived. You were talking about pools of funding, and spending has come across as a theme as well. Did you, on your visits to Afghanistan, ever look at the DFID pool of funding and say, "Hmm, I could have done with a bit of that."? Some projects that the Military were doing actually could be justified to the British taxpayer perhaps if they came from the DFID pocket.

Lord Stirrup: In the context of Iraq, and indeed of Afghanistan, it is rather difficult to disentangle them, because in both cases the missions were essentially about governance. In Iraq, it was about getting Iraqis back running their country as quickly as possible after the invasion. In Afghanistan, it was about denying space for al-Qaeda at the time—Islamic extremist terrorists—which meant bringing some degree of governance to parts of Afghanistan that had not experienced it before. In terms of governance, of course, it is a contract between the governors and the governed—stick with the programme and life will get better for you. So the development aspect of it was crucial in trying to build that trust and to build that bond between the governors and the governed. It would have been very hard to say, "Well, this actually is defence and this is development." There was such an overlap between the two, so no, I never did think to myself, "Well, we should have more money but"—

Q72 **Chair:** I didn't actually want to go down this track, but the rules are very clear-cut. There is very limited opportunity for green Army to use DFID funds, because of the financial framework.

Lord Stirrup: That is true, but in the context in which you posed your question DFID was of course doing a lot of the work that was essential to the mission, so the money was being spent on the mission even if it was not being spent by the Armed Forces. I could not really comment on DFID money being spent elsewhere on different things because I do not know the sums and I did not see it happening, but certainly in the context of Iraq I do not think it would have been pertinent.

Lord Ricketts: May I just add one reflection? I did quite a lot of visiting Afghanistan as well in my various roles, and I used to be very struck that out on the frontline—in the small frontline missions around Afghanistan—young military officers and young professionals from DFID and the Foreign Office were talking the same language and working very well together. The Military officers had got it about the crucial importance of development if you were ever going to reach a stable situation. One complexity is that the development world were always very nervous about the Military going out and doing development projects, because they did

not want the development workers—the NGOs and people—to look like they were doing what the Military were doing, therefore putting themselves at greater risk. There are complexities, but I thought that culturally the MoD and DFID drew closer together because of the experience in Afghanistan.

Q73 **Gavin Robinson:** Lord Ricketts, could I bring you back to the foreign policy baseline? We heard last week from Professor Malcolm Chalmers that in 1998-99 it was easier to establish a foreign policy baseline, first because of our relationships with alliances, secondly because of the adversaries, and thirdly because of the strong economy. Do you agree that those three components make it easy, or do they make it frustratingly difficult, to establish a foreign policy baseline? How does that apply today?

Lord Ricketts: It might have been easier, but it did not make it any easier to foresee the future, because in 2001 we found ourselves with counter-terrorism suddenly at the heart of our policy, and in 2003 we had Iraq. Yes, the world might have looked a bit simpler, although the disruptive forces were still there, but now, I agree, the world is very complex for Britain. I think this is a moment of disruption and a break from traditional British approaches to foreign policy of finding our way as a leading player in Europe and closest ally to the US. Both legs of that strategy are now looking quite wobbly, so it probably is more difficult. It needs to be a more thoroughgoing think about the foreign-policy baseline than it has been any time probably since the late 1940s, which is another reason for worry about having to do it so fast.

Lord Stirrup: It is more difficult, and the reason for that is that we have never, throughout our entire history, been able to do things in terms of exerting power in the world stage on our own. Even when British influence was at its height, we did not do that. In '98, the global institutions, diplomatic and military, were much more secure, or seemed much more secure, than they are today. Globalisation seemed much more secure than it does today. I think the uncertainty that faces all of us about those institutions and the general approach and acceptability of that kind of globalisation makes this a much more difficult exercise. How do we put together the kinds of relationships that are necessary if we are to exercise power effectively on the world stage?

Q74 **Gavin Robinson:** If you could conceptualise what the foreign policy baseline is today, what impact would that have on UK defence?

Lord Stirrup: For me, the most important thing in the foreign-policy baseline is not what we do to whom but with whom we do it. Again, we cannot really do anything effectively on our own except in a very minor way. The key has got to be those relationships, whether it is alliances, coalitions or bilateral arrangements. Those are not things you create on the fly; they are things that have to be nurtured over years. Establishing that power baseline—I would put it that way—is what is important, because without power, it does not matter what you think in terms of foreign policy; you cannot do anything.

Q75 **Chair:** Do you think that there is a disjoint with the public—and should the integrated review help to correct this—between what the nation out there thinks we can and might do, and what we are able and politically willing to step forward and do?

Lord Ricketts: Yes, I do. I am not sure that our political leaders have explained clearly to the public over decades that Britain does not have the weight in the world that we had in the 1940s. We are an influential country, of course, and we are respected in many ways, but we do not have the scale of impact that we used to have in the glory days. That is not something political leaders feel very comfortable about explaining to the public. I think part of the foreign policy baseline is to be realistic and to help people to see what Britain can do, which is certainly a lot—we are still a major and influential country—but, as Lord Stirrup says, not much alone.

To my mind, too much emphasis on British distinctiveness will not be helpful because it will encourage the thought that as soon as Britain is back out there in the world, everyone will be waiting to hear what we have to say. We need more emphasis on working with friends and allies through old alliances, but possibly through newer ones as well, and co-operation among democracies—finding ways of working with France and Germany and with the Commonwealth countries where we have shared interests and can do things together—without overrating our overall weight or what we can achieve on our own. There is always a risk; for understandable reasons, we want to emphasise to people that Britain is still a great country, capable of doing great things, and that can come across as misleading them about our real capacity to influence things.

Q76 **Chair:** But if we burst that bubble and the public were better aware of what we can do, they might want us to raise the bar. Their expectations might not change; they might simply demand that we do more.

Lord Ricketts: They might, but I think you would have to be a bit clearer about what area you were talking in. As Members of Parliament—I suppose I am a Member of Parliament—or as MPs, you have a better sense of where the public is on some of these things. For example, on the use of armed force and the issue of boots on the ground, do people want to see British forces at risk around the world, or are we feeling much less certain that that is a good thing after the experiences of Iraq and Afghanistan? Those sorts of issues need to be at the heart of this review. I have said that it seems to me that we need to have a national story—broader than national strategy—that people will recognise as reflecting Britain's great past and all we have to offer, but in line with our real weight in the world. That story cannot just be produced in a Government document; it has to then be explained and taken out to people right across the country and become part of the way people think about us in the world. That is a long-term process, not something that could just be done in a Government strategy paper.

Q77 **Mr Francois:** How important is the relationship between the National Security Secretariat and No. 10 to the conduct of the review process?

How do you make this relationship genuinely productive?

Lord Ricketts: In my time, it was very, very close. I think it has to be very close, because the National Security Secretariat is effectively the Prime Minister's secretariat for running the review, in this case. Equally, it has to show that it is open to the Defence Secretary, the Foreign Secretary and the Home Secretary to hear what they have to say. It is being an honest broker, in other words, and being a secretariat. It has to be close to the Prime Minister.

This review is a bit different from the one I co-ordinated, because the No. 10 policy unit and Professor John Bew are making a major input, as I understand it, in the foreign policy baseline, which is very interesting. I did not have that. That was essentially written in the Foreign Office and the national security secretariat. That is another dimension—a political dimension coming into the review, which is not a bad thing at all. My short answer to your question, though, is that it has to be very close if this is going to work.

Q78 **Mr Francois:** Does the National Security Secretariat have enough defence expertise within it? There have been some concerns that defence is at a slight disadvantage, given the way this is shaping up and being constructed.

Lord Ricketts: I cannot comment on what their shape is now. Certainly in 2010, when I was involved, we did have defence representatives of the MoD in the National Security Secretariat. I am sure they must have some now. In the end though, most of the heavy lifting on the defence options and choices has to be done in the MoD; it then has to come across and be integrated with the other materiel to produce the final product. The NSS itself cannot, in my experience, generate that; it will not know enough or have enough capacity to generate the choices. It can help the National Security Council to review the choices that come across from the Chiefs of Staff and the Secretary of State, and to make decisions in the NSC, but I don't think the secretariat itself can originate advice on which choices are right in the defence area. The MoD, I am sure, because of its scale and because of the importance of the defence budget in the overall scheme of national security, will be putting forward its options; then, it will be for the NSC to make their choices.

Q79 **Mr Francois:** Lord Stirrup, are you content that defence is reasonably well represented in the secretariat and will get a fair hearing?

Lord Stirrup: I do not know how it is represented at the moment, so I cannot answer that question. Certainly, I endorse what Lord Ricketts said about 2010 and in particular the practicality of it. The National Security Secretariat simply cannot do this. You will know only too well the complexity. The numbers are not there; they cannot work it. They can come up with ideas—they can say, "Why not do more of this and less of that?—but they cannot actually work the problem themselves. It has to be done in the Ministry of Defence. I do not know what advisers there are in the secretariat at the moment—there certainly should be some—but they are not the ones who are going to do the work.

Lord Ricketts: In other words, it has to play a secretariat role, as we have done ever since the Second world war, when the War Cabinet Secretariat received the inputs and then helped the Ministers to decide. That has to be the National Security Secretariat's role.

Q80 **Mr Francois:** To ask a non-controversial question, what role do special advisers with no military experience have in this process—or what role, if any, should they have?

Lord Ricketts: Well, as I have said, having a special adviser in the shape of John Bew advising on the foreign policy framework—advising; of course it will be for Ministers to decide—is good. As for special advisers on the defence side, I will pass the ball to Lord Stirrup.

Lord Stirrup: It is good to have people who ask difficult questions—there is no doubt about that. But in my experience, there is only one thing worse than someone who knows nothing about a subject, and that is someone who knows nothing about it but thinks they do.

Chair: There's a lot of that.

Q81 **Mr Francois:** Last, to make sure we heard you correctly, because of what is happening around us, logic suggests that many of the senior decision makers who will be involved in the review, and indeed the senior policy advisers who will advise them, are going to be in and out of Cobra and similar meetings for the next few months. You have seen this from the inside. Given how busy those people are going to be, does that reinforce your belief that perhaps the review should be delayed?

Lord Ricketts: Yes, it does. This is a national crisis of a scale we have not seen since the Second world war. We have not seen the economy being more or less shut down in the way it is now, for perfectly respectable reasons. I know from much more minor crises that I was involved with that they suck out all the oxygen from the decision-making process. Ministers are preoccupied; they do not have the time. As we said at the beginning, this is a very important and serious review, in a very changed landscape. It deserves time and attention from the most senior Ministers, and however committed they are, I do not see how they can achieve that, given everything else that is going on.

Lord Stirrup: I hope I'm wrong, but it seems to me inescapable that, given the scale of this crisis, the economic and financial consequences will be enormous. The Government will have to borrow enormous sums of money to keep businesses in a position from which they can drive an economic recovery in due course. All of that, surely, will have a significant impact on Government spending in the short term.

Q82 **Mr Francois:** Would it be fair to say that this will be challenging to do by July, even without a coronavirus, but with a coronavirus, it is extremely challenging.

Lord Stirrup: I would have thought it is impossible.

Q83 **Chair:** The challenge that we are having is that even getting the

schematic for who the team are that is dealing with this has been troubling.

Lord Ricketts, did you feel when you were National Security Adviser that it was really a part-time job and that you had scope to do another job, and that really you were vying to be Cabinet Secretary at the same time?

Lord Ricketts: I think you answer your own question. No.

Q84 **Chair:** With that in mind, would you suggest that it is high time that we had a national security adviser who was 100% dedicated to national security as opposed to the Sir Humphrey Appleby world of politics?

Lord Ricketts: I said publicly some months ago that I thought it was a mistake not to have a national security adviser and a Cabinet Secretary. I have the highest respect for Mark Sedwill, whom I have known for many years; he is an extraordinarily competent civil servant and I perfectly understand why he landed up double-hatted after the sad death of Jeremy Heywood, but it has now been however many months since then, and given the gravity of the crisis we are in, I would have thought it strengthens the case for separating out the roles and having more brains, rather than fewer, around senior Ministers to help them through this.

Chair: The Committee would probably echo your comments on Mark Sedwill, but absolutely, given how the nation is being tested at the moment, these are two critical roles to be filled by two separate people. The point has been made.

Q85 **Sarah Atherton:** Do you feel that this review should broadly assess the threat landscape, which will then provide broader encompassing outcomes, or should we be more specific?

Lord Stirrup: May I ask what you mean by "more specific"? More specific about the threats?

Q86 **Sarah Atherton:** About individual threats, or should we be more broad, broadly speaking?

Lord Stirrup: It has to strike a balance. Clearly, it cannot ignore the very obvious threats that exist still on the UK horizon—the behaviour of Russia within Europe and the continuance of Islamic extremist terrorism, to take obvious examples. But I go back to the point that I made earlier, which is that we always get caught out to some degree or other by the next conflict. It is hardly ever like the last one: it usually encompasses some entirely new dimension, either politically or technologically. So we have to be careful not to over-focus on just one or two things, but within that focus to retain a sense of balance so that we can react to the unexpected when it occurs.

Lord Ricketts: It is, of course, an extremely difficult balance to find, because if you are too general, it is no useful guide to allocating resources. If you want to make choices—and I come back to the point that strategy really is about making choices—then you do need to have some priorities, recognising that you cannot predict what events will happen, but you need to have some areas that you are going to give priority to. In

2010, we went through the whole list of about 80 risks that were on our risk register in government, and we came up with four that we thought were the top four—counter-terrorism; cyber, which was still quite new as an issue in 2010; resilience against emergencies; and international military conflict that might draw Britain in.

In 2015, they added a couple more high-profile and top-tier ones, one of which was specifically risk to human health from pandemics. I do not think we need to go to square one too much on that, because it is quite good to have some stability in the threats that you decide are the important ones, but they certainly need to revisit that and see whether they want to change the priority order in the light of what has been happening in the world.

Q87 **Sarah Atherton:** As well as the continued threats that we know about, new security challenges may emerge from extreme policies from other powers for domestic reasons. How can this review prepare the UK for that?

Lord Ricketts: They have to do their best to look ahead to the sorts of challenges that we will face. Some of them are, by their nature, unpredictable in how they will impact. Migration is obviously one, and the demographics behind it are a driving force that will shape the world in the next 20 or 30 years. Climate change is hugely important as well, and has to be there even if national security agencies cannot do much about climate change. Much of this comes into the broad area of resilience and adaptability, as Lord Stirrup says. I would have thought that, inevitably, a conclusion from this review will be that the Government must do more to prepare against the unexpected, be it what we are living through now, or be it a massive cyber-event that takes out our electricity grid or our basic systems. Our modern societies are now so fragile that resilience planning is bound to get more attention. One can be quite broad about resilience, but resilience against what?

Lord Stirrup: I think there is one more point to be teased out of all this. From a military perspective, the smaller you are, the harder it is to be resilient and balanced.

Q88 **Richard Drax:** Can I butt in?

Chair: of course.

Richard Drax: My question is on that specific point. We heard from previous witness that home security and reliance are going to grow, and having served at a time when the Army was roughly 140,000, when now it is pushing 82,000—I doubt it is that much—what is the ideal size of the Armed Forces, bearing in mind the pressure on cyber and space, for example, that are going to cost an absolute fortune to provide for? This is a good example of that. We now have an Army that, as you say, is committed to various roles outside the United Kingdom in which it cannot or should not get involved for fear of catching coronavirus. They are

continuing to rotate through their other responsibilities. Are we now too small? Should the basic starting point be that we must have this number of soldiers, whatever the circumstances, before we even think of doing anything else? With all your experience, I would have thought that you would be in a good position to judge what the size should be.

Lord Stirrup: I don't know that there is an ideal size. I would say though—of course, I would say this, wouldn't I?—that the Military, as a whole, is now too small. It has some exceptional capabilities in all three services, but it has become too small. That is simply a function of financial pressure over the years. It was not a strategic choice. After all, when we had "Options for Change" at the end of the cold war, there was a great urge to take what was known as the peace dividend, irrespective of the fact that we had just fought a war in the Gulf that had absolutely nothing to do with the cold war, and that had stretched the force structure that we had for the cold war to its limit. Nevertheless, it was decided that it was time for a peace dividend. That has been a consistent theme over the years. The reason the Armed Forces are their present size is not through any strategic choice, but through sheer financial pressure.

Q89 **Richard Drax:** Correct. So our role here is to make the point to the Government that we must now have a limit, where we cannot even consider reducing the number of soldiers we have.

Lord Stirrup: In my view, the strategic aim should be to maintain the quality and, over time, to grow the volume.

Q90 **Wayne David:** Can I ask you about alliances? Not so long ago, the world was quite a straightforward place. There were goodies and baddies, and we knew which side we were on. Things are different and more volatile now, and perhaps they will change in the near future. Many of the old certainties are no longer as certain as they used to be. When you are putting together a fundamental review—as this should be—to what extent do you take into account the geopolitics of other countries, how likely they are to change, and whether we want as close a relationship with them in the future as we do now?

Lord Stirrup: I think it is fundamental to the review. As I suggested earlier, one of the most important judgments that we have to make is, "With whom we do things?" not. "To whom do we do things?" Those relationships have to be developed and nurtured over the long term. The bedrock of our defence policy in years gone by has been a bilateral relationship with the United States, and our membership of NATO. Those have to be looked at again. Are they going to continue to hold good into the future? Some people have been rather dismissive of NATO—not just brain-dead comments, but others as well—and my question to them is always, "Well, if not NATO, then what?" because putting together an alliance or grouping of nations that have reasonably similar ambitions and aims within the world, and a structure that can enable them to co-operate effectively militarily, is not a small undertaking. It is a massive task, and it is very difficult to see how you would duplicate that if you didn't have NATO. There are some really important questions of principle that have to

be addressed here. Are there other relationships that have to be developed and nurtured into the future? That is one of the most important questions for the review.

Q91 **Wayne David:** What do you think those relationships might be?

Lord Stirrup: Personally, I still believe that NATO is fundamental to security within Europe. It has to adapt to changing circumstances, as it has had to over the decades, but for all the reasons I just set out, I do not see a realistic alternative. I think it is important that we sustain that and that we ensure it remains not just in being, but vibrant.

With regard to the transatlantic relationship, again I do not see an alternative at the moment. Maybe there is one, but I do not see one. It has come under some stress recently, but it is still very good in a number of areas, and a lot of people overlook that. In terms of nuclear, intelligence and many other respects, the transatlantic relationship is still very good and very strong. I suspect—I am not doing the review—that those two essential pillars of our security will remain.

Lord Ricketts: I am sure they will remain, but we have to recognise that America is changing. American priorities are changing. That is clear. European security is not the same priority for Washington that it was for 50 years. They have other, more important priorities now, and that puts a strain on NATO, as do other events like Turkey's behaviour with Syria, for example.

Of course, NATO should stay absolutely fundamental, but we then need to be working to make NATO relevant to today's world. Outside the EU, in a way, NATO becomes more important to the UK, in which case we need to be thinking, "How we can make sure NATO remains important to America?" As America turns its attention towards Asia and the Pacific, should we be doing more through NATO on wider Asian and global security? We should at least talk about it, if not change the treaty.

Our relationship with Europe has changed as well. My own feeling is that we will need different groups of friends and allies for different subjects. If you look at climate change or trade policy or policy towards Iran, we have been with our European friends, rather than our American allies. If you look at Huawei, we are absolutely against and opposed to what the Americans would like to do. The relationship with the US has become more complex. It is obviously very close, but it not close across the board, and we need to have other coalitions and networks that we can use for some of these different subjects.

Q92 **Wayne David:** And the review, really, should be looking at all those complexities and nuances.

Lord Ricketts: Yes, the review has to look at all those things. I have heard a lot around town about a new alliance of middle-sized democracies. That is an interesting idea and, clearly, in some ways we will have a lot in common with middle-sized democracies—perhaps more so than with the US—but that is not a load-bearing structure with the kind of investment

that we have made in the transatlantic alliance. I would be wary of putting too much load on these ideas for new groups of friends. They can have their use, but they will be ad hoc and will work issue by issue; they will not have that solidarity which has been at the heart of NATO and, I hope, still will be.

Q93 **Chair:** On those alliances, when you have alliances you do still need a leader. You need one nation to step forward, and then others will follow. Maybe that goes back to the romantic image that Britons out there expect Britain to step forward, not least because we have had the 75th anniversary of the D-day landings. Much is happening around the world, and there is a desire, I think, to see Britain provide, firstly, that thought leadership to understand the situation and then, perhaps, some of the solutions to take nations with us. Would you agree that that is something that we should be re-engaging with, because there does seem to be a reticence from any nation? The United States is now looking after itself. The EU is trying to do things, but through consensus. China is doing its own thing and rewriting the rules. There is a gap in the market for some international leadership.

Lord Stirrup: If I can just address that question from the perspective of defence—I am sure Lord Ricketts will take it more widely—first, I agree. Secondly, if you are not even to lead but to be significantly influential, you have to bring power to the table. You can't turn up with half a cricket bat and say, "Now I am going to tell you how we are going play this game." So, the quantity of power you bring to any grouping is extremely important. As I said earlier, we do not have the power to do things on our own in the world, except in a very small way, but we do need sufficient power to be able to be a significant influence in the kind of groupings and coalitions in which we do participate.

Lord Ricketts: I agree, but I would make a distinction on what you said, Chairman, between thought leadership and leadership of an organisation like NATO. Thought leadership, yes. Britain has always been good at coming up with the ideas and the initiatives, helping the world tackle problems, formulating the treaties and the agreements. Dare I say it, our diplomacy is respected around the world. Thought leadership, absolutely we should be doing more of that. It requires political input and will, but it is definitely a role we can play. On leadership, we cannot replace the US in the leadership role in NATO, I don't think. That is just falling into the trap of overrating both our own quantity of power and the willingness of other countries to recognise us as the leader. If the US won't lead in NATO, we need to adapt the way NATO works to be more of a collective than led by a single, overarching superpower, which is the NATO that we used to have. But should we be actively engaged, influential, building coalitions, using the convening power of London, using our reputation and our intellectual capacities? Yes, absolutely.

Q94 **Chair:** On alliances, I am concerned that we are stepping back in this; we have become a little bit risk averse. We roll off a list of nations and organisations that we are friends with, and the Commonwealth is often used as exemplar as to all these friends we have. But when you focus on

Africa—let's take that continent—and how Russia and China are using their soft power, their money, their economy and their digital capability to leverage greater control over these countries, it is quite alarming. I ask this to find out whether, in an integrated review, you hypothecated at all to then pose the opportunity to the decision makers to say, "If I doubled the size of my defence attaché capability in every embassy, I could increase my defence trade. If I advanced BATUK in Kenya—defence support capability to train the Kenyans—that would develop a bond, and strengthen an already good bond, but allow us also to develop more trade links with them. In Somalia, if we invested further money in there, we would then be rewarded for helping them out of a difficult spot, rather than being more hesitant and preventing us from perhaps leveraging the friendships that we have."

Lord Stirrup: There is a great deal in that—there is no question about it—but one of the reasons we have influential friendships is because of the capabilities and power that we have demonstrated in the past. If our capability wanes, frankly those friendships will wane as well. There will be nostalgia for the past, but they won't be that meaningful. So, a lot of your soft power rests on your hard power capability and your reputation on that. That is the first point. The second point is that in terms of influence and soft-power influence around the world, that kind of power, like almost every kind of power, is based on economic strength, so the question is, how strong are we economically and how much stronger can we be economically by acting in partnership with others? Again, the overall size of our economy is a limitation, but if we act with others, then of course you can get a multiplier effect.

Lord Ricketts: What you said, Chairman, is an example of why this review needs to be about making choices. The Government could make that choice. Equally, they could make a choice to put the same resources into some other aspect of Britain's international projection. If there is a finite amount of money, spending more on doubling the number of defence attachés and doing more defence outreach—

Q95 **Chair:** But did you offer those choices when you did your review? Did you offer that spectrum of choices for which No. 10 had to make a call, to say, "If we want to do this, we need these assets. If we want to achieve this outcome, we need to do that," and then they make the judgments? Or is it a sort of fait accompli, which says, "We have already done that assessment for you"?

Lord Ricketts: No, it is all about choosing. It is not so much No. 10, but the National Security Council in the end that has to make the choices. Yes, we did have packages of different capabilities available. The 2010 review, as Lord Stirrup will remember well, was quite a lot about reducing the enormous hole in the defence budget, which was £38 billion smaller than the defence programme, if I remember rightly. Many of the choices came down to, "What do you want less of? What can we do less of?" Within that, "Where can we have some small increases?" That is often a reality in life; if you have the luxury of having additional resources and you can choose where to put them, that is great, but in my experience, reviews tend to be

about, "We are going to have to have less, so the question is where the cuts will fall. If they fall here, we can spare there."

Q96 **Richard Drax:** The 2015 national security risk assessment gives "greatest weight to those which are more likely to occur and which would have greatest impact." Is that the right approach?

Lord Ricketts: It is the approach they adopted from us in 2010. Since I was the national security adviser, I would have to say yes. We tried to do a matrix of looking at all the risks that were on the Government's risk register and mirroring them against the likelihood of them happening and the impact if they did. Therefore, we made a prioritisation. We had to take Ministers through that and explain to them that the risk of nuclear war would be a high impact, for sure, but we judged it was low likelihood because of our mitigation through our deterrents and so on. It was under the second or third tier of risk, not in the top tier.

That idea of how likely a risk is to happen, and if it happened, how much impact it would have, seems a rule of thumb. You can refine it, but you need also to factor in how vulnerable you are to that risk, but you get a degree of objectivity in measuring which of the risks you need to think about funding more.

Lord Stirrup: But you have to remember, as Lord Ricketts suggested, that some things may be low risk because of the stance you have adopted. If you change that stance, the level of risk might not stay the same. That is something that people can overlook if they are not careful.

Q97 **Richard Drax:** So the reduction in the conventional forces is more likely to lead to a nuclear exchange.

Lord Stirrup: Taken to an extreme, that is the sort of thing, yes.

Q98 **Richard Drax:** Can I go back to the numbers that we talked about earlier, Lord Ricketts? Did the numbers game come into your risk strategy? For example, if this pandemic really gets bad and the country is shut down; everyone is stretched; the police cannot cope and the Army is called in—thank heavens we have x thousand to come and do that. Did you go through a scenario where we cannot go below a certain number, whatever the budget, the pressure and the financial situation of the country, to meet one of these priorities? Or did that not enter into your thinking?

Lord Ricketts: In my experience of these things, that is not how issues get presented.

Q99 **Richard Drax:** Until they happen, of course.

Lord Ricketts: No. In a situation of trying to make priorities of things, you tend not to accept Departments coming to you and saying, "Whatever happens and wherever the money comes from, we must have this." Every Department will have issues such as that. In the end, you have to cut your cloth to fit your pattern. There were discussions, I think at the very top levels, about the size of the Armed Forces and what was an acceptable

size of the Army—yes, absolutely. In the end, everyone has to live within the budgets that are set for them. Otherwise, you have a review that is immediately out of date because it is not funded.

Q100 **Richard Drax:** A previous witness said, if I recall—Chairman, you can help me if I have this wrong—that the highest risk was a pandemic. Was that one of your risks?

Lord Ricketts: Indeed. We identified four top risks. One of them was natural disasters and emergencies, and we specifically talked about pandemics. In the national security strategy of 2010, there is quite a long passage about the risk of pandemic disease, and an influenza pandemic, so this is not something that has caught Government resilience planners by surprise. It has been there since our review of 2010 and was one of our top risks.

Q101 **Richard Drax:** Are there implications, with regard to your answer, for the approach to defence planning? I think the answer to that is yes.

Lord Ricketts: Yes. I think the idea of having top risks is that all Departments should look at them and think about how they can contribute to them. In 2010, counter-terrorism was a very high risk, of course, and every Department, including defence, had something to think about in terms of what their contribution could be to the fight against terrorism. The Armed Forces had been very much involved in foot and mouth and other issues of human health, so they were familiar with that, but yes, the answer is that the risks you outline ought to inform decisions across Government.

Q102 **Stuart Anderson:** You have said that the next conflict will shock us, or it always shocks us, and we almost have to take the first hit, reassess and then go from there. Lord Ricketts, you also touched on the evolving nature of cyber and digital, and we spoke at length about what it might look like in future. How would we stop increases in funding for newly identified threats, or possible new threats, being taken from existing budgets?

Lord Stirrup: The answer to that is easy: you increase the size of the budget. That is the only way you do it, isn't it? But of course, the defence budget does veer and haul between these things over time, if not in a major way. You do not go from 20% funding to 80% funding overnight, but you certainly do see shifts in investment. For example, it was clear to me by the late 1990s, when I was still just engaged in the Air Force, that it was becoming increasingly limited, not by its ability to hit things accurately, but by knowing what to hit and when—in other words, intelligence, surveillance and reconnaissance, and we needed much more investment in that. Over the period of 10 or 12 years, there was a shift in investment, and you can see it in the force structure today. There has been a shift in investment towards cyber year on year, but again, it has been a gradual shift. As I said, you cannot afford to let too many things go, because, after all, any intelligent adversary is going to attack you where you are weakest, and you cannot be strong everywhere. You are going to be weak somewhere. That is why I say that the crucial thing is to

be able to respond to an adversary and be resilient enough to absorb that first shock and then to adapt accordingly. You simply cannot get out of that particular trap because you cannot be strong everywhere.

The answer to your question is the simple one that I gave, which is that the budgets have to increase. There has been a commitment, of course, with the defence budget, to maintain at least 2% of GDP on defence and to have a real-terms increase of 0.5% year on year, but you will recognise that 0.5% year on year is nothing when you look at what happens to wage bills, for example, in an ordinary economic situation. One of the key issues that the Government have consistently ducked is not about setting a level of defence expenditure, but about how you maintain the buying power of that defence budget in real terms over a number of years, so that you can plan defence in the longer term, not for a year or two, and then, after that period has gone, have a look at some savings exercises.

Q103 **Stuart Anderson:** Would you say that a part of the review, or a key fundamental to it, should be explaining the evolution of warfare, because if that were understood by the Treasury when they were funding it, they would see that we are clearly doing it for these reasons? Rather than saying we need x for y, it is about getting that point of the evolution of warfare over.

Lord Stirrup: Absolutely. The fundamentals of warfare have not changed over the millennia—if they had, we would not all be quoting Sun Tzu—but the ways of achieving those ends have altered fundamentally, and continue to alter fundamentally. That is what has to be explained.

Q104 **Chair:** There is a collective memory. The ability of Sun Tzu to encourage you to defeat your enemy without fighting is surely more prevalent today, with constant competition and challenges to our economy—doing things in the grey zone. There is a whole vocabulary out there now that did not really prevail before. You are very unlikely to get state versus state. China invades Taiwan; is the United States really going to pile in and push them out again? You are going to have to go into denial. The effect on us to influence our economy will be done through the digital plains. Is that not reshaping our thoughts on how we defend ourselves and our interests?

Lord Stirrup: There is no doubt that new threats and new ways of posing threats require new responses from us, but I would be very cautious about saying that there is not going to be a conventional conflict again. I would be very cautious about saying that the United States would never pile in on behalf of Taiwan. I think it is extremely unlikely, but it is not impossible. Very often, of course, these things come about through mischance and miscalculation rather than through cold calculation, and we have to be aware of that as well.

Q105 **Chair:** And when the world is distracted. I think Russia invaded a bit of eastern Europe during the Olympics, so who knows what might happen during this coronavirus.

Lord Ricketts: I agree. Part of the deterrent against finding ourselves in a shooting war is to have strong Armed Forces that are credible. It seems to me that the next generation is more likely to face confrontations below the level of shooting wars, but involving the whole spectrum of deniable, grey, subversive information war and all the rest, which can also be extremely damaging, and which we have seen in action through the Russians in Ukraine and elsewhere, and the sorts of things that have been going on with intellectual property theft and so on. Those are real threats to our national security. They are not necessarily leading to shooting wars, but they show that we need a reserve of ultimate national power still, absolutely.

Q106 **Chair:** May I touch on Mark's favourite subject, which is not Capita but pay. You briefly glossed through it. I want to get your views on the importance of that in the integrated review. We are struggling—we have to face it—in all three services to gain the manpower that we need. It is a tough competition out there with civvy street. Should the integrated review look at this as well to make sure that we can attract the right people?

Lord Stirrup: Undoubtedly. Personnel are a key component in the Armed Forces. The reasons for inability to recruit or to retain are not straightforward. Frankly, the Army's problem at the moment is that it does not have a war. As you will recognise only too well, when there is a war going on, or when the situation in Northern Ireland was going on, recruiting was never a problem. How do you attract the kind of people looking for that sort of excitement in their life?

Q107 **Chair:** Do you have an adversary in mind?

Lord Stirrup: No, but you have to find an alternative. Otherwise, you are just accepting defeat. Similarly, pay is very important in the Armed Forces, but it is not the ultimate determinant. If it gets too low, it is the ultimate determinant for people leaving, but we have managed to retain people in the Armed Forces in all sorts of specialisations that pay much better outside. One of the ways we have been able to do that is to offer them much greater challenges and much more interest inside than they get outside.

All those things have to be considered. The total personnel package is extremely important. Of course, that is not just an issue for a review; that should be going on the whole time.

Q108 **Mr Dhesi:** On retention, the levels of satisfaction, in terms of morale within the forces, have apparently gone down from 60% just a decade ago to 46% now. Do you not feel, looking at the review, that pay, numbers and other things will have a substantial impact on somebody's level of satisfaction?

Lord Stirrup: I do, but you have to break those numbers down. The numbers that you have quoted tell you something, but they do not tell you enough to enable you to come up with a solution to it. What is the

variation across the services and across the force structure? What are the reasons for the dissatisfaction?

As I said in my previous answer, pay can be a matter of dissatisfaction if it gets too low, and of course there was a public sector pay freeze for a very long time, so no doubt that had an impact. But pay is one of those things that you have to keep up there, so that it doesn't influence too many people to leave the Military. But it is not going to attract people; people do not join the Military because they want to get rich. We do not want people who are that stupid in the Military. They join for all sorts of other reasons. So you have got to look at the total package. And it is quite complex. It varies across the services; it varies across the specialisations.

Q109 **Mr Dhesi:** Very well said.

Lord Ricketts, when we were in Andover at the Army HQ, we were advised about things such as accommodation, how families are dealt with and so on. Do you think that is something else that we should really look into in a major way in the review, because otherwise it would be one of the huge factors in terms of that decrease in satisfaction?

Lord Stirrup: I certainly hope so, yes. In 2010, I think we had a substantial part of our review on defence people and the issues that come up there: keeping families well accommodated; tour lengths that impact on family life; and so on. It should definitely figure. That is one part of a review where the central team would look to the MoD to come forward with the recommendations to give. It is essential, yes.

Q110 **Mr Dhesi:** That is great, because that is exactly what we were hearing. We heard that so often it is the accommodation upgrade that gets left out when need is assessed. When funding is reduced, it is so often the accommodation budgets that are first to be hit.

Lord Stirrup, how can we ensure that this review is honest, in terms of the strategic implications of capability decisions?

Lord Stirrup: Can I just make a comment about your previous point on accommodation? The answer to that is not, "Does it feature in the review?"; it will feature in the review. The reason that accommodation is always such an issue is because defence is faced year on year with the need to make savings, and it needs to make savings in-year, or very quickly. And there are very few areas to which you can turn that have money available that you can free up in-year. Accommodation and the estate is one of those.

So, the answer to that is actually a deeper issue, which is, as I suggested earlier, looking at how the cost of defence is sustainable over the long term, not just in the year of the review. So you have to take into account defence sector inflation, which is very seldom done in the resource allocation.

With regard to your second question, I am not quite sure I understand. In what way do you think it would be dishonest?

Q111 **Mr Dhesi:** When we talk about making a review honest, I am talking more about the strategic implications—so, our capability decisions. How capable are we, and so on?

Lord Stirrup: I think we are honest in terms of our capabilities, but I think the issue comes back to one we were discussing earlier, which is that if you wish to exercise a degree of power in the world, working from your foreign policy baseline, then you will have to do that in conjunction with others. And if you are to do it effectively in conjunction with others, then you need to bring sufficient strategic weight to the table, in terms of capability. So I think that is the way that one has to express it.

I do not think that we have ever really fallen into this trap, but some countries have certainly fallen into the trap of using alliances or groupings as an excuse for doing less; it is a fig leaf. We must never do that. We must be absolutely clear that, although we cannot do things on our own and although we have to foster those partnerships and alliances, we have to bring sufficient weight to the table if it is to mean anything. That is the sort of honesty that I am looking for.

Q112 **Mr Dhesi:** Lord Ricketts, I know that—obviously—you are also of that opinion, in that you are saying that we need to stand up to some of the cold and harsh realities of where we find ourselves in the world today, compared with where we were decades ago.

However, I want to touch upon something else. I appreciate that it is not unknown for Governments to try and reduce the role that Parliament plays, perhaps even by eroding it. How can Parliament play a role in keeping a review honest?

Lord Ricketts: I think the Defence Committee is doing just that, with your hearings and evidence sessions.

Mr Dhesi: Brilliant. I think that is recorded.

Mr Francois: Thanks for coming.

Lord Ricketts: The vital role played by the Defence Select Committee of the House of Commons is the first thing I would say. It is a vital area. Because it is being done quickly, it will be difficult to scrutinise it as much as I am sure you would wish to, or we would at our end of the corridor.

As I tried to say earlier, the integrated review is the start of the process, not the end of it. Once it is out there, it needs to be explained and developed and brought to people's attention; Parliament will also have an important role in that. Keep going, is my answer. We should all be helping the Government to get to a good answer in this review, in a constructive way.

Q113 **Wayne David:** Being controversial—

Lord Ricketts: Oh dear.

Q114 **Wayne David:** You could argue it is fundamentally dishonest to say that the Treasury will be involved in every stage of this and that it is going to

be done in parallel to the Comprehensive Spending Review. The reality will be that no matter what you think is right and what is in the national interest, the Treasury will say, "That is very interesting, but you are not having the money. Change it."

Lord Ricketts: Those sorts of decisions are, in the end, whole-of-Government decisions. It is a political decision for Ministers and the Government to decide how much resource we are going to allocate to Defence, to the Foreign Office—very little, by the way—to Health, to Education and to all the other calls on their spending.

Q115 **Wayne David:** My point is that that debate and discussion—that fundamental choice—will be made behind closed doors, rather than having a review that says, "This is what the country needs", and then having the political choice, democratically, outside, to see whether or not it is affordable.

Lord Ricketts: The allocation of the resources is essentially a political task and it is for the Government to do and then to be held to account for it by Parliament, but as we said at the beginning, if you have a strategy review and you decide that your strategy is here, and six months later the Government decide that your budget is there, then you have not got a strategy. At the end of the day, you have to run your strategy and your resourcing discussions in parallel. There is no other way to do it. Otherwise you will end up a little bit like what happened in 1998, with an excellent strategy that in the end was not funded.

Lord Stirrup: In 2010, the starting point for defence was a reduction in the budget of between 10% and 20%. That was the Treasury's starting position. The finishing position was a reduction of about 7.25%. The reason it was 7.25% and not between 10% and 20% was because of the defence review that had been carried out; the options for making the savings were so unpalatable politically that the Government decided they just simply could not live with them. If you like, our reward was being punished slightly less.

Lord Ricketts: Somebody else therefore got less.

Lord Stirrup: They did, but that decision was taken, and it was a change from the Treasury's starting point. You can change the calculus to an extent.

Q116 **Mr Francois:** To follow on from Tan's point, I think there is a growing realisation within the Ministry of Defence that people are a capability in their own right and that if you do not look after your people properly in what until the last week or so was a very competitive economy, eventually you have impacts on all sorts of other capabilities. I think there is some good news coming on that, but we shall see.

The Committee has heard that, if it is not designed properly, external consultation can lead to the illusion of inclusion, as it is sometimes called, and therefore have little actual effect on the review process. How can that be avoided? Should allies be consulted and, if so, which allies and

about what?

Lord Ricketts: Yes, they should be. The problem always is at what stage in the review to do that. If you do it at the beginning, you do not know what your conclusions are going to be. You can go along to allies and say, "What would you like our conclusions to be?" and they will give you their answers, but they may in the end not be relevant. If you leave it too late, your emerging conclusions are increasingly cut and dried as you go towards the end, and if you then go and consult people, they may feel that they have had the illusion of consultation because in the end not much changes. There is no magic answer to that. I think there should be some discussions early on, when we are still at the formative stage of ideas and so on, which I believe the team are trying to do. As I say, bringing in an academic historian is a good thing.

Certainly, we should be consulting allies. In practice, that tends to happen a bit later, because what allies want to know is not blue-skies thinking about what you might like us to say, but what you are going to do and how that is going to impact on us. It tends to be a bit of consultation and a bit of informing as the conclusions form up, but I hope they will be talking to the Americans and probably other close allies such as the French, for example, so there is a no surprises policy and where allies have important points to register, they can get into the process before decisions are taken. It is one of those very difficult balancing acts. When you are trying to do it in five months with a pandemic crisis going on as well, it is one thing that may get squeezed out. That is the danger, I think.

Mr Francois: That is a good warning.

Lord Stirrup: I agree. The other important point is to be aware of the interoperability implications of anything you might be considering in the review. Again, we are always having to operate with others, so that degree of interoperability is absolutely crucial.

Q117 **Mr Francois:** Can I just give you one quick hard example? In the NAO's analysis of the equipment plan, they highlighted that at the end of this decade, we could be losing our mine-hunting capability. The Americans have great regard for those minehunters that we have deployed on Operation Kipion in the Gulf, because it is an area where they are weak and we are historically strong. I declare an interest: my father was a minesweeper man, so I am probably biased. Nevertheless, they place great reliance on the Royal Navy to keep the straits open if the Iranians ever attempted to mine them, so we get massive leverage with our American allies from those four minesweepers. If we were to delete that capability, that is one classic example of a knock-on. Is that the sort of area where we need to be very careful?

Lord Stirrup: Absolutely, and it comes back to this calculation that if you want to be effective in an alliance, a coalition or a grouping, you need to bring sufficient weight to the table. Intrinsic in that weight, of course, is bringing capabilities that really add value, whether that is just an addition to what somebody else already does or something that nobody else does, or nobody else does as well. They can be really valuable, and Brimstone is

one of those; minesweeping and mine-hunting is another one, and probably the classic example. Yes, it is an area where we do something better than anybody else, to be perfectly frank, and it would be perfectly idiotic to give it up, not least because of the importance of the capability to us.

Q118 **Wayne David:** Lord Ricketts, you were a distinguished member of the advisory commission for the 2013 French defence White Paper. Do you think there are any lessons that should be learned here and now from that experience?

Lord Ricketts: Actually, that experience is one of the reasons why I believe in running the strategy and the resource discussion alongside each other. I was very privileged to be part of that advisory group. We spent six months doing some very deep, detailed, conceptual work with lots of long papers, a lot of scenario planning and so on. They evolved, with me playing a small part, into a perfectly coherent strategy. However, late in the day they discovered that the budget was going to be quite a bit less, and there had to be a crunching of gears, going into reverse gear and finding ways to fit the strategy within the available money. That was a bit of an object lesson to me.

The French are very good at the conceptual thinking and the ideas, and they take really seriously the need to think ahead, try to spot the future threats and so on, but unless it is matched with the available resources, that is a problem.

We do things in slightly different ways. For them, the advisory committee was 40 people, some from think tanks, some from business and some trusted journalists—a whole range of opinion formers—and we met perhaps six times over six months for half a day, so a lot of effort was put into it. It was a kind of external outreach in some ways.

Q119 **Wayne David:** Do you think there are countries from which we can learn on that?

Lord Ricketts: Yes, I think that if we were doing it with the time that Lord Robertson had for his 1997-98 review, that would be a very good thing to do. You would have to have people who you could trust would not leak what you were discussing with them. It would be a benefit if we had a year or 18 months, but we do not.

Q120 **Chair:** Lord Stirrup, on CASD—our nuclear deterrent—if there was a period in your time where you had two boats out of the water for more than a year, would you consider that a danger to the continuous at-sea deterrent?

Lord Stirrup: Yes. If you are to have a deterrent, it has to be credible. If it is not credible, there is no point in having it at all. To be credible, you have to have continuous at-sea deterrence, so it seems to me that anything that puts that at risk undermines the whole concept of the strategic nuclear deterrent.

Q121 **Chair:** But you have long-term refits, as I understand it, where you pull

those boats out of the water.

Lord Stirrup: Yes.

Q122 **Chair:** But to have two boats out for more than a year would be dangerous?

Lord Stirrup: For more than a year, you would be trusting a lot to luck.

Q123 **Chair:** Okay—I fear that that is where we may be. I see that you have very honourably brought your copy of the 2010 review—signed, I am sure.

Lord Ricketts: Indeed I have.

Q124 **Chair:** In that review you foresaw coronavirus—congratulations.

Lord Ricketts: We certainly covered it as a risk.

Q125 **Chair:** So far, have either of you been asked to contribute to the integrated review?

Lord Stirrup: No.

Lord Ricketts: No.

Q126 **Chair:** You have not? I hope that that will be rectified. I am sure that they are listening in as we speak.

Lord Ricketts: I have had some discussions, at my initiative, but I have not been invited into any formal discussions.

Q127 **Chair:** My final question has a broader scope. A lot of what we are talking about is the here and now of today and the challenge of the next year or so. Looking at the threats of the coming decade—people may have different opinions—but you could say, provocatively, that there are two issues: climate change and the limitations of our fragile planet and the consequences, and China. Do you adhere to the concern about the Thucydides trap and the change in powerbase from United States dominance to China dominance over the next 30 to 40 years?

Lord Ricketts: I do not subscribe to that leading us inexorably to war, no. Indeed, I do not think that Graham Allison does, actually.

Chair: The trap is to avoid the war.

Lord Ricketts: The title of his book is a provocative one. I say that for two reasons. First, I do not think that it is China's aim to replace America as the dominant power in the world. I think that they want their share and want to be dominant in their region, but not like the Americans took over the British leading role in the world, peacefully, at the end of the 19th century. Secondly, most of the case studies looked at in the Thucydides trap are ancient wars, where one coming power replaced a waning power, but before the era of nuclear weapons—so I do not think that it is about that.

I share what you say about climate and the impact of that, including the security and defence implications of climate change. On China, the aspect that I would worry about from our national security and defence point of view is the risk of a fracturing world between a Chinese-dominated sphere and an American-dominated sphere with, perhaps, a third, smaller European area, for example in terms of the internet, high technology—the Huawei arguments are a bit of a precursor to that—and in other ways such as data, data protection and all sorts of areas that would impact on the Military. We could have a Chinese internet and an American internet, and possibly something European-grown as well. Britain could uncomfortably be forced to choose in a lot of areas. Often, of course, we would choose to side with the Americans, but not necessarily always. That could be quite an uncomfortable world.

Lord Stirrup: I agree with that. I think that the power shift leads to a potentially unstable and dangerous situation that has to be measured very carefully. What worries me rather more, though, is the continuation of the trend that we have seen over the last two or three decades, which is advances in technology having a double effect. The more technologically complex a society becomes, the more vulnerable it becomes to shocks. In some ways, it is less able to recover from those shocks. The other side of the coin is that it gives new potential to smaller and smaller groupings of dissatisfied people and potential adversaries. We need to think about both of those things extremely carefully. We have obviously seen it in the cyber domain, but the advances that are highly likely to come in biotechnology and nanotechnology will bring new opportunities. They will bring new vulnerabilities and new opportunities for adversaries as well, and we need to think very carefully about those in the long term. That is not for this review, but it is for forward-thinking groups to come to grips with.

Q128 **Stuart Anderson:** I am not going to steal the Chair's thunder, but we have met some very credible people. You both have exceptional experience in this. There is an underlying thing that is rising through this. In a normal scenario, the timelines are tight. With the pandemic outbreak, they are nigh on impossible. We are here to look at the review, and what we are doing has to be credible. Would there be a negative repercussion for the Military if one of the suggestions is that, due to the pandemic, this is put back 12 months or so, when a more in-depth review could take place?

Lord Stirrup: I don't think it would be negative at all. Indeed, it seems to me to be inescapable, because the economic and financial implications of this crisis, which is horrendous at the moment and is only in its early days, will have to be addressed. That will be a major issue for all public-spending Departments in the short term. We will have to get across that short term; hopefully we can then take a longer term view as the economy recovers.

Lord Ricketts: And therefore maybe we should be suggesting to the Government that the Comprehensive Spending Review and the integrated defence review should both be put back until the horizon clears a bit from the current crisis.

Q129 **Chair:** That would be the worst-case scenario, wouldn't it— having a spending review when you are curtailed in spending, without having the integrated defence review?

Lord Ricketts: That is the thing to be avoided. If that will happen, it is better to have the principles or some element of the integrated review—a baseline to hold the position, rather than putting it all off for a year—and to have the spending review happen in July.

Lord Stirrup: It is well out of my field, but I would have thought— just from common sense—that we would need to have a short-term spending review to address the consequences of this crisis. Once that has settled down, we could have a longer term review.

Chair: It is slightly ironic that we still have a debate in the main Chamber on last week's Budget, which is a little out of date. No doubt there will be an update this evening, and many of us here will be batting for defence. Thank you very much indeed for contributing to our study. I think we are all united in wanting the best for our brave Armed Forces personnel and for British defence.