

Defence Committee

Oral evidence: [Decision-making in Defence Policy](#), [HC 682](#)

Wednesday 4 February 2015

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Members present: Rory Stewart (Chair), Richard Benyon, Mr James Gray, Mr Dai Havard, Dr Julian Lewis, Mrs Madeleine Moon, Sir Bob Russell, Bob Stewart, Ms Gisela Stuart, Derek Twigg, John Woodcock

Questions 446 - 556

Witnesses: **Rt Hon Michael Fallon MP**, Secretary of State for Defence, **Air Chief Marshal Sir Stuart Peach**, Vice Chief of Defence Staff, and **Peter Watkins**, Director General Security Policy, gave evidence.

Q446 Chair: Welcome to the members of the public. This is our final evidence session in our inquiry into decision making in defence policy. We are fortunate to have today the Secretary of State for Defence, Air Chief Marshal Sir Stuart Peach and Peter Watkins, the director general of security policy at the MOD.

Secretary of State, to set the context and frame what we are doing, we have been looking at decision making in defence policy in general. One of the themes that has come up is that people have said that lessons have been learned and that decision making was not perfect in the past. Can you give us a sense of what lessons have been learned, how decision making in the MOD has changed and how one might measure whether it is better or worse than it was in the past?

Rt Hon Michael Fallon MP: Good morning, Chairman. Thank you for your invitation.

It is fair to say that there were concerns in the past, which you have picked up on. I welcome this inquiry into decision making. All I can say, having come relatively recently into defence, is that the decision making that we have now works reasonably well. As Lord Levene noted in his report, we have evidence that the reforms that he proposed, which have been carried through, are now working well. The primary responsibility inside the Department for decision making rests with the Defence Board, which I chair monthly. Lord Levene draws attention to the increased influence on the board of the non-executives, the regard in which it is held compared with other Whitehall boards, and the way in which it has been operating. As you are probably aware, alongside the Defence Board we have the

Armed Forces Committee and the regular meetings that the Chief of the Defence Staff holds with the service chiefs. In addition, I chair a weekly meeting on operational matters with other Ministers and representatives of the various departments. As far as the Ministry is concerned, I think decision making works reasonably well.

As far as overall Government decision making is concerned, the principal reform since 2010 was the institution of the National Security Council, which I attend weekly with the Chief of the Defence Staff, representatives of the other security agencies and other senior Ministers. It works well because it gives us the chance to step back and look at whole subjects from the strategic point of view, such as geographical parts of the world—Russia, Syria or whatever—or more thematic issues, such as whether we are doing enough on cyber. Again, it works reasonably well and allows input from other senior Ministers into defence and security policy making.

Q447 Chair: Thank you, Secretary of State. We are very keen to pull out concrete examples. Can you give us any example in decision making of a Minister or you as Secretary of State intervening in order to change a decision—in other words, the system produced one view and you as Secretary of State or a Minister intervened to shape or change that decision?

Rt Hon Michael Fallon MP: I am not sure that it is easy to find an example exactly like that, because decisions are taken by Ministers in the end, not by officials. Decisions on policy inside the Ministry are taken collectively, after advice, by me and my fellow Ministers or by the Defence Board. As far as Government is concerned, they are decisions that are taken by the National Security Council and/or by the Cabinet itself. They are, by their nature, ministerial decisions.

Q448 Chair: Let me have another go at that. Can you think of an example from your life as Secretary of State, since you came to the Department, or a hypothetical example? Do you feel that the decision-making structures are working or not working? Can you give us something that we can get our teeth into, so we can get a sense of how decisions are made and how the different players feed in?

Rt Hon Michael Fallon MP: The most obvious example since my appointment was the decision to commence military operations in Iraq, which evolved over the summer of 2014 and led to a decision of the Cabinet in late September 2014, which was endorsed by Parliament the following day. That is a good example of how the decision-making process worked and how our engagement in Iraq evolved from humanitarian relief and political action into more direct military action. There was a series of meetings of the National Security Council and the Cabinet that led up to that point.

Q449 Chair: That is tremendous. Let us take that as an example. We have talked through the various different structures of NSC, Defence Board, Armed Forces Committee and the service chiefs sitting with the CDS. Which institutions feed into that kind of decision? Who are the prime players in helping the MOD make that kind of decision?

Rt Hon Michael Fallon MP: When you come to consider a military operation like that, the prime body for decision making is the National Security Council, operating I suppose on behalf of the Cabinet. Its decisions can be referred to Cabinet, and in that instance were, because fairly obviously the Prime Minister was keen to see that that very significant decision was endorsed by the Cabinet as a whole, rather than a committee of it. A lot of the preparatory work was done initially in COBR and the NSC, leading up to the fuller Cabinet discussion.

Of course, the various other Committees that you referred to feed into the advice that is available to me and my colleagues. Very specifically, the Chief of the Defence Staff sits on the NSC alongside me and is able to offer military advice as appropriate.

Q450 Chair: I should like to pin that down so we can understand it a little better. Major decision making on that kind of issue is taken at the NSC and the CDS is obviously key to that. Would we be right to say that in the current system that kind of decision is not the prime responsibility of the service chiefs? We heard from the permanent secretary when he testified that the service chiefs are supposed to be focusing more on operational matters—he described them as chief executives—rather than that kind of issue. Is that right?

Rt Hon Michael Fallon MP: Yes, that is right. The primary role of the service chiefs is to run their services. The decision on how to deploy our services in the end falls to the Government of the day through the principal structures I have described: the Cabinet and the NSC.

Q451 Chair: I have a final question. We understand that at Porton Down from 1995 to 2005 the Command Systems Laboratory ran a big process looking at better decision making in the MOD—this may be an unfair question to you as Secretary of State; perhaps we could bring in Peter Watkins or Air Chief Marshal Sir Stuart Peach. That process concluded that the most important elements in ensuring good-quality decisions were knowledge and expertise in the environment in which people operated. Is that the current sense of the MOD? Is that what you believe are the most important elements in ensuring good-quality decisions, or do you have a different view of the different lessons that have been learned?

Rt Hon Michael Fallon MP: Any Minister would want not only knowledge and expertise, but other things as well, such as judgment and advice, and that is what is available to us. To all the political members, if I can call them that, of the NSC, that advice is available, spread around the table and in the papers that are presented to the NSC through its official-level meeting, which usually takes place prior to the main NSC; and of course it is available to us inside the Ministry itself.

Q452 Chair: With limited resources, you presumably have to take some degree of risk in decision making. If you look at your decision-making processes, where would you say the area of risk was? If we were having this conversation in five or 10 years' time, where would you say was the thing we needed to watch most closely? Is it the knowledge and expertise base? Is it the structures? Is it the training and education you offer your personnel? Is it the core competencies of your senior military and civil

servants? In trying to improve the system over the next five to 10 years, what would you want to focus on most?

Rt Hon Michael Fallon MP: Risk is of course inherent in the kind of work that we are asked to consider or operations we are asked to plan. These decisions would not come to us as politicians unless there was an element of risk involved, and you have to weigh different types of risk.

How would I improve the system? Overall, as I said, I think the system, which I have only known since July—I know you have been interviewing more experienced people than me—certainly provides the expertise and the advice that I need, but it is always possible to keep looking at these things and refine them. The creation of the NSC was probably the biggest single reform in recent years. I had some experience of it before I became Defence Secretary, because I used to be a substitute for another member of it, and I think that that reform has already proved its worth.

Q453 Chair: Sorry, let me have one last chew before I hand over to James. There must be some element of the process which you feel you are a little lighter on and other bits you are a bit stronger on, and some bits of the process which cause you more concern and some bits that, if you were in the job over five years, you would want to focus on more. Of the things that I have listed—knowledge and expertise, core competencies of senior staff, or the structures—which of those three would you say is the area that the MOD should be working on most? Where is the MOD carrying most risk?

Rt Hon Michael Fallon MP: I am sorry, knowledge and expertise was the first—

Chair: I provided these off the top of my head, but broadly speaking there would seem to be three things: first, knowledge and expertise—people with deep knowledge, for example, of Russia or deep knowledge of the Middle East; secondly, core competencies, which I suppose would be the skills of the people in being able to formulate policy regardless of their knowledge base; and thirdly, the institutional design. Looking at your system, which of those do you think you are carrying most risk on or you would want to invest in most in improving?

Rt Hon Michael Fallon MP: I'm afraid I find that very hard to answer, because as I have said we have had other decisions to take—how to respond to the humanitarian crisis, how to organise the evacuation from Libya, and how to deploy to Sierra Leone to combat Ebola—but in my time the only major decision of real political significance was military re-engagement in Iraq. I did not feel through that process any particular gaps in your three areas. I think we did have the knowledge and expertise available—there is quite a lot of it in respect of Iraq—the competence was there, and the structure did allow us to weigh the decision properly, but it is always possible to improve these things.

Q454 Mr Gray: I am very relieved to hear what I suppose we would expect to hear from the Secretary of State: namely, that Ministers take decisions and, secondly, that you are content that the decision-making process is up to speed. It would be odd if you did not say that, so let me just take you a little bit further.

You are answerable to Parliament for an organisation that amounts to roughly quarter of a million people, civilian and military, with an organisational structure that is byzantine, not to say Gormenghastian in complexity. To what degree do you feel answerable to Parliament for all the decisions that are taken within that gigantic and complex organisation, or are you only responsible for top-level decisions?

Rt Hon Michael Fallon MP: Well, I have overall responsibility and that is one of the reasons why I am sitting here this morning. I certainly feel accountable to Parliament. I can be called to Parliament—not just to this Committee, but to the House itself—through an urgent question; I am exposed to scrutiny through monthly oral questions; and my colleagues are answerable to Parliament through the normal processes of scrutiny and questioning. When you sit this side of the table, you certainly feel accountable. I think you are really asking whether I am accountable for absolutely everything that happens—

Mr Gray: Or how far down.

Rt Hon Michael Fallon MP: —and how far down the chain that goes. I do not think it is possible for a Secretary of State to be accountable for every single item in the Department. I am accountable for how the Department works—how its processes work, whether they work efficiently and whether they work responsibly. It is a very big organisation, which has gone through some quite extensive change in the last three or four years. One of the ways that I satisfy myself that that change is working reasonably well is through Lord Levene's annual health check on how the reforms are being implemented. You will have seen his most recent letter of last November. Although he had come to the end of the health checks—that was his third—I have invited him to repeat it again this November because it is a useful way of seeing how much progress we are making.

Q455 Mr Gray: The Levene thing is a slightly different angle. By way of an analogy, one thinks of occasions many years ago now when the Home Secretary would resign over an escape from a prison. Suppose there was some catastrophic decision of which you had no knowledge and were not involved in, which was after some appalling catastrophe taken at a very low level. Would you take personal responsibility for that decision, even though you knew nothing about it?

Rt Hon Michael Fallon MP: I take overall responsibility for decision making in the Department so if it was appalling and a catastrophe of the kind you say, that is something that I would have to weigh up pretty carefully and see whether the Department's decision making was at fault, whether Ministers had signed off on that particular decision, and how it happened. I am not dodging responsibility; it is my job to be responsible for the Department and to be accountable to Parliament for what happens but it is quite hard to answer these questions without having a specific example.

Q456 Mr Gray: We like to make it hard for you; that is the whole idea. How many ministerial meetings a day do you have in your office? Is it roughly 10 or 20?

Rt Hon Michael Fallon MP: I have ministerial meetings all the time.

Q457 Mr Gray: You have lots and lots of meetings all day long. In how many of those meetings would you disagree with the brief that you are given by officials, or do you always accept that as correct?

Rt Hon Michael Fallon MP: I quite often ask for more information or question the advice. These things come to Ministers because they are not easy decisions and there is a balance of judgment to be applied. That is what Ministers are for in public policy making. If all the decisions were obvious and easy, and there was only one answer, they would not really need to come to Ministers.

Q458 Mr Gray: I wasn't really talking about political judgments. You are quite right that of course there are matters on which civil servants say, "You can do this or you can do that. What do you want to do, Minister?" That was not my question. My question was: on how many occasions do you disagree with the advice that you have been given? When I was a special adviser, I saw a thousand times a day the Minister saying, "Well, I think that is incorrect. I don't agree with point 3. That is wrong. Go away and do it again. I don't like that. You are wrong." How often has that occurred to you since last July?

Rt Hon Michael Fallon MP: It has occurred. There have been occasions. It is our job to query the advice we are given, and we more often query the advice than facts. You talk about something being wrong. I cannot think of examples of the facts presented to me having been wrong or misleading, but there have certainly been many occasions when you query the advice that you are given, ask for more advice, or ask for implications or effects to be considered that are not in the advice. That is part of the normal Whitehall process of constantly testing the advice that is put to you.

Q459 Mr Gray: Finally, there would be two broad caricatures of the Secretary of State. One would be a massive micro-manager. Michael Howard suffered from that—he corrected the grammar on briefs that came to him. The other would be the broad strategic overview sorts of Secretary of State, who do not trouble themselves over the minute detail. Which of those would you characterise yourself as?

Rt Hon Michael Fallon MP: There is probably a happy medium there, isn't there? This is the fourth Department in which I have served, but the first for which I have had overall responsibility. I have five ministerial colleagues. Having been a junior Minister, I think it is important that Ministers should feel that they have proper responsibility for their portfolios without the Secretary of State leaning over their shoulder the entire time. So I delegate to Ministers. You must ask them whether they respond to that. The right answer to your question is that you have to strike a balance between trying to be aware of and micro-manage everything, and focusing on the big strategic decisions. With such a large organisation, there will inevitably be areas that the Secretary of State himself will need to pick up on.

Q460 Mr Gray: There is an argument—Michael Heseltine was a great example of this—that you should not trouble yourself with matters that others can deal with, that you ought to reserve yourself to being answerable to Parliament and taking the large, top-level strategic decisions, and that the more you get involved in fiddling around in the grass roots, the less well you are going to do your job.

Rt Hon Michael Fallon MP: I do not wholly accept that. There are things that can become more urgent, controversial or difficult in a relatively short time and require you to step in, not least because you are accountable to Parliament. As Secretary of State, you have to ensure that you understand things that a Minister of State or an Under-Secretary might have been wrestling with for weeks or months. It is not such a simple division, with the junior Ministers doing everything in their areas and the Secretary of State simply appearing in front of you. There are issues that become very topical very quickly, and I have to be abreast of them.

Q461 Derek Twigg: Secretary of State, we have heard from a number of witnesses that it has been difficult to pin down who is responsible for decisions in the MOD. We heard from Lord David Richards and Admiral West, who said that over a period of time there have been concerns about how difficult it is to pin down who made a decision. Have you found that? Are you confident that for every major decision you can pin down where it was taken, who was responsible and who followed it up?

Rt Hon Michael Fallon MP: Yes, I think I am, but I have been in the Ministry only since July, and some of the structures have moved on since the noble Lord, Lord West was there, and even since Lord Richards was Chief of the Defence Staff. Some of the structures I have talked about have bedded in now. The National Security Council and the way that the Defence Board works have evolved even in my short time as Secretary of State.

Q462 Derek Twigg: What particularly gives you confidence, as somebody new to the job, that everything is being followed closely, that each decision can be pinpointed to the exact point when it was taken and what follow-up action was taken? Given that you have been in the job for such a short time, what gives you that confidence?

Rt Hon Michael Fallon MP: As I said at the beginning, I am not complacent about this. There are always structures that can be improved on, as I said to the Chairman, but the institution of the Defence Board, which I chair, meeting every month, with the information pack that is available to us, is, I think, the principal lever of confidence. I know where all our units, ships and aircraft are, and I know their state of readiness. I know where we are in budgetary terms, and in terms of the expenditure of each command. We know that and see it on a systematic, monthly basis. If I did not have that, coming from a business background I would certainly feel a bit more unsighted. I don't want to sound complacent. I have been there for less than a year.

Q463 Derek Twigg: Just for the record, you are confident that all decisions can be pinpointed and that who was responsible for them is recorded. I am talking about major decisions.

Rt Hon Michael Fallon MP: Major decisions. We take thousands of decisions every day.

Q464 Derek Twigg: Let's say aircraft carriers, for example. One of the areas of concern is the type of aircraft that should be used. That goes back many years, as you know, but it was a particular example given to this Committee. Just for the record, you are saying that for major decisions and major projects you are fairly confident

that the problems of the past, in terms of not knowing who made a decision and why, have gone forever.

Rt Hon Michael Fallon MP: Some of the problems relate to a budget that was completely out of control and wasn't being managed properly.

Q465 Derek Twigg: Sorry, just to be clear, you are confident that those sort of problems will never arise again.

Rt Hon Michael Fallon MP: I said that these structures can always be improved on. We should keep looking at them, which is why I asked Lord Levene to review them each year to ensure that we are making progress in the way that the Department is being managed and in the decision-making processes, but I am confident, as Secretary of State, that we have a structure that enables us to see how the decisions are being made at a lower level, and enables the board as a whole to grip them at the most senior level.

Q466 Derek Twigg: You are saying that it is the way the board is working now that gives you that confidence.

Rt Hon Michael Fallon MP: Yes, that is the principal lever. I have referred to a number of other changes, and of course across Government we have the National Security Council, which, if you like, is another way of making sure that the Ministry is performing in the way it should.

Q467 Derek Twigg: We were told by the witnesses yesterday, Baroness Neville-Jones and General David Richards, that actually the Prime Minister was not particularly strategic and nor was the NSC—it got bogged down in tactics.

Rt Hon Michael Fallon MP: I heard about the evidence that was given yesterday. I think that that was probably at the early stage of this Government and the National Security Council. I have not seen that in my time on the National Security Council. I think that it does have a strategic look at some of the big issues that we need to confront, and it certainly did in the run-up to the decision to commit to military action in Iraq.

Q468 Derek Twigg: How would you describe a “strategic look”? Give us an example of an issue on which it has taken a strategic look, and demonstrate how that was strategic.

Rt Hon Michael Fallon MP: As I said, the decision to go to military operations in Iraq, to move from humanitarian and political engagement to military engagement, was a key strategic decision, not least because of the past—because we had already been in Iraq. That was one of the major strategic decisions of this Parliament. I think it was taken in a very systematic and proper way because of the new machinery that was available to us.

Q469 Derek Twigg: I am sure that people will follow that up.

Coming back to your first comments on accountability how do you, as Secretary of State, hold Air Chief Marshal Peach and his senior colleagues to account in the Department?

Rt Hon Michael Fallon MP: I see the Chiefs, including the Chief of the Defence Staff, the Vice-Chief of the Defence Staff and the Service Chiefs, fairly regularly. I also convene and chair a regular operational meeting once a week to discuss our current deployments and challenges, which is attended by the Chief, the operations chief from Joint Forces Command and others who are in charge of the various operations we are running, whether in Sierra Leone or Kabul. That is a very important way for me to keep my eye on what is happening week by week.

Q470 Derek Twigg: I don't know whether you have had any military experience, but how confident would you feel, coming in as a new Secretary of State, about challenging the chiefs in terms of the military advice that they are giving you?

Rt Hon Michael Fallon MP: You are right; I have not served myself, but it is important that military advice is scrutinised. I have my own sources of advice and my own military assistant, and I am able to—

Q471 Derek Twigg: Will you describe to the Committee what advice you receive, for the record?

Rt Hon Michael Fallon MP: Yes. Like other Ministers, I have my own military assistant, who is a means by which I can seek other advice or advice across the services. In the end, though, as a Minister, you have to use your judgment and be ready to challenge advice from serving officers where necessary. That probably improves over time.

Q472 Derek Twigg: Have you actually rejected any military advice that you have been given during your time as Secretary of State?

Rt Hon Michael Fallon MP: Yes, I have.

Q473 Derek Twigg: Can you give us an example?

Rt Hon Michael Fallon MP: I am not sure that that would be fair on the advice I received. I get advice on a whole series of matters and one of my jobs is to either accept, query or reject it. It is also the function of the—

Q474 Derek Twigg: Was it more than once?

Rt Hon Michael Fallon MP: Yes. It is also the function of the Department to give you options right across the piece when it comes to decision making. You have to weigh the choice between them. You are not always talking about a single piece of advice; you are often given a range of options and one of your jobs as a politician is to weigh them.

Q475 Derek Twigg: It would be useful to have an example, but you say that you are not able to give us one.

Rt Hon Michael Fallon MP: It might be that Mr Watkins can.

Peter Watkins: I cannot give an example because it would not be appropriate, but perhaps I could go back to what was said earlier about the process. It is the responsibility of my part of the Department, working closely with Lieutenant General Gordon Messenger, with whom I have given evidence before, to work up detailed advice on policy and military options—for example, for the Iraq deployment mentioned by the Secretary of State. In so doing, we go through a rigorous process of internal challenge, so that by the time advice reaches the Secretary of State it has already been heavily discussed, challenged, scrutinised and so on. Then it goes to him, so it is a rigorous process that produces advice that goes to the Secretary of State.

Q476 Derek Twigg: Air Chief Marshal Peach, I would just like to ask you to comment on this. Part of the evidence that we have heard here and in previous reports of the Committee shows some concern that the military was reluctant, or concerned, about giving full and frank advice to Ministers and the Secretary of State. We have heard there were particular issues around Afghanistan and of course the carriers.

Do you feel that the chiefs and senior military are very confident that they are able to give advice openly and are able to challenge what Ministers might come up with as bad ideas or proposals, and disagree with them? Do you feel confident in your ability to disagree and challenge them in the Department?

Air Chief Marshal Sir Stuart Peach: As Peter has just described, there is a process by which advice is gathered, as the Chair suggested, from experts.

Q477 Derek Twigg: I understand that. I am asking about specific points about the confidence and ability.

Air Chief Marshal Sir Stuart Peach: Every ministerial submission is either cleared by the Chief of the Defence Staff or, in his absence, me.

Q478 Derek Twigg: That's the process. Do you feel that chiefs are confident that they are able to challenge and disagree with Ministers internally, and be full and frank with them on advice?

Air Chief Marshal Sir Stuart Peach: Yes, they are.

Q479 Derek Twigg: They are. Can you give us an example?

Air Chief Marshal Sir Stuart Peach: There will be discussions about the outcome of operations on a weekly basis, which take place on a Monday; that is reporting from operational theatres. There are then monthly meetings between the chiefs of staff—

Q480 Derek Twigg: With respect, that is the process. Can you give an example of where you disagreed or strongly argued against the view that Ministers might have taken?

Air Chief Marshal Sir Stuart Peach: Before a decision is reached, there will be consultation with the chiefs of staff about their own service demands. That can be a very robust discussion.

Q481 Derek Twigg: So there have been occasions when chiefs and senior military have disagreed with Ministers on certain aspects of key decisions or proposals. It might be military or about equipment and so on.

Air Chief Marshal Sir Stuart Peach: They have not necessarily disagreed on the final outcome, but in the process of reaching that outcome, there will be many robust discussions on operations on the best course of action to recommend.

Q482 Derek Twigg: You haven't got any examples for the Committee.

Air Chief Marshal Sir Stuart Peach: No.

Rt Hon Michael Fallon MP: Chairman, I just want the Committee to be clear about that. That is because I do not think it is fair on my advisers to give current examples of issues where there has been such robust discussion. Obviously, it is for the Committee to go back over previous decisions under previous Governments but I do not think we can be expected to give information.

Q483 Mrs Moon: Why not?

Rt Hon Michael Fallon MP: I do not think it is fair to expose officials or my military advisers.

Mrs Moon: We are not asking you to name names.

Rt Hon Michael Fallon MP: Yes, but I don't think it is fair to expose particular issues where robust discussions may have taken place and advice may have been agreed with or disagreed with. Because they have to feel absolutely free to tender the kind of advice that you would expect without the fear that it would be subsequently pored over within weeks by a parliamentary Committee.

Chair: Secretary of State, we will come back to that bigger issue. Colonel Bob is next but there are brief interventions from Gisela and John Woodcock.

Q484 John Woodcock: Secretary of State, when Baroness Neville-Jones talked to us yesterday she made clear that the Prime Minister's lack of capacity to think strategically was one of the challenges that the NSC had to overcome. When you talk about the changes, do you and your advisers see that the changes have been able to buttress his inability to think strategically?

Rt Hon Michael Fallon MP: I have never found the Prime Minister unable to think strategically.

Q485 John Woodcock: Those were not my words; they were those of Baroness Neville-Jones. She has had significantly more face time with him during her period than you have yet. Was she wrong?

Rt Hon Michael Fallon MP: I would have to see the exact wording that she used. I think you asked her whether the NSC did strategy well.

Q486 John Woodcock: I can help you on that. She said she was sure the Prime Minister wouldn't mind her saying that thinking strategically is not his best and that he is better on operational matters.

Rt Hon Michael Fallon MP: I don't accept that. I really would like to see exactly what she said.

John Woodcock: Do we have the transcript?

Rt Hon Michael Fallon MP: Perhaps we could see the transcript.

Q487 John Woodcock: Is that a fair paraphrase? *[Interruption.]* Was she wrong?

Rt Hon Michael Fallon MP: I have said I would like to see exactly what she said and what qualifications she put on her statement.

Q488 Chair: Just to come in behind John, what she was essentially arguing is that one of the functions of the NSC is to compensate for the strengths or weaknesses of an individual. She was saying—let's put it in hypothetical terms—that certain Prime Ministers have certain things they are better and worse at. One of the functions of a really good National Security Council, like any good institution, is to provide compensations for things that a manager may be less strong at. For example, if you were less good at finance, you might bring in more of a finance person. The idea she had seemed to be that the Prime Minister was stronger on operational issues than strategic issues, so she thought that the NSC could provide a good forum, if it were tightened up, for providing more of that strategic backing for the Prime Minister.

John Woodcock: You wanted an exact quote: "I hope the Prime Minister doesn't mind me saying that he is not particularly strategic. He thinks strategy is what we're going to do next, but he is better on operational matters."

Rt Hon Michael Fallon MP: I would like to see the full context. I don't agree that the Prime Minister doesn't take a strategic view of things; he absolutely does. I don't really see the very sharp distinction you are trying to draw between strategic and operational. It is for those non-political members of the NSC, obviously, to provide advice and help the politicians on the NSC when it comes to operational decisions.

Q489 John Woodcock: Okay, we will leave him aside and move on. You have talked about the NSC changing. Has it become more strategic? Has its capacity to be more strategic improved over time, that you can see?

Rt Hon Michael Fallon MP: I attended meetings of the NSC before I became Secretary of State, in substitution for either the Secretary of State for Business, Innovation and Skills or the Secretary of State for Energy, if they were unable to attend, but that was relatively few meetings. Confronted with a major piece of decision making—whether to go back, in the military sense, into Iraq, which was a real test of the machinery—I thought the NSC served me and others pretty well over the summer of 2014, and properly prepared the Cabinet for that eventual decision.

Q490 Ms Stuart: I want to follow up on that. Baroness Neville-Jones suggested that the British were genetically not terribly inclined to be strategic in their thinking. One of the problems that we have is trying to work out how the NSC works and whether it is really strategic. Your predecessor, in his last session of giving evidence to us, suggested that events in Ukraine and Crimea were not sufficient to make the United Kingdom change its strategic approach to Russia. Can you talk us through how the NSC has changed since then? Clearly, you no longer hold the view that Russia did not do anything in Ukraine that did not surprise us. So that we may understand, how do you arrive at decisions within the machinery?

Rt Hon Michael Fallon MP: I don't think I really want to respond to your first characterisation of the British as not particularly strategic, or less strategic than any other country—

Ms Stuart: I'm quoting—it's not my view.

Rt Hon Michael Fallon MP—such as Germany, for example. I am not sure we want to go down that particular route, but if you want me to comment on Russia, I am happy to do so.

Clearly, what has happened over the last 12 months has, I hope, changed all our views of Russia. We had hoped that Russia was going to be a proper partner—not simply commercially, but a proper partner in the international order, the way in which nation states deal and live with each other. That has certainly changed. We now see Russia, obviously, as a much more direct competitor, not simply in the economic area but in security as well. That obviously means we have to change our thinking about our relationship with Russia.

Q491 Ms Stuart: How are you doing it? Before, we wanted an answer on substance and we got process; now I actually want process, and I am getting substance. How are you arriving at what the UK national interest is in the light of the significant change in circumstances 12 months ago, and how is the National Security Council aiding you in this?

Rt Hon Michael Fallon MP: First of all, obviously, we have discussed what has happened in Crimea and Ukraine through the various bodies I have described—initially through COBR, then through the National Security Council and indeed in Cabinet. Of course, we discuss these things with our partners all the time. Tomorrow I shall be discussing it with my NATO ministerial counterparts at the NATO ministerial meeting in Brussels. There are plenty of avenues open to us to consider the change in policy that is necessitated by Russia's action.

Peter Watkins: I was with the now Foreign Secretary when he gave that evidence. The particular line of questioning, as you will recall, was whether what had happened up to that point in Crimea and Ukraine caused us to rethink Future Force 2020. The then Defence Secretary, now Foreign Secretary, argued that Future Force 2020 had been established precisely to give us a broad range of options to deal with uncertainty and so on, and therefore that we did not need to completely reopen it.

Q492 Bob Stewart: I understand you are going to the Wehrkunde in Munich, Secretary of State.

Rt Hon Michael Fallon MP: I am.

Bob Stewart: I always like the Wehrkunde. It is the best strategic conference in the world—Gisela is going, so perhaps that conversation can continue.

You have two of the best military strategists flanking you, Secretary of State, in Peter Watkins and the Air Chief Marshal, who is well known for his strategic thinking, which is a big bonus. Can I talk about the education of Ministers and senior officers on strategy? Sherard Cowper-Coles suggested that one Minister had no idea of the difference between a Tornado and a torpedo, and therefore anything put to him, he just did on the nod. Are Ministers given the chance to be briefed on how strategy works? I think that should be done when a Minister is appointed who is not strategically trained already. I am not referring to you, Secretary of State, but to the other five ministerial colleagues. I am not being rude, but just making a suggestion.

Rt Hon Michael Fallon MP: No, you are not being rude. I am not sure to which Minister Ambassador Cowper-Coles was referring.

Bob Stewart: It was a long time ago.

Rt Hon Michael Fallon MP: Possibly, and therefore before 2010—almost certainly before 2010.

It is a very fair point and, by the way, it applies to me as well as to the junior Ministers. Our initial days are completely filled with briefings from one thing to another in a sequence, throughout the early days of our appointment. I had to very quickly get up to speed with current operations—obviously, the preparations for the drawdown in Afghanistan, and a current crisis evolving in Libya, where we had to organise an evacuation—but also in other areas, particularly regarding the nuclear deterrent and the current state of our forces, on which you would expect the Secretary of State to be briefed. That happens with junior Ministers as well. They have to be briefed when they arrive, through a whole series of meetings, to get up to speed as quickly as possible.

Q493 Bob Stewart: May I direct my questions to your two colleagues? In Chris Elliott's book, which I am sure you have seen or read, he makes a very big point on senior officer strategic training in particular. He believes that, when you are promoted to two star rank—military or, presumably, civil service—you should be given some period where either you are made to write a thesis that involves strategy or you are made to attend some courses on it. His suggestion is that, actually, military officers are normally strategically trained well enough. Peter and Sir Stuart are experts on this. What are your thoughts on the training of our two star equivalents and above on strategy?

Rt Hon Michael Fallon MP: They are both keen to answer that question.

Air Chief Marshal Sir Stuart Peach: There is a generational shift at work. Thanks to the previous generation, who created the higher command and staff course—Field Marshal Bagnall in particular—I would single out that course as preparation for thinking and doing in the more senior roles.

Q494 Bob Stewart: But that was already instituted when Chris Elliott was making these points.

Air Chief Marshal Sir Stuart Peach: But the generational shift is that, now, 100% of the Chiefs of Staff have done the course—that is the shift. In addition, a number of officers have completed the Royal College of Defence Studies. I have done a master's degree in philosophy at the university of Cambridge, including international law, so there is now far more emphasis on training and education for selected officers beyond Staff College. Peter, of course, was the director general of the Defence Academy.

Bob Stewart: And RCDS.

Air Chief Marshal Sir Stuart Peach: He can take you through what that looks like from his perspective. From my perspective, the Chiefs of Staff are unanimous in taking that process further, developing our links with universities where and when appropriate, and developing our links with academics where and when appropriate. I highlight here the work of the Development, Concepts and Doctrine Centre, which is part of Joint Forces Command in terms of the management of the place but which reports to me, on behalf of the Chiefs of Staff, for output such as “Global Strategic Trends out to 2045,” which is widely regarded as one of the best products of its type in the world. The sorts of military officers who do this work tend to progress to the higher ranks. If he were here, Christopher would probably agree that we have addressed this issue. Of course, individual styles and individual experiences will vary, but 100% of the Chiefs of Staff have been through that advanced education process.

Q495 Bob Stewart: May I address the same sort of question to Peter with a slightly different emphasis? Can you explain how many two star equivalent civil servants attend the courses that Sir Stuart mentioned? Is that enough? Should there be more? The basic question remains.

Peter Watkins: I do not want to reopen the issue about whether the British can do strategy, because I do not agree that we can't do strategy.

Q496 Bob Stewart: Gisela, of course, is half-German, so she is big on Clausewitz.

Ms Stuart: I am completely German.

Bob Stewart: She is completely German, so she is being very naughty here.

Peter Watkins: You will find that we are big on Clausewitz, too. One of my challenges in my previous role as director general of the academy was to stop my students talking about Clausewitz the whole time.

In terms of preparing people to think strategically, I would not wait until they reach two star rank. This is something that we have to imbue in people from a much earlier stage. For example, there is a strategy section as part of the advanced command and staff course, which lieutenant colonel equivalents do. As the air chief marshal said, there is a strategy section as part of the higher command and staff course, which is generally done by colonels and brigadiers. Then there is the RCDS, which is for colonels and brigadiers also but for those going down a different career path; and it focuses entirely on strategic understanding and strategic thinking. Those courses were designed mainly for military officers, but there are opportunities for civil servants to do them. Normally, about half a dozen will do the advanced command and staff course. One or two, including from other Departments, will do the higher command and staff course, and so on. An increasing number of civil servants at two star level in the Ministry of Defence have done one or other of those courses.

But it is not just the military courses. My other hat is as head of policy profession for the Ministry of Defence, and I recently instituted a new course for more junior policy officials to develop their policy making and strategic thinking skills. That is something we focus on a lot. There has been a lot of change since some of the people who gave evidence to you earlier were current in the Ministry of Defence.

Air Chief Marshal Sir Stuart Peach: Let me make a quick additional point. The Chairman's first question to the Secretary of State was about lessons. One of the lessons that we have adopted and embraced through the leadership of the current Chief of the Defence Staff is creating the Pinnacle course, which is a one-week only course, but it attracts the highest quality speakers. Every year, the chiefs of staff carefully select three two stars from each service and civilian counterparts to get together for that week. Obviously, it is as good as the quality of input as well as the quality of the people we get together. It is aimed right at the top—the final step before people go into those senior appointments.

Q497 Bob Stewart: Maybe you should offer a place on that to the Secretary of State's Ministers, if they wish to attend. I am sure that you have thought of that. That is great. Thank you for that comment. Of course, I understood that a lot of civil servants go through military courses—I have been on them with them.

Have we currently got an opportunity for you, Peter, to commission work outside the Ministry of Defence for classified thinking that perhaps none of us here should know about? Do you commission classified thinking about the MOD's future outside the MOD, about which we are not allowed to know? The answer will be yes or no, if you can give such an answer.

Peter Watkins: As you know, the current Cabinet Secretary is very keen on what he calls open policy making. By that, he means that we should not rely just on our own information and perspectives, and that we should be more open to the views of others. The Ministry of Defence has relationships with a number of the think-tanks, and we can ask them to give us perspectives on different issues. Similarly, the Air Chief Marshal mentioned the Development, Concepts and Doctrines Centre and the particular publication that it produces, "Global Strategic Trends". That is

based on inputs from a very broad range of organisations, not all of which we acknowledge because they are prepared to give us thinking on the basis that it is done privately. We are drawing increasingly on outside sources of information and advice.

Q498 Bob Stewart: That was a much better answer than I was expecting. I was expecting a yes or no, and you gave me a yes.

Finally—and then I will shut up—do we have a grand strategy in the MOD? Do we have a grand strategic policy document in the MOD?

Rt Hon Michael Fallon MP: We start, of course, with the strategic defence and security review—that is the strategic direction for the Department. It was singularly lacking for several years. Indeed, as I recall, the review had not been done for 10 or 12 years. We carried it out in 2010 and I am very much looking forward to its update in the period immediately after the election.

Q499 Bob Stewart: And a lot of work is going on now for the next thing, regardless of who is in government?

Rt Hon Michael Fallon MP: We have not commenced the review yet—that is a matter for after the election. However, you would expect us of course to be thinking about these things, and we are starting to think hard about them. You would also expect us to be accumulating the evidence that we think should inform that review. In terms of thinking and collecting evidence, we are certainly preparing for the review, but we have not yet commenced it.

Q500 Mrs Moon: I want to ask you about Iraq. The recent horrific and barbaric murders have given rise to a huge emotional response and a desire to wipe off the face of the globe the people who carry out such killings. That is all the more reason why we have to think strategically and be careful in our thinking and our decisions, with a clear objective in mind. Who is responsible for the decision making in relation to our part of the operations in Iraq at the moment? Who is making those decisions?

Rt Hon Michael Fallon MP: The Government are making those decisions through the structures that I have described. We made the decision to move from humanitarian and political work to military operations in Iraq. Those operations are carried out by the MOD and the armed forces.

Q501 Mrs Moon: Operationally, who is responsible? Who carries it?

Rt Hon Michael Fallon MP: Operationally, the detailed conduct of the operation is obviously a matter for the commanders on the spot, but they are accountable to me. I take a weekly meeting on our deployments. I am also responsible, of course, for approving deliberate targets that the RAF are selecting in their daily and nightly operations. I have to retain overall responsibility for the UK involvement. You will understand that this is a coalition effort in Iraq, but for the UK involvement, ultimately, the responsibility goes back to myself and then to the National Security Council and the Cabinet.

Q502 Mrs Moon: Are you conscious of looking at the operational decisions and making sure that they are following our political aims and objectives? How do you ensure that that happens?

Rt Hon Michael Fallon MP: So far as the very specific operations are concerned, the surveillance and the air strikes follow rules of engagement that I have laid down. That is obviously one of the key ways in which I ensure that there is political control over the way the campaign is being waged. This is a coalition campaign, and that is obviously something we discuss regularly with other members of the coalition. We also discuss it with the Iraqi and Kurdish authorities in Baghdad and Erbil.

Peter Watkins: If I could just add to that, for all operations, there is what we call a Chief of the Defence Staff directive, which sets out the political objectives of that operation and the parameters in which it is to be carried out.

Air Chief Marshal Sir Stuart Peach: And we then deploy, as the Secretary of State suggests, an operational commander to the theatre, who will then enact those instructions in accordance with the rules of engagement that are set out.

Q503 Mrs Moon: How do you direct policy and ensure that the British policy within a coalition led by the US—a powerful member of the coalition—remains following British priorities and political direction rather than American priorities and direction?

Rt Hon Michael Fallon MP: It is an important question. We have the same issue as any other member of the coalition. We are all operating under slightly different policy constraints and, indeed, slightly different legal frameworks. That has to be respected. If you go to the various command headquarters in Kuwait, Qatar or Baghdad, you will see how the different nations fit in to the overall coalition effort. It is very important that, obviously, our rules of engagement are respected, and that our operations are conducted in accordance with our own legal frameworks and with our policy direction. We have policy and legal advisers forward in the Gulf to make sure that commanders on the spot can have instant access if they want to check whether or not the policy or the legal framework allows them to do what they are being asked to do, or invited to do, or would want to do.

Q504 Mrs Moon: How often do you do that strategic direction, and what processes do you have in place, so that, operationally, you are still going in the right direction? What if the operation is not working or what if the strategy needs reviewing? How do you monitor that, how do you review it, and how do you keep it current, given the changes as a war proceeds?

Rt Hon Michael Fallon MP: A deployment like this in Iraq—a particular operation—is one of the operations reported to me every week at the weekly meeting we have referred to. Obviously, I see papers assessing the progress of the campaign in that respect and we are able to look at it from the Ministry's point of view. Every so often, of course, there may be issues that go to the National Security Council. There may be requests from the Iraqi or Kurdish authorities for us to do things—supply equipment or carry out operations—that were not

originally envisaged, as you say, as the campaign matures. If that requires a change to the policy or to the legal framework, obviously that is what we would look at.

It is worth reminding the Committee that everything we do in Iraq is with the agreement, or at the invitation, of the Iraqi authorities. That applies to the United States as much as to us, and to every other member of the coalition.

Q505 Mrs Moon: I understand the importance of maintaining that ongoing discussion with the Iraqi authorities, but ultimately, it is Britain's strategic view that is important: what is in the best interest of Britain and our strategic view of the world and how we operate. How do you ensure that we keep the focus on that and do not get dragged into making operational tactical decisions that make it easy to get a sense of drift about the overall policy? How are you carrying out that review, and how are you constantly checking that the strategy we are following is the correct one?

Rt Hon Michael Fallon MP: The strategy is to ensure that ISIL is degraded and defeated, and to assist the legitimate Government of Iraq and the authorities in the Kurdish area to halt the advance of ISIL and ensure that it is driven from Iraq. That is the overall strategy. For the United Kingdom, of course, it is designed to lessen the very direct threat to us here.

We look at progress on that front. I visit Baghdad, and as I said, we have weekly meetings to assess the state of the operation. I review progress, and there has been progress. There is no doubt that ISIL's advance has been halted, and in some areas, just to the west and north of Baghdad and just along the front line with the Kurdish forces, there is some evidence now that ISIL is beginning to suffer reverses. Obviously, that is something we can measure, and I can measure it not least in seeing where the strikes fall that I am being asked to authorise. We can see, I think, some significant progress westward, which is important.

Air Chief Marshal Sir Stuart Peach: In terms of compliance, Peter mentioned the Chief of the Defence Staff directive, which is the order. Then the control function is carried out by the Chief of Joint Operations from Northwood. Then we have deployed commanders in theatre who make sure that every mission is compliant with that directive and those orders. It is a tight process which is conducted entirely in accordance with international law and the rules of engagement set by the Secretary of State.

Q506 Mrs Moon: So what is the impact on that tight process when a Prime Minister decides, "Oh, well, we won't send any troops on the ground to do training during the run-up to an election, because it would be pretty devastating if anything happened during that time period"? What is the impact of such a sudden decision?

Rt Hon Michael Fallon MP: Let me answer that, because we have troops on the ground doing training; I think, in fact, that the Committee has visited and probably seen some of the training going on. The coalition has now been asked by the Iraqi authorities to consider, on a much broader front, how we might better train as well as re-equip, the Iraqi army and the Kurdish forces.

Four centres are now being proposed for that training, called the Building Partner Capacity centres. Those centres are now crystallising as the main training effort, and we have been looking very hard at where we might put in that effort and what expertise we might offer. Publicly, I have said that one of the obvious areas of expertise—it has been holding up the advance of the Iraqi army in particular north of Baghdad and west into the Anbar region—is counter-IED, in which we have considerable expertise from Afghanistan, which we could offer those Building Partner Capacity centres. But they are not up and running yet, and we are still finalising our contribution to them.

Q507 Mrs Moon: So the information that we were given when we visited—that those training operations were expected to begin virtually immediately—was wrong, and the Prime Minister hasn't delayed the start of them?

Rt Hon Michael Fallon MP: No, these four centres had been discussed all autumn and up until now. They are not up and running immediately. We continue to discuss them within the coalition. We can offer expertise and we will be offering equipment, but we have not yet taken final decisions on exactly what our contribution will be.

Q508 Mrs Moon: Was that final decision made by the Prime Minister to delay sending personnel to provide the training during the time of the run-up to the election?

Rt Hon Michael Fallon MP: The issue is not the election, but getting the four Building Partner Capacity Centres and their locations agreed, and getting agreement within the coalition—there are a large number of countries involved—as to who is going to do what where, and where the centres are best and most safely located. They are not up and running yet and we have plenty of time to make a contribution to them.

Q509 Mrs Moon: Secretary of State, I understand that they are not running. I am asking: has a decision been made to delay sending personnel because of the impending election? Yes or no?

Rt Hon Michael Fallon MP: The impending election is not the issue. The issue is getting agreement as to where the centres should be and working out with our partners who is going to send trainers to each of them, and what the various expertise is. For example, it was originally thought that we might offer counter-IED training at one of the four centres and then expect the Iraqi and Kurdish forces to take people out of theatre and rotate them through the centres so that they would pick up counter-IED training in one centre, and a different kind of training in another and so on. What is now emerging is that that is unrealistic; you probably have to offer training across the board at all four centres. Those decisions are not yet finalised.

Q510 Mrs Moon: God help us if we can't even make that sort of decision in the time scale we are talking about.

Rt Hon Michael Fallon MP: Let me be clear: all of this has to be with the agreement of the Iraqi authorities. They do not want combat boots on the ground.

The Abadi Government have been very clear about that. All this training capacity has to be negotiated with them as well as with other members of the coalition.

Q511 Chair: On the record, I do not think that Madeleine was suggesting combat boots on the ground. Our understanding was very clear that the Spanish, Italian and Australian Governments made clearer and more rapid commitments for specific troop numbers to training than the UK Government has so far done. That may well be because you are not sure about where the training will take place, but it is quite clear that there is a difference in what Australia, Spain and Italy have done from what the UK Government have so far done in terms of clear commitments on numbers. I will leave it at that.

Rt Hon Michael Fallon MP: Let me answer that. Some of these countries that are now making, if you like, more rapid policy commitments to the training centres—they have not deployed yet—are countries that are not already making a contribution to the war that we are, through the number of sorties and strikes that we are flying. We are already probably taking the second largest burden of this war.

Q512 Chair: Secretary of State, our question was not about air strikes. You are essentially moving the goalposts. You are saying, in response to our question about the request that was very clear when we saw the Iraqi Ministry of Defence and when we were in Baghdad in December, which was for a specific number of UK trainers for counter-IED training. Your response to that is that although Spain, Italy and Australia have made the policy commitment to those deployments, they are not contributing in the field of air strikes. That is not exactly relevant to what Madeleine Moon was pushing on, which was the question of the commitment of trainers.

Unless we are completely wrong, there appears to have been an issue here. When we were in Baghdad in December, there was a great deal of confidence from the US command and from the Iraqi Ministry of Defence that the UK Government would be deploying those troops. You then made a statement in the House of Commons which appeared to reflect what we had seen in Baghdad the previous week, which is that you were anticipating deployment of those troops; and then some kind of decision took place, which we can only speculate happened at No. 10, that appears to have delayed the decision to make a policy announcement on the number of troops that will be deployed outside the Kurdish areas. If we have got that completely wrong, say so, but that is broadly speaking our understanding of the situation. The question of air strikes seems to me to be marginal to that.

Rt Hon Michael Fallon MP: I don't think the air strikes have been marginal. That has been our biggest contribution to the campaign. But the position is—I set this out to the House because there was a question on this, I think, as you said, in December—we have not taken final decisions on the exact scale and nature of our contribution to the four Building Partner Capacity Centres. We have not taken those final decisions yet.

Q513 Mr Gray: May I offer you a little hypothetical case study that you might like to comment on, bearing in mind that we are talking about decision-making processes? We also visited on that trip the very modest military advice and assistance that we are

giving to the Hashemite Kingdom of the Jordan—very small at the moment. Within the last 24 hours, of course, things in the Jordan have become very fragile, very worrying. Let us imagine that Her Majesty's Government were to consider offering not boots on the ground, but more training or more military assistance or advice, to the Jordan in the coming weeks. By what mechanism would that decision be taken?

Rt Hon Michael Fallon MP: It would be taken primarily through the National Security Council. We are already considering—I don't think it is any secret—training members of the moderate Syrian army outside Syria, in locations exactly like Jordan. Jordan is one of the sites that is being considered for a training effort of that kind, which the United States is now soliciting contributions for.

Q514 Mr Gray: So it would be an NSC decision?

Rt Hon Michael Fallon MP: Yes, it would be an NSC decision.

Q515 Mr Gray: Advised by the MOD?

Rt Hon Michael Fallon MP: Advised by the MOD, but by other agencies and so on.

Q516 Richard Benyon: One of the criticisms that Ministers across the Government have made—one of the things they have pointed out in the difficulty of making decisions—is the churn of civil servants. I know that also applies to military personnel. I will give you an example. In Iraq there is a captain in the Royal Marines who has developed high skills in Arabic and is embedded with the Iraqi command there. If he wants to get on in his career, he will need to command a rifle company and could well be sitting in a snow hole in Norway or stacking blankets on the south coast. That is the system that we have.

Other countries are much better at streaming military personnel and civil servants to have particular expertise. You have described a very good scenario relating to higher ranks, but further through the pipe, what can be done to skill up people with this individual's understanding of Iraq and the system of government there? It would be absolutely vital to Ministers making decisions as he moves up through the command structure. What can we do to be like other countries, and to give specialists like that a career path that is much more stable and would reward him for what he has done?

Air Chief Marshal Sir Stuart Peach: I can't comment on that individual captain, I am afraid, but what I can tell you is that there is a defence engagement strategy, which is a joint strategy between the Ministry of Defence and the Foreign Office. That is a good approach to exactly what you suggest, and our intention is entirely to do what your question implies, which is to have a more structured approach to language training, to have a deeper approach to cultural knowledge and specialisation. We have set up two units to do that, under Peter Watkins's leadership, at the Defence Academy. We have completely restructured the Defence School of Languages.

I think many members of the Committee will know that it has been a long quest on my part, in a variety of functions, to do this, and we need to take this more seriously and recognise and reward the individuals who are involved in defence

engagement, precisely, as you suggest, so that in future they have a more structured career, where they will end up progressing in career terms rather than going backwards, and will end up—in future years, hopefully the Committee will meet some of them—as defence attachés and in other roles around the world. We really are very serious about this. The Chiefs of Staff have discussed this issue a number of times and we have policies and plans in place to deliver it. It is, of course, unfortunate if an individual is slightly stuck in the old system, and I am happy to look into the individual case.

Q517 Richard Benyon: It was an accurate but more hypothetical case. Thank you for that reply.

May I now talk about the Type 26 programme? Learning from the difficulties with the carrier programme, are we confident that the Type 26 programme will avoid such difficulties?

Rt Hon Michael Fallon MP: I hope so. One of the main difficulties with the carrier programme was the overall mess that the defence budget was in. We ended up with a position where it wasn't possible to commit immediately to taking the second carrier into the Navy. I am very glad that we have restored the budget position to the point where the Prime Minister was able to announce that commitment in the autumn. There are always lessons to be learned from these projects, and we have been doing that through the assessment phase on the Type 26. We hope shortly to move to the demonstration phase, but that involves getting final clarity on the design and cost of the ship and the way in which it is going to be constructed. We are not quite there yet.

Q518 Richard Benyon: Can you give us an indication of how the dynamic around such a decision takes place? Suppose that, up through the Navy chain of command up to the Navy Board, concerns are raised about the capabilities of this particular vessel and that the changing nature of risk and naval warfare might require a change in design. The First Sea Lord will come to you and say, "We think we have a problem with this programme." Does he get his way? What is the relationship—I don't mean the human relationship—or dynamic between different forces at the top of the MOD in trying to take the right decision on procurement?

Rt Hon Michael Fallon MP: You are right to put your finger on the general issue, which is that these procurement programmes run over such a long period of time that, very often, the commands who want a particular piece of kit find that their needs change as the situation evolves and that they want to add further or better weapons systems, and so on. It is for the Navy command to crystallise exactly what its requirement is and to take that particular case to the investment committee. The investment committee then has to agree anything that comes forward. It is then up to DE&S to negotiate the best possible contract with the builders—in this case BAES—from the taxpayer's point of view. The Air Chief Marshal can describe how the investment committee works and how a requirement from the Navy feeds through it.

Air Chief Marshal Sir Stuart Peach: In this case, the naval requirement will come to the investment approvals committee early. We have established an oversight

committee involving all the services to make sure that there is transparency in the system and to understand the requirement. That is an iterative process—again, I used the word “robust” earlier—to make sure that we understand what that requirement is. There is then an assessment phase, as the Secretary of State has indicated, at which the boundaries will be set by the investment approvals process. We are now nearly at the end of that phase. There is then a decision called “main gate,” which still lies in the future for this programme, and is the commitment to production. The process does sound staged. It is, and there are very good reasons for that. Many other countries have looked at this process as a favourable way in which major projects can be constructed. The final thought I would offer you is that there is a place for changing threat requirements and changing needs so that we don’t fix too early.

Q519 Richard Benyon: Do you think it has the ability to have coherence through a programme—the Secretary of State was talking in terms of changing requirements—so that we are not in one rigid framework and that there is an ability to take flexible decisions? The life expectancy of this vessel is 20 years, or something.

Air Chief Marshal Sir Stuart Peach: The assessment phase is the place for that and for trying to future-proof the design. Of course, it will always cost you more money if you try to change a design after you have let the production contract, so we try not to do that. To address the heart of your question, that analysis is conducted during the assessment phase and it is iterative between all the various people who have the expertise, in this case the Royal Navy, as well as all the weapons and sensors that the ship will also require through life.

The final thought that I would offer you is that we increasingly have to think about how a hull, in this case—or a platform in the case of an air force or the Army—can evolve through time, so that we are not stuck with a particular type of weapons system for ever. We are actively looking at that. One of the most exciting innovations likely to happen in future is a much more modular construction, allowing through-life spiral development.

Rt Hon Michael Fallon MP: This is probably the biggest single programme that remains to be decided after the decisions that we have taken on the offshore patrol vessels and the Scout armoured vehicle. The contract is huge, as you know, involving a large number of ships and we absolutely have to get it right. That is why we have to marry the capability that the Royal Navy needs with the cost to the taxpayer and the kind of adaptable design that will accommodate future changes. We are getting close to that point now.

Q520 Mr Havard: May I take you back to the NSC? I was going to ask you certain questions about the NSC, but a lot of my colleagues have already gone over some of the ground with you and you have given your general thoughts about it.

The NSC started off in a particular time—we had troops in Afghanistan and so on. Some people have said that it is still too tactical a body, that it does not look strategically enough and that it effectively started off almost as a war Cabinet. We are no longer engaged in Afghanistan so the thing is changing and developing. How does it relate to Cabinet government? How is decision making changed by having the

NSC? Does it change how you make decisions within the MOD? Does it have a deleterious or beneficial effect? Not all Cabinet members are there. The Prime Minister is the Chair and it is technically a sub-committee of the Cabinet, but how does it all work out?

Rt Hon Michael Fallon MP: First, as far as the MOD is concerned, it gives us that structure. It meets almost every week; the Chief of the Defence Staff and I attend and the NSC will take a particular topic or part of the world and focus on it. That is prepared at official levels—the official-level meeting that precedes it, in which we also participate. It is of enormous help to us, because it sets a structure for a strategic consideration of various parts of the world or various threats or challenges that we face.

How does the NSC relate to the rest of Cabinet? That is a good question because not all members of Cabinet are on it. It includes only some of the most directly affected members; the list is public. When it came to Iraq, although a lot of the meeting had been held in the NSC, the final decision then moved across to Cabinet. It would be open, I think, to any Cabinet member to ask for a particular item to be moved across and put on the agenda if it was coming to that kind of decision point. Fairly obviously, if you were going to commit to military operations you would want to be sure that the whole Cabinet was involved.

Q521 Mr Havard: One of the concerns is that generally in the UK we seem to be drifting towards more of a presidential Prime Ministership—for whatever reason, not to do with any particular Government. More and more seems to be vested in No. 10. If the Prime Minister is not the Chair of something, other parts of Cabinet government are drifting as a consequence so things are going to collapse into the NSC and it becomes a substitute rather than reinforcing the traditional Cabinet government process. Is that what is happening?

Rt Hon Michael Fallon MP: No; I think it is the reverse of that. One of the criticisms before 2010 is that there were not properly minuted decision-making structures and we had what was labelled “sofa government” under a Mr Blair and a Mr Brown. We had sofa government, which was not being properly recorded or prepared and was all very loose and haphazard. It is the weekly meeting of the NSC that has brought real structure to decision making. It is chaired by the Prime Minister, and I think that is right. As I said, the decision to recommit militarily to Iraq was a good example of how the final decision moved over to Cabinet itself.

Q522 Mr Havard: Can I take an example then? We took evidence from the chiefs on 5 November and they were very clear with us that for Future Force 2020 one of the things they have at the moment is a commitment about flat real plus 1%. We were saying, “Well, what happens if we fall between 2% of GDP because of NATO? What happens if this doesn’t come about?” And they said, “Well, this is adequate for the task at the moment, but clearly if it was to be different, then we would have to readjust.”

This Committee, as you know, has said for years that the Ministry of Defence should have 10-year planning horizons, so we are not unsupportive of the MOD in that respect, but how does this draw itself into the NSC? For example, is there room for all

the other Government Departments that are part of the process to understand, through a decision about strategy, why it is strategically so important that those processes are maintained? It is not just a domestic argument for the MOD? So, how does something like that play into the general strategic discussion?

Rt Hon Michael Fallon MP: First, we take a 10-year view, both in our budget cycle and our equipment planning. We are able to take a much longer view now and that is because we have got the defence budget under control. We have balanced the defence budget, so we are empowered by the Treasury to take that much longer-term view on the equipment side and the way we manage recurrent expenditure.

As for the wider strategic view, which I think you are concerned about, of course that is in the five-yearly strategic defence and security review, and that review will be repeated this summer alongside the spending review that will set the spending framework for the next three to four years. So it is possible for us to take a view of both strategy and expenditure. Strategy that is not affordable simply cannot be delivered, so it is right that these things are looked at together, and it is the conjunction of the two reviews that will enable us to look at them together.

Q523 Mr Havard: What I am driving at is this. One of the things that has been said to us is that inevitably you are just having an hour's meeting—okay, it is once a week and it gives this rigour that you described, which helps to concentrate minds—but there is no time to go away and think more strategically and have a more general discussion. Are you going to have NSC away days, so that people get out of the trenches and, instead of being consumed by their own ministerial position, begin to understand other people's ministerial positions, so you have a broader strategic understanding right across Government of why certain things that might look like a domestic argument are not a domestic argument?

Rt Hon Michael Fallon MP: Yes, we are going to do that. That is precisely the point of the five-yearly review that will start after the election, because that will enable us to take a much broader view. It will not simply be from my Ministry but from the Home Office, which is defending the homeland, and from the Cabinet Office and the other agencies, and we will be able to look right across the piece at what conclusions from the 2010 review are still valid, and where our strategic thinking needs to be updated to reflect some of the newer threats. So it will not be done by the weekly meeting of the NSC; this is a much broader piece of work in which a large part of Whitehall will be engaged, and will run for several months. How many months was it last time? Can you recall?

Peter Watkins: The last time it was about six months.

Q524 Mr Havard: Final question—do you think, therefore, that the NSC is adequately resourced to do all this sort of activity?

Rt Hon Michael Fallon MP: At the moment, yes, absolutely. But the NSC will not be the body primarily driving the strategic review. That will be led by the Cabinet Office and a lot of other Departments will be inputting into it. So, it will not simply depend on the existing NSC machinery.

Q525 Sir Bob Russell: Secretary of State, Colonel Bob Stewart and I have just come back from the Falkland islands, which we visited on behalf of the Defence Committee, and we will make a report to our colleagues in due course. I can tell you that the morale of the military and the civilian support teams was very, very high, but frankly, a fair amount of the infrastructure is somewhat tired and needs improvement. I mention that as a lead-in, because, of course, the Falklands war of 1982 was a catastrophic failure of Government policy of the day. As we are looking at decision making in defence policy, I think we need to look back on what happened, look at the present, and look at the future.

In answer to a question from Derek Twigg, you said that the state of readiness is updated on a monthly basis. Does that include places like the Falkland Islands?

Rt Hon Michael Fallon MP: The straight answer to that is, “Absolutely, yes it does.” It reflects the units we have deployed in the Falklands—the RAF, the Army and the naval deployment. Let me say that I am very grateful to you for visiting the Falklands. That was enormously important for our forces there, and I really look forward to seeing your report if that is made available to us, because I would like to pick up on the points you make about the infrastructure there.

So far as learning the lessons of the Falklands conflict goes, we had the Franks report, which was done remarkably quickly after the end of the war—I think it was done within a year.

Peter Watkins: Well within a year.

Rt Hon Michael Fallon MP: It was done well within a year of the conclusion of the conflict, which perhaps would remind people how quickly these things can be done.

Q526 Sir Bob Russell: Secretary of State, are you giving me a categorical assurance that there is no complacency by the United Kingdom over the future of the Falkland Islands?

Rt Hon Michael Fallon MP: I can give you that assurance. On the contrary, it is something we are constantly focused on and worry about, because we see the threats repeated by the Government of Argentina. It is something we rightly keep under consideration. The state of readiness of our forces there is absolutely something that is reported to us. I am very happy to look at the points you make about infrastructure.

Q527 Sir Bob Russell: I am grateful for that because it would appear across Government that there perhaps is not a unified approach. The rhetoric of Argentina is being hyped up ahead of their presidential election, yet we in this country missed an opportunity on 23 January—less than a fortnight ago—to commemorate the 250th anniversary of when the British flag was first hoisted on the Falkland Islands. That should have been commemorated, because it would have been a very dramatic point to the world that British interest in the Falkland Islands pre-dates the establishment of the country called Argentina.

Peter Watkins: If I may comment—not on that specifically—we in fact work extremely closely with other Government Departments on the Falklands, particularly with the Foreign Office. You referred to the events of 1982. It is not only the Ministry of Defence that has learned the lessons from that. We work with them very closely. We work very closely to make sure that our public and political profile in the South Atlantic is the right profile to maintain the support of other countries in the region. This is not just a matter simply between Argentina and the United Kingdom. There are other countries in the area, so we calibrate these things extremely carefully.

Q528 Sir Bob Russell: Chairman, I have put that on the record, because even Mr Speaker failed to acknowledge that anniversary in his long list of anniversaries he gave to the House only two weeks ago.

I will finish on this last question, which I hope is theoretical. If the Falklands were attacked next month, would the National Security Council be the central decision-making body handling the crisis?

Rt Hon Michael Fallon MP: Yes. I imagine the COBR would be the first to be summoned as a crisis developed, but then, yes, the normal machinery would come into play—the National Security Council and then the Cabinet.

Q529 Dr Lewis: I would like to follow on directly from Sir Bob’s question about the centrality of the NSC to the decision-making process. Secretary of State, I hope you will not mind, but as most of these questions are going to be procedural, I am going to be looking a little bit to your colleagues for some of the answers, but in general terms, to you first, if I may, would it be fair to say that the burden of your evidence has been that in answer to the question, “Where is the United Kingdom’s main forum for debate about strategy, for decision making about strategy, and retrospectively for accountability for the decisions made about strategy?” your answer would be the National Security Council?

Rt Hon Michael Fallon MP: Certainly, it is the main forum for formulating strategy. Obviously, accountability lies with Cabinet as a whole, and with myself very specifically as the Secretary of State, but yes, it is the main forum for developing and assessing strategy.

Q530 Dr Lewis: I want to build on some of the progress that was made in yesterday’s session with General Richards and Baroness Neville-Jones. Both of them seemed to agree that as the NSC is still a developing organisation, there are some deficiencies, particularly in relation to the strength of the supporting secretariat. I wonder whether you or your colleagues could tell us what plans there are to strengthen the supporting secretariat of the NSC.

Rt Hon Michael Fallon MP: I will ask my colleagues to come in on that, but there has been, I think, one review of the effectiveness of the NSC, which was carried out by the National Security Adviser in the light of the Libyan conflict, which I believe indicated overall that the NSC framework had worked well. Let me ask my colleagues to comment specifically on resourcing.

Peter Watkins: In looking at the resourcing, one should not look just at the people in No. 70 Whitehall—the secretariat, narrowly. They pull together papers for the National Security Council, but they do so with the active support of Departments. There is a process by which they bring those together, and we contribute facts, arguments and so on. The Secretary of State has mentioned the National Security Council (Officials) meeting. That meets one week before each National Security Council. We go through those papers in detail; we make sure that they cover all the arguments, facts and so on; and sometimes, as a result of those discussions, we ask for them to be reconfigured for the meeting itself.

Q531 Dr Lewis: Before you continue, can I just check on that point? We have had quite a bewildering array of committees and sub-committees mentioned to us. When you say that the officials meet before the meetings of the NSC itself, which we have been led to understand occur on a more or less weekly basis, that means that there is also, on a more or less weekly basis, a meeting with the relevant officials. Is that the NSC(O) meeting?

Peter Watkins: Correct. As I said, that is the group that reviews the work that has been done and prepares it for the meeting of the NSC. The staff in the National Security Council secretariat synthesise all the material, but you should not have the impression that they do all of it themselves. My staff, for example, along with the staff of my colleagues in DFID or the Foreign Office, are heavily engaged in pulling together that material, analysing it and preparing it. The support structure is broader than it might seem if you just looked through the window of No. 70 Whitehall.

Air Chief Marshal Sir Stuart Peach: That includes military advice.

Q532 Dr Lewis: That takes me on perfectly—thank you—to my next query. When it was put to Baroness Neville-Jones and General Lord Richards whether they thought that it would enhance the strength of the support for the NSC if it were to have a military sub-committee serving it, they both emphatically said yes. Is that a view that gets any sympathy from the three of you?

Air Chief Marshal Sir Stuart Peach: My view is that that is taking place through the National Security Council officials group process as it has evolved. If CDS is away, I would represent the military advice part of that NSC(O) process. If necessary, I can call on, and would call on, specialist advice from single services and/or thematic experts in the Ministry of Defence. This would be an iterative process ahead of each National Security Council.

Q533 Dr Lewis: Just tell us for the record who attends the NSC(O) meeting.

Air Chief Marshal Sir Stuart Peach: If CDS is in the country and is available, CDS would attend.

Q534 Dr Lewis: Yes, but who else? Who are the officials?

Air Chief Marshal Sir Stuart Peach: If CDS is away, I am his deputy, so I would attend. If we needed expertise, the next logical official would be Lieutenant

General Gordon Messenger, who has given evidence to the Committee before and who is the Deputy Chief of the Defence Staff for military strategy and operations.

Q535 Dr Lewis: Let's assume the CDS is in the country. Who are the other people in the room with him?

Air Chief Marshal Sir Stuart Peach: The other people in the room will be the national security adviser, who chairs the NSC(O), and the permanent secretaries of the Departments represented in the NSC.

Q536 Dr Lewis: This leads me on to a question of specialisms. From looking at your CV, Mr Watkins, you have been immersed in defence and security work continuously since 1980, but that is not necessarily true of other senior officials: for example, the permanent under-secretary is not someone with a particular defence background, is he?

Peter Watkins: I am lucky—or unlucky, depending on your point of view—to have been ploughing this furrow for a very long time, but I think it goes back to what the Chairman said earlier. In terms of the senior official team of the Ministry of Defence, it is right that we have a spread of people with a spread of backgrounds. If we were all old MOD bureaucratic warriors, probably we would not be best placed to put the right advice and so on to the Secretary of State. We have among the senior officials people with a broad background, and we have people with particular strengths and not so great strengths. I would not claim any great proficiency in financial planning, for example, whereas it is very much Jon Thompson's strength.

Q537 Dr Lewis: I detect under that that I am correct that the person at the top of the MOD is someone with little or no background in defence or strategic issues of that sort.

Peter Watkins: I don't think that's entirely correct. Jon has been a senior official in the Ministry of Defence since 2009, so he has been there through a period of considerable change and development. I think he has developed considerable expertise in defence.

Q538 Dr Lewis: What I am trying to get at is that if policy—I am talking about strategic military policy—must emerge from a balance between the input of civil servants and of the military, with ultimate responsibility lying with politicians, we seem to have a bit of a trend that some of the top civil servants are not military specialists. There is a movement towards saying—it has been said explicitly in the course of this inquiry—that the people who head the services are now looking on their management of the particular services that they head from the perspective of a chief executive officer rather than a military strategist. I am beginning to wonder where the military strategic input into the considerations of the NSC, this central body, comes from, other than from a key single individual: the Chief of the Defence Staff, substituted for by another key single individual when he is out of the country.

Rt Hon Michael Fallon MP: That is an important point. As I said at the very beginning, the primary role of the service chiefs is to run their services, but the

Chief of the Defence Staff, or the Vice-chief, in attending the NSC, will of course rely not just on advice from the service chiefs but on the regular meetings that CDS and the Vice-chief hold with the various service chiefs, so that their views, expertise and advice are incorporated in the advice that CDS then gives the NSC and myself.

Q539 Dr Lewis: When General Lord Richards spoke to us yesterday, he explained that he had approached this problem by setting up something that was known colloquially as the super-chiefs, which was basically the heads of the three armed forces plus those of the security and intelligence agencies, and if I remember correctly, it was chaired by the CDS. They, like the NSCO—the officials—would meet on a regular basis prior to the NSC meetings, so that the military advice given to the NSC could be of the highest quality. Do you see some merit in what he used to do, and can you tell me whether it is done to any extent?

Rt Hon Michael Fallon MP: You have described the system to me far better than I described it to you. That is the system. It does not directly tally with the weekly meetings of the NSC. It is a little less regular than that—probably fortnightly. As the Vice-chief is actually on that body, perhaps he can tell us how it works.

Air Chief Marshal Sir Stuart Peach: The service chiefs get together many times per month in a variety of formats, so there is very frequent interaction. The interaction is even more frequent on single-service issues to ensure that the Secretary of State receives balanced advice. The process of the National Security Council officials group has really evolved since the super-chiefs—the phrase you used—was mentioned. That role is now more or less undertaken by the NSC(O). By more or less, I mean that there is, in addition, a process by which the service chiefs meet with other Government Departments, which fulfils that function as well. Obviously, there are similar processes for our links with the intelligence agencies.

Q540 Dr Lewis: This would tally completely with what I am talking about, except for one thing. I think I am right in saying that the Chiefs of Staff Committee—i.e. the three service chiefs themselves, plus some others—do not themselves sit on the NSC(O), do they?

Air Chief Marshal Sir Stuart Peach: No.

Q541 Dr Lewis: So that is the difference. There is not a direct link between the Chiefs of Staff Committee and the NSC, in the way that there is between the NSC(O) and the NSC.

Air Chief Marshal Sir Stuart Peach: There is nothing to stop the single-service chiefs going in support of an NSC(O) discussion, if that were necessary and appropriate.

Q542 Dr Lewis: Yes, but I am sure you see the thrust of my questioning. That would be worth doing on an ad hoc basis, but what I am trying to get at, which seemed to get a positive reaction yesterday from two people separately interviewed with experience of this, is that it would make sense to have a more organisational link between the

chiefs of staff and the NSC, which would strengthen the NSC's authority and improve the firmness of the military advice given to it through the CDS.

Peter Watkins: If I may, Dr Lewis, this goes back to what the Defence Secretary said right at the beginning about the respective roles and responsibilities of the Chief of the Defence Staff and the single-service chiefs. The single-service chiefs are now—this is something that came out of the Levene report—primarily responsible for running their services. They are not responsible for giving strategic advice. Therefore, the link between the chiefs as a group and the NSC, through the NSC(O), is the Chief of the Defence Staff.

Q543 Dr Lewis: Let me come in on that, then I will draw it to a close. The top strategic adviser is the CDS.

Peter Watkins: Correct.

Q544 Dr Lewis: The route to becoming CDS is usually to be a chief of staff or a vice chief of staff, although I know that there are some other routes. It is strange situation, and somewhat of a diversion of talent, that if somebody rises to the top of the Royal Navy, the Army or the Royal Air Force, they are then excluded from the systematic, strategic consideration of how those forces may need to be employed. Then, if he—or, perhaps, one day, she—is fortunate enough to become Chief of the Defence Staff, he is then suddenly catapulted back to being the kingpin on giving strategic advice. Would it not make more sense, instead of having the Chiefs of Staff out on a limb, and possibly even disagreeing with the strategy that their services are being employed to implement, to bring them into the process and constitute them as part of the NSC structure?

Rt Hon Michael Fallon MP: No, I don't think so. I think that would undermine the whole purpose of having a Chief of the Defence Staff who can take an overall view, a strategic view, of the services' input, their capabilities and what they can offer. It is important that that is done across the four commands, which is why the CDS was set up in the first place.

Q545 Dr Lewis: With respect, I do not think it was set up to replace the views of the Chiefs of Staff, but to incorporate them.

Rt Hon Michael Fallon MP: Well that is what the CDS does when he attends and speaks at the NSC.

Q546 Dr Lewis: But if the Chiefs are cut off from having a strategic input, the CDS is not incorporating their views.

Rt Hon Michael Fallon MP: With respect, Dr Lewis, they are not cut off. They meet with the CDS on a fortnightly basis and their views are fully represented. And it is not as if they are cut off from me. I see them regularly.

Q547 Dr Lewis: But they are not discussing strategy. That has been taken away from them.

Rt Hon Michael Fallon MP: They are able to input to strategy when they meet on a fortnightly basis with the Chief of the Defence Staff, and he represents them and their views when he attends the National Security Council. He is able then to look at things across the piece, across the four commands.

Q548 Chair: Thank you very much. Just a final wrap-up, and thank you for your time. It is only fair to give you a sense of where it seems that the direction of the report is going. Perhaps you can push back on the overall thesis.

Basically, what we seem to have felt from the evidence so far is that there were serious failings in the decision making in the Ministry of Defence. The two examples we took were the decision to go north in Helmand and the aircraft carrier. The basic conclusion that the Government seem to have drawn is that the way of dealing with this is to set up something called the National Security Council, which was supposed to overcome the problems that existed in decision making before 2010.

Our anxiety as a Committee, broadly speaking, seems to be that the pendulum might have swung too far. In other words, we are tending towards a position, at least from some of our witnesses, that what has happened is that we have gone from a situation in which it was felt that the military wasn't fully under political control—that was what the NSC was set up for—to the opposite extreme, where, when we are taking testimony from service Chiefs and others, we are getting a distinct sense of lack of confidence and strategic push from the military. We are now in a position where it looks as though you have solved one problem—you have got the political control, you have got these members of the Cabinet sitting in the NSC—but we are not getting a sense at the moment, particularly in relation to our Iraq inquiry, of a really vigorous, engaged, informed push from the military against which the politicians can push back.

To pinpoint it and then hand over to you for the final comments, one analogy we would draw is with the US system. One of the very striking things in the US system is that yes, they have exactly the same structure in the NSC—there are Cabinet-level politicians sitting there—but they also have an incredibly confident, powerful Pentagon system, where almost every two or three star American general is highly educated. They have done their masters degrees and doctorates, they speak fluently about strategy and they have had four or five years on the ground in operational theatres. So when the politicians are looking at these things, the military have a really coherent, confident push. That is what we are not detecting happening at the moment here. I wanted to give you an opportunity to respond to that.

Rt Hon Michael Fallon MP: Thank you for the opportunity. First, I cannot go back before 2010—you must ask Ministers in the previous Government about that—and I am not wholly sure about your suggestion that political control has gone too far. The politicians should be in control, in the end, of the military and of how we respond to the various challenges that we face. In the end, these are matters for politicians.

I am not sure about the parallel with the United States. If you are implying that we have not got some pretty highly educated generals and air chief marshals, I think you have already heard that that is not the case. Ours would certainly stand up to the ones you find in Washington.

To finish on this point, I am not sure that the Washington decision-making process is necessarily any faster or more rigorous than ours. Indeed, although we would not like to with such a trusted ally, we could well come up with examples where their decision making has been pretty slow and they have gone round the houses.

Before you come back in, let me answer the central point. The military are not excluded from the NSC. On the contrary, the Chief of the Defence Staff sits alongside me on the NSC. He is perfectly free to comment and to speak, even when I am speaking, after me or before me or whatever. He is perfectly free to give the NSC his own particular view, which may not be my view. He is completely free to do that, and he does that. It is right that he can do that.

I caution the Committee against the idea that the military viewpoint is not represented on the NSC. It absolutely is, but the main function of the NSC as I have seen it is not just to strike this balance between the politicians and the generals; it is also to ensure that security is looked at in the round. It is the other people who are there who are just as important. The agencies are properly represented and the senior members of those Departments also involved in one way or another in security policy—the Home Secretary, the Foreign Secretary, the Secretary of State for International Development, the Energy Secretary and so on—are there and bound in to our overall strategic look at the security question in front of us.

Q549 Chair: Thank you, Secretary of State. Air Chief Marshal, you are familiar with the American system and you recognise what I am talking about in terms of the new generation of American generals, the way the Pentagon operates, their education system, their confidence and their strategic outlook.

Air Chief Marshal Sir Stuart Peach: I recognise it, but I would argue that it is patchy. I would argue that having a single construct with the Permanent Joint Headquarters and having the three star responsible for military strategy and operations provides a tight balance. I would also observe, agreeing strongly with the Secretary of State, that there is a strong sense among the Chiefs of Staff that we receive appropriate time and that there is an appropriate method in our processes by which all these discussions take place. They are confident and we are all confident that the CDS is offering that view collectively, alongside the reforms that the Secretary of State outlined that have been undertaken by Lord Levene.

Q550 Chair: In a very non-confrontational sense, what do you think we could learn from the United States? What do you think they do better than us?

Air Chief Marshal Sir Stuart Peach: Where I think we could learn—we will be looking at this closely—is in innovation and science and technology and in applying science and technology in a more structured way to thinking about the future.

Q551 Chair: What can we learn from the United States? What do you think they do better than us?

Peter Watkins: I would support what the Air Chief Marshal just said, otherwise—

Q552 Chair: On strategy?

Peter Watkins: I think there is quite a lot of myth around what the Americans do. Yes, there are some generals with PhDs and so on, but they are not quite as prevalent as people think.

Q553 Chair: That is fine. We have a lovely example of British confidence, and I am glad to hear that. What do you think we could learn from the United States system on strategy? Have you studied the US system on strategy? Do you think there is nothing we can learn in Britain from them? Is there nothing they do better than us?

Peter Watkins: I just gave an example of where we can learn.

Q554 Chair: On strategy—not on science and technology application, but on strategic formulation, our vision of the Middle East and our sense of future forces—what do you think the US does better than us?

Peter Watkins: I would not separate science and technology from strategy. Science and technology is a key part of strategy in the world we live in.

Q555 Chair: With the exception of that, you would argue that there is nothing that they do better than us or that we can learn from them?

Peter Watkins: I would accept that they go about things in a much, if you like, richer way than we do. They have considerably more resources than we do in terms of what they can dedicate to studying strategic trends and so on. It would be nice to learn from them in that respect, but we have to be realistic about what we can do.

Q556 Chair: Thank you all very much. That brings the session to a close. Thank you so much for your time. That was a long session. Thank you.