MONDAY 8 JULY 2013

Witnesses: Nicholas Beadle CMG, Lt General Simon and Steve McCarthy
Q42 The Chairman: Good afternoon, gentlemen. Thank you very much indeed for joining us and, I hope, for enlightening us and helping us with our various investigations and inquiries. I am not going to introduce you individually because we all have bits of paper in front of us saying exactly who you are. I am told that you, the witnesses, have in front of you details of the various interests and involvements of the Members on this Committee, which may help in the discussion.

This is a very big canvas. It is an area in which many branches of government and many branches of national activity far outside government have a deep interest, and it does seem to be a very rapidly changing scene in which we need both to contribute our own views and to learn a bit as we go along. Could I begin by asking a fairly general question to all three of you, which is to make a short statement about your understanding of what soft power is? I believe that, Mr Beadle, you wanted to make an initial statement.

Nicholas Beadle: My Lord Chairman, I can wrap it up in the definition question, if you wish.

The Chairman: Right. Just before I unleash the question, can I just say this? In looking at the papers coming out of both the MoD and the Foreign Office in recent times, and indeed in going back to the work of the National Security Council on the strategic defence review of three years ago, it seems that soft power comes into your lives in two ways: one, the military is interweaving with soft power to achieve its objectives in various theatres; and, two, soft power itself is drawing on the work of the military to pursue other objectives in the fields of trade, prosperity and building up our international reputation. There are two streams, as it were. I just make that observation because it is maybe not entirely clear in the general discussion that these are two separate streams. Can you start, when you talk about soft power, mainly by saying how you see that soft power issues have come into the conduct of military operations in recent years and going back further—maybe back as far as many decades ago in Malaya, Northern Ireland and so on? Who would like to start?
Steve McCarthy: We are all very keen.

The Chairman: Mr Beadle, the compass points at you.

Nicholas Beadle: Thank you, my Lord Chairman. First of all, I should declare an interest as a member of the court of Heriot-Watt University in Edinburgh and as being associated with the University of Exeter. In a private capacity I am an advocate, under the soft power agenda, for increased numbers of student visas. I realise that is less relevant in today’s session on defence, but I thought that I would mention it overall, particularly as I came across it in my previous cross-government positions in the Ministry of Defence, the Foreign Office, the Cabinet Office and No. 10.

In setting the UK military effort in smart power in context, I would say that, in the last decade, UK foreign policy by way of UK military operations has had a profound effect on the international perceptions of this nation. That is true whether it is seen as a staunch ally in the war against terrorism or whether it is seen as a nation that is an aggressor intent on damaging, for example, the Islamic religion or, indeed, dismantling the pre-eminence of state sovereignty.

Within that backdrop of polarised opinion about the UK, there are complex and contradicting views of its enduring values. The role of increased effort of soft power is not just to reinstate those perceptions of our values but to harness them for prosperity and a more secure future. I think that soft power must be seen over time. We may come to see this brief period of interventionalism in the continuum of state-to-state relations. That may be true in military terms, but with the emergence of new actors, both state and non-state, this makes a world where non-military power needs to be more carefully balanced. I will leave it at that.

Q43 The Chairman: Thank you. Mr McCarthy, would you mind going next?

Steve McCarthy: Let me start with the definition. In the MoD, we tend to use the phrase “International defence engagement”. The reason we use that slightly more obscure term than soft power is that, for us, what we are talking about is in practice every defence engagement internationally that is short of combat operations. This will perhaps be relevant when we get into later questioning. In practice, we do not see a division between at least the assets that are used for what one might call hard power and the assets that might be used for soft power. If you take, for example, the issue of a ship visit to a foreign port, that is clearly a very good opportunity for us to engage with and influence whichever nation it is—or at least their navy. However, we did not build the ship for soft power purposes; we built the ship for hard power purposes, if you like.

For us, what we define as defence engagement is the whole continuum of defence activity that is not combat. It is quite important, while we are in definitions, to say that for us that means not just the military—not just the Army, Navy and Air Force—but everything that Defence has, from ministerial visits and senior official engagements to the use of the likes of the defence academy, all the way through the entire defence machine of the UK. We tend to start with a fairly broad definition; if you want to go into more detail on that, we obviously can.

The Chairman: Thank you. General Mayall?

Lt General Simon Mayall: Thank you. Many of your Lordships are very aware of the original definition from Joseph Nye, which was “the attractive power of culture”. That was then combined with soft and hard power into the concept of smart power, which Mr Beadle
referred to. In terms of using defence, military assets or defence engagement in pursuit, there is no doubt about the attraction. There is a lot of attractive power in the culture of the British military. As we know, it is excised through precisely the sorts of things that Mr McCarthy was talking about—but Sandhurst, Dartmouth, Cranwell et cetera. The attractive power is definitely there because of the calibre and credibility of the hard power that lies behind it. Our capacity to attract people through defence engagement is very firmly based on the reputational excellence that we have. Our capacity to use soft power in a way that reassures those people whom we wish to be friends with is largely based on our capacity also to deter those people whom we are less friendly with.

I would also like to take up what you said, my Lord Chairman, about the wider utility of it. In the appointment I have as defence senior adviser in the Middle East, I specifically put as my mission statement “to maximise the potential of the UK’s military relationships in support of wider British national interests”. If we come to a further question about the particular area in which I hope that I act as a soft power ambassador, north Africa and the Middle East, I hope it will become very clear that much of what we have achieved under the Gulf initiative in our prosperity agenda was very firmly by the use of what might be termed the application of cultural attraction to the United Kingdom’s military assets—well short of anything to do with pulling the trigger.

Q44 Lord Foulkes of Cumnock: I wonder if you could clarify something, Mr Beadle. You said “smart power” and then you moved on and twice said “soft power”. General, you said “smart power” and you sort of defined it as the combination of hard and soft power, but I was not clear. Could you clarify what you think of as smart power, as opposed to soft power?

Nicholas Beadle: My Lord Chairman, I think that my view of both smart and soft power has been shaped not just through experiences in government. I spent some time at Harvard with Professor Nye at the time at which he and Richard Armitage were doing the bipartisan committee on smart power. One of the many lessons from that work was that the binary definitions of what was traditionally hard power, which was seen as military power, versus soft power, which was seen as everything else, were no longer as valid as they had been. Something new was needed and I think that the emergence of smart power did more than just say that there was a continuum—it is probably better described as quanta; a spectrum with divisions amongst it. The point that was drawn from that work was that the boundaries between what was traditionally soft and traditionally hard were now more flexible. I would argue probably that hard and soft power is less defined now by the input that you put in—military or non-military—than it is by the effect that it has.

Perhaps I should use an example to illustrate that. The recent example of Russian energy policy is probably a good one. Ostensibly, on the face of it it is soft and not military, but if you view it from the recipient end, you see that citizens of the eastern European nations in midwinter have the threat of their gas taps being turned off, which is a fairly hard practical use of power. That is probably one of the lessons that was not as well publicised in Nye and Armitage’s work on smart power.

Lord Foulkes of Cumnock: It might be seen by some as a ruse to get some of the international development money channelled into the Ministry of Defence—might it not, General?

Lt General Simon Mayall: It is very unfair to call it a ruse. The idea that you can box up the military and say, “There is a box marked ‘hard power’ and its only utility is in crises,
wars and conflicts,” is, to my mind, to lose a huge national advantage. In many cases, issues of security, stability and capacity building—all of which help the development of a country—are ways in which we should use the military when not engaged in conflict. I would like to think as we withdraw from Afghanistan that we are not simply an organisation that is either on operations or sat back in the United Kingdom waiting on contingency, but that we are used in a classic smart power way by Governments of whatever hue to pursue British national interest. That interest is often quite selfless. It is very firmly in our interests and values to create the stable conditions under which precisely the more traditional development—aid, money, systems and processes—can flourish and take root. It is hardly a ruse; I think it is a very sensible way to view the military as a real, national asset, beyond old-fashioned definitions of “conflict” and “not conflict”.

**Q45 Baroness Nicholson of Winterbourne:** The USA is thinking hard about this, much of it based on the Iraqi experience. You will of course recall and know better than I do that in General Chiarelli’s gap between his two assignments he wrote that hugely important piece. That was followed by some material from General Hammond and finally by Petraeus and so on. As a result, five departments are now studying this very issue and trying to balance up which department should take which part of the responsibility. Do you feel that it is time we did the same and did a very serious analysis of this? I know that there was a tri-departmental committee that sat for a while because of the crossover with some of the ministries in Iraq at the very beginning but that seemed to more or less come to nothing, whereas the States have taken this very seriously. The DOD came to see me only 10 days ago to discuss how this is moving. How should we do this, and are we too small to address it like that?

A question on the margins is the definition of what to do, and what activities this should cover. Do you think that there is any way in which there could be those activities? I recall well watching the UK military for example setting up local councils—a fantastic initiative. Should that also incorporate civilian health or some sort of other stabilising factors? Where are we on this? Are we moving ahead or are we sitting in our normal positions and saying, “Well, these budgets belong to so-and-so. Those budgets belong to another department,” and somehow it is not going to work?

**The Chairman:** To add to the first bit of Baroness Nicholson’s fabulous question, are we following the Americans or leading them? Here is their book, the US Army/Marine Corps Counterinsurgency Field Manual 2007. Do we want the same thing?

**Steve McCarthy:** To slightly boastfully answer that last question, we are leading them. To come back to your point about the experience starting with Iraq, that committee still exists—it has changed its title a few times—as a thing called the Building Stability Overseas Board. I am one of the members, from the MoD. Colleagues from DfID and the FCO are the other members of the board. We manage and oversee a line of funding that comes from none of our own departmental budgets but is funded and voted directly from the Treasury, called the conflict pool, which we use to fund programmes and activity in areas that are at risk of instability or conflict where this joined-up approach really makes a difference. The buzzword for it is “defence, diplomacy and development”, all in one place.

You mentioned scale and size. We have an advantage in scale and size. I know the American system relatively well, having worked there for a while in my past. The US system, because of its size, and because of the way in which budgets are so carefully monitored and voted by the Congress, has great difficulty in funding what they would call interagency operations going on.
I had conversations for example in the Pentagon about two years ago about how we make this work in the UK, to which the short summary from the US side was that we could never do it like that here because of the way in which their system is structured.

Interestingly, one of the other points is that the US is broadly trying to catch up not only with the UK but with a number of other European countries, which are also somewhat more flexible in the way they can do things and are a bit further ahead of this game, as we are. We definitely see the value of doing these things in a joined-up way. The example that you used is replicated in numerous places. If the military happens to have from the UK perspective a certain number of particular skills to offer, or alternatively—this is very often the case—the recipient country happens to structure itself in such a way that the military is a very influential part of its society, using defence capabilities to underpin other more social developments can be a very effective way to do business and to improve their security.

The short version of where we are is that the committee still exists. We meet every month—we have a meeting on Thursday this week—and we are looking at trying to increase the level through which we use not just those three departments but the broader NSC machinery to bring in other departments that could play a role.

Q46 The Chairman: General Mayall, did you want to say something?

Lt General Simon Mayall: Thank you very much, my Lord Chairman. I remember, when I was working with Peter Grayley, that Baroness Nicholson was quite rightly very impressed with how much money the American commanders had been entrusted with for soft power. I am not sure how effective that was, given the circumstances at the time. As a result of the school of hard knocks in 10 years of operations, I think we have got much much closer through the PRTs—the provisional reconstruction teams—and the like to DfID, to the FCO, to the NGOs. In some ways, we have replicated our activity in campaigns such as Malaysia. I think we have broken down some of the stove-pipes in personal relationships and understanding. I think that people who would automatically have associated people in uniform with a gun as simply stove-piped, as I said before, saying, “You do the hard end—security, defence, conflict—and we’ll do this”, have realised the synergies that we can create by creating the conditions on the ground within which the more traditional organisations that you would expect to take forward development can do so.

I do think that we have an issue over funding, but I think it is the natural competition between bureaucracies, particularly in a time of austerity. I think that we should absolutely investigate the capacity to think more of every aspect as an asset for the United Kingdom.

On the point about soft power, because of the historical experience and the reputation that we have built up in very ambiguous circumstances, the United Kingdom Armed Forces—probably the land forces in particular, because inevitably they are the ones who are most on the ground dealing with other agencies, other government departments or obviously the people—prove to be hugely effective in areas that we have operated in. This has been a force multiplier, undoubtedly. It has provided its own force protection. That attractive nature, backed up by the credibility of being a well equipped, well trained, well disciplined Army, Navy, air force of a certain size gives us influence with allies, dare I say it with opponents, and with natural colleagues in the operating space.

Nicholas Beadle: I would just add a couple of points. I am largely in agreement with Mr McCarthy and General Mayall. However, I would sound a couple of notes of caution. First, size is important in order to get things done. It is sometimes a matter of total expenditure in order to make progress as rapidly as it is needed. It is one thing to have a plan to
counteract, for example, drugs in Afghanistan over the next 15 or 20 years, but without sufficient resources that will not come to anything, and the space will have been lost in the meantime.

The second is that I do not see much prospect of the UK Government, irrespective of who is in power, delivering the sort of speech that, say, Robert Gates made in 2007—the “man bites dog” speech, as it was known. The Defense Department was seen as having an imbalance with the State Department, which was able to say that the Defense Department had more lawyers than the State Department had deployable diplomats. Clearly something was wrong with that, said the Secretary for Defense. My ex-Ministry of Defence colleagues will probably not thank me for saying that, but I do not see much prospect of that sort of rebalancing coming in the current framework.

**The Chairman:** Do you want to follow that up, Baroness Nicholson?

**Q47 Baroness Nicholson of Winterbourne:** I have a quick follow-up question. Is it possible that the imbalance in the UK, if there is one, is the other way around? If you look at the military budget and the way in which the military uses its soft power budget, you see extraordinary economy and maximum output. If you look at the DfID budget, which is extremely large, and you wonder what the definition of development is, could there be an imbalance? Could we examine this the other way around?

**The Chairman:** You need a microscope to see the Foreign and Commonwealth Office budget. Could there be, as Baroness Nicholson says, a certain imbalance, given that the more we talk, the more it is clear that we are all in the same strategic position?

**Nicholas Beadle:** Perhaps I should re-address the balance that I presented before. I do think that the Ministry of Defence has in the past been very efficient in its deployment of resources in the soft power area of its operations. The inevitable change from the Department for International Development’s budget being driven largely by issues of poverty into being driven by ones that are more about the national interest certainly allows for a little of that rebalancing.

In terms of the American system, I will make just one final point—about the then Defense Secretary, Robert Gates, who did not rescind the order that allowed their military to take charge of both military and civilian affairs in an area where the civilians were unable to do so. We have experienced some of that ourselves in Iraq, where in my opinion we have clung to the principle of civilian control for civilian projects, perhaps to the detriment of achieving the ends.

**The Chairman:** Very interesting. Lord Ramsbotham?

**Q48 Lord Ramsbotham:** Before coming to the international defence engagement strategy, which intrigues me, I will make three little observations. First, Mr Beadle, you mentioned size. I hope that in size you include the word “sustainability”, because it has always seemed to me to be rather like that desperate operation in Uganda where we provided a contribution for only six months. We could not sustain all the good that that was doing.

Simon, you mentioned influence. I always remember visiting the UN operations in Somalia, and asking Admiral Howe, the American admiral in charge, whether there was anything that he would like. He said, “Yes, I would love a British officer in headquarters”, because of what
a British officer could contribute. My question stems from two things. One was remembering when we went into Bosnia and the very close co-operation between the MoD and the then ODA; they were hand in glove. The second was visiting Afghanistan and finding almost a disconnect between the military, DFID and the FCO. I was deeply unhappy about this and came back deeply disturbed, in fact by the briefing that we were given by DFID, which appeared to bear no relation to what the military was doing. Nor did the military commander have any influence over what DFID was apparently doing. I found this alarming.

My question about this international defence engagement strategy, which I am sure is a very good thing to have, relates to two things that we have heard here. One is that the soft power direction is coming from the NSC, so I would presume that this international defence engagement strategy is part of it. Secondly, however, the influence that it appears to be having has always seemed to me to be what the FCO did, with the MoD in support rather than in the lead. I wonder whether you could educate me.

**Steve McCarthy:** The answer is in reverse order. On the last point, the international defence engagement strategy is a joint FCO-MoD document, so it would be only fair to say that neither of us is in the lead in that sense. However, the vast majority of the resources that underpin the delivery of the strategy, which is obviously what really matters, come from the MoD. Certainly my Secretary of State would be quite keen to ensure that he had very firm hands on where we use our resources. It is quite an important part. One of the reasons why we produced the international defence engagement strategy in the first place was to try to get further towards the second point that you made about connectivity. DFID is a member of the board that oversees the IDES as well. I am certainly not saying that coordination cannot be better, but it is actually pretty good in those senses. The defence engagement strategy is designed to try to ensure that where we deploy defence assets, they are deployed of course for defence reasons but also in order to make a real contribution to a broader HMG effort. That ultimately brings us back to the NSC, the priorities and the direction that it sets.

I might also just offer you a thought on sustainability. You very sensibly made a point about six-month engagements. One of the decisions that we took, I think, two years ago on the conflict pool, which I mentioned earlier, was to enable individual projects in individual countries to bid for funds for up to three years, specifically to do two things: the first was to fix the sustainability problem which you mentioned; the second was genuinely to try to get better value for money out of this, too, on the basis that if you are doing training and other repetitive activities, which does not apply to all programmes of course, you ought to get more efficient at those the more you go on over time. If you have only an annual budget, you cannot plan to do that, so you are in effect planning potential efficiency out of the system.

We now have a number of programmes that are forward-funded for three years. Actually, we are now in the second year, so there will be another two years’ worth. Our intention would certainly be, subject to what the next Government decide and the funding that is put back into that pool, to continue that effort, because we absolutely recognise that this is a long-term game that you cannot play on an annual basis in many cases.

**Q49 The Chairman:** General Mayall?

**Lt General Simon Mayall:** Thank you very much, my Lord Chairman. I will answer, if I may, some of Lord Ramsbotham’s points. On the international defence engagement strategy, I absolutely echo what Mr McCarthy has said. In my business I look on myself as a force multiplier for the Foreign and Commonwealth Office and for Her Majesty’s ambassadors
around the Middle East and north Africa. I could not do the work that I do if I was not absolutely hand in glove with the FCO and HMAs. In fact, I am funded partly out of the Conflict Prevention Pool from DfID, UKTI, the FCO and the Ministry of Defence, which I think is absolutely right, because it is through the prism of a senior bloke in uniform with sustained, high-level personal engagement precisely bringing this UK brand to countries around the world that really welcome it, and I cannot tell you how much it is welcomed. We are sometimes a little backward leaning, or self-deprecating, in understanding precisely what the UK military is, as part of the United Kingdom. I very much go to the ambassador and say that I want to be used as a golf club in his golf bag of engagement. In the Middle East, as you will well know, my Lord Chairman, security is the big issue, so it is important to meet those security concerns by demonstrating that we are reliable, long-term, strategic allies who they most want to deal with. The Americans, fundamentally, are too big, but they are the ultimate guarantors. The French, in many ways, have been very successful in using the soft power influence of their defence. I will come back to that in a minute. We should be more aggressively engaged in a part of the world where the door is wide open. Through the GCC, or dare I say it the Commonwealth, where we have this very long historical and massive network of connections, as you well know my Lord, I think we can do more. As I say, I very firmly do this through the prism of defence and security, because in many parts of the world that reliability is what they most want.

I have to say that the French engagement is very heavily tied into raisons d’état. Their deployments around the world, including in the area that I work in, are very well thought through and very well funded, and they are very well engaged in the area. In the UAE, they have a three-star French admiral, a French Foreign Legion battalion, a squadron of Rafale aircraft parked permanently on the ground—well, occasionally they take off—and a small naval port. As I said to the Secretary of State, he has me, and I do this for 13 countries. The French absolutely get defence engagement in support of wider French interests. I do not want to say that defence engagement gets you defence sales, although it does up to a point, but defence sales are important for defence relationships, which of course are terribly important for national and international relationships. We talk in the Army—Lord Ramsbotham will be very aware of this—about the reactive force and the adaptive force. I would like to think of it as an engaged force that is very firmly viewed through the much wider prism of UK national interests. I think this is what the international defence engagement strategy is pointing to quite clearly—to political and diplomatic objectives—but what gives us this soft power influence in many places is the defence engagement part of it.

If I may, I will make just one or two more points. The influence thing is absolutely critical. One of the core qualities that we bring is our planning. Interestingly, we put something like £800 million a year into the UN peacekeeping organisation. UNIFIL costs about £800 million itself, and we contribute 8% of that: £40 million. We do not put a single officer in there. If you put a single officer in there, you get a union flag flying over the headquarters and you have influence. Some £40 million of British taxpayers’ money goes into UNIFIL, but nobody knows that we have any engagement there because we do not put anybody in. We are a bit purist about this sometimes when we “exercise”. Again, I come back to influence being based on credibility. People want the UK in there, and I think Lord Ramsbotham was absolutely right to have spotted that. I am not saying we should spread ourselves thinly, but we have a credibility that goes with our capacity to do very joined-up, joint, all-arms operations in coalition warfare, et cetera. That is what gives us that influence, but there are times when, particularly in the current climate, we should not just come off operations and sit back at our home base; we should be out there absolutely getting that leverage that Baroness Nicholson recognises so clearly.
The Chairman: That is so interesting. Thank you very much. Baroness Armstrong?

Q50 Lord Ramsbotham: Can I just follow that up? I am very interested that you mention the Lebanese force. Out of interest, when we have withdrawn from Afghanistan, presumably we are thinking about what we are going to do with the forces that we have available, and we may be able to think of providing that sort of influence.

Lt General Simon Mayall: That is what I like to think. I do think that we are in the business of stability. I think that Lebanon is hugely important to us. The contagion effect of Syria is ghastly. We slightly go to these places that are important to us and do not commit even small numbers, which would give us influence, of hugely well trained staff officers, as you will know, my Lord, from Shrivenham, which is excellent. They are a massive asset to commanders who are looking to find their way through very complex operations, so we lose the capacity to link this back to our foreign policy objectives and then to our government objectives. Very small amounts of well-focused defence engagement give us very important amounts of global influence.

The Chairman: That is a very important theme. Baroness Armstrong?

Q51 Baroness Armstrong of Hill Top: I want to take us back to the point about balancing, but first I must declare my interests, as registered. I particularly ought to note my involvement with Voluntary Service Overseas and with the Tony Blair Africa Governance Initiative. I am on the board of both. It seems to me that the balancing act between the military and non-military departments is very important for government diplomacy and support internationally. I have to say that as a member of the Cabinet during Iraq, we were not really convinced that DfID and the Ministry of Defence were exactly working as one, to put it mildly. It does seem to me that there are occasions when it is perfectly within government policy—I am not saying this about Iraq, actually—to have military involvement, both hard and soft. However, non-military intervention in effect is also required, because we will want to build civil society, and a military aspect to that might be unhelpful rather than helpful. How do you work on all that together, making sure that across government there is coherence and understanding of the strategy while deploying totally different personnel, if you like?

Steve McCarthy: It is a really difficult act. One of the things that we have to grapple with, of course, is that when there is clearly a crisis, some instability, in an individual country, the balance is not just between what you deploy and when you deploy it, but between the circumstances and the international system that you are deploying it in. In other words, this is not just the UK as a single actor; there are likely to be numerous other countries in a similar respect.

Co-ordination is one of the biggest challenges that we face, not just internally, which your question related to, but externally. Unfortunately these things always grind rather more slowly than one would like, but in the context of the overall setting of priorities from the NSC downwards for countries which the UK believes not only have risk and instability in them but which are particularly relevant to our own interests, we have begun to drive a much more strategic approach to thinking about which departments have what assets and which ones make the most sense in the circumstances of the individual country. A really good example of that was the Libyan situation of a couple of years ago. In that conflict, there was clearly an issue about the extent to which military engagement in attempting to rebuild the structures compared with the civilian engagement was the right thing. The answer was that a little of the military aspect was needed, too, because some of this was about the
security situations and the security structures, but mostly it was a civilian advisory effort, based on how to restore a judicial process or a governance process. Some of the answer is that in every case we really do try to draw a balance. We are also very keen to be flexible in this. The situation on the ground in any country may well change over time, and things might have to shift in the balance of where we are.

I am afraid that is quite a long answer, and probably a slightly platitudinous one, to a perfectly valid question. The short version is that it is a balance and we try to make it as easy as we can.

The Chairman: Order. I am afraid that we will have to stop for five minutes because there is a Division. We will resume in five minutes. I apologise to our witnesses, but that is the way it all seems to work.

Sitting suspended for a Division in the House.

Q52 The Chairman: I think we will resume. We have quality here, if not quantity. We have been concentrating so far more on the military end as well as on what soft power does for military engagements, and on the balance between overwhelming force, if we might put it that way, and winning hearts and minds at the other end. I think we will have just a few more questions in that area. Lord Janvrin, would you like to talk about that? Later, we will get on to supporting national interests.

Lord Janvrin: I may broaden my questions into that.

The Chairman: Okay, let us just stay with the military side for the moment and ask this. What is new about trying to win hearts and minds? We did it in the Malayan emergency 50 or 60 years ago. Why has it become more difficult and more important, and why is the military, both here and in America, saying that we must have more civilian involvement right up at the spearhead of operations? What has changed?

Nicholas Beadle: Experience has changed our thinking, certainly over the last decade. I was in Baghdad in 2003-04 as the senior coalition adviser on creating a new ministry of defence, and I learnt a great deal about the Iraqis’ perception of the way in which the coalition was approaching these issues. It stood me in good stead, because in 2005 the FCO asked me to be the HMG representative on a new campaign strategy, or rather an alternative campaign strategy, which was to be reviewed in the light of developing existing strategy. Rebalancing the hard and soft power elements of the campaign was clearly necessary. The existing campaign plan had been drafted largely so that the DoD and the State Department could very much do the things that they were doing. Everybody could point to something in the campaign plan and say, “I’m doing that”, and carry on. It was largely hard for the military and soft for the State Department. We based the new work on the Malaya campaign. This report for the President, which was shared with our PM, suggested an ink spot strategy and looked at creating elements—I hate to use the phrase “safe havens”—whereby through a process of clear, hold and build we would allow enduring security and a demonstrable and long-lasting, or sustainable at least, improved standard of living for the people inside. This was in order to attract others in. At the end of that it was clear that we needed two things. One was that we needed more troops to do the clear part of it. Partly as a result of that and partly as a result of other deliberations, the military surge came along and unfortunately was not matched by the soft power surge, which had been indicated as being absolutely essential. The problem with that was that we ended up having enclaves. Unfortunately, they were created by the militia, which totally undermined the essential element of this, which was the monopoly of force with the legitimate Government of Iraq. I use that as an example, because
to an extent we had similar problems in the south with the UK campaign, in so much as there were elements of the military, which had one strategy, and elements of DFID, which had another. If you bear with me, I will move quickly to Libya and try to contrast that with this to put this into perspective to show how far we have come.

**Q53 The Chairman:** Give us examples. That is fine.

Nicholas Beadle: I think this is a different case altogether. The way in which we found ourselves in the lead is a very interesting study in power politics. Once there, I have to say that the Prime Minister, with the new NSC, did a very good job of balancing the hard and soft power elements and matched them to the circumstances on the ground. I worked in the National Security Council Secretariat in support of the National Security Council at the time and throughout the Libya part, and I have to say that the range of issues covered should not be underestimated. Without revealing any secrets or anything else, I can honestly say that the soft power effect was a major consideration throughout our deliberations. There was clearly pretty much unanimity on the humanitarian efforts and the supply of non-lethal weapons, and the departments pulled together, at least at the beginning, in order to deliver those. Of course, the fact that our air support, as part of the coalition, was acting legitimately under the UN principle of the responsibility to protect, which has been an extremely important development over the past 15 or 20 years, will both bind us and give us that international legitimacy, which is so important if you are selling a soft power agenda; you have to have this legitimacy. The “we do not act unless it’s legal” approach is all well and good here at home, but of course it does not count for very much on the ground. Unless we keep working on the nature of our role in a conflict over time, history shows us that we can slip into a position where the conflict regresses again, which we need to avoid. Even in Libya, we are seen as liberators at the moment, but that is not something that one can rest one’s laurels on. We need to keep working at that.

Anyone who thinks that launching a Paveway missile from a combat air sortie is any less hard than a ground attack is, I am afraid, very much mistaken. It is really damaging, whether we hit innocent civilians from 10,000 feet or 10 feet. This is an area that we have to concentrate on. One of the real lessons for me of Libya was seeing the extent to which the targeting process, both here in the UK and in NATO, had been tightened dramatically from previous conflicts. We had learnt lessons from Iraq and from Afghanistan, and that was a very positive move. Not only was the collateral damage bar set very, very low, but a material collateral damage consideration was also made. I will give one example from the energy field, my Lord Chairman. I ran the oil and gas cell, and I think that you helpfully joined us at the FCO to talk to overseas oil people in order to help them to get back in in due course. As part of the remit was to deny supplies to the regime element, one of the things that we looked at was a relatively easily pushed concept of getting rid of one of Libya’s largest refineries, Zawiya, which is very close to Tripoli. We knew that Gaddafi was using this to supply his forces, and it was quite an obvious target for us. However, our considerations included, first of all, whether it potentially supplied fuel to the hospital. We did not know that for a fact. As it turned out, it did not, but we did consider that as an issue. The second consideration was that it would cause at least £1 billion of damage, and we were thinking of our soft power approach towards the end in the post-conflict arena. The third was the time it would have taken to reinstate that capacity. It would have meant that the incoming Government could not have been seen to be providing for their citizens. We thought that these were all important considerations, besides the usual consideration about the potential for civilian casualties.
The decision was taken not to do it, and I think it was the right one, but it is a very good example of how the soft power element of decision-making has developed over recent periods. That is just one anecdote of how things have changed, but I think the overriding principle is that if we are not going to lose the peace, we have to be very careful to match our aspirations in the military field to the post-conflict situation.

Q54 The Chairman: That partly answers the question. General Mayall, you were going to say something.

Lt General Simon Mayall: I would like to comment, if I may, but after Steve McCarthy.

Steve McCarthy: Briefly, there are three things. First, on the question of why things have changed, I think it is the nature of conflict. It is quite hard to find a scenario in the 21st century where a military intervention alone will solve the issue. The second is economics. We simply cannot afford to have different departments doing different things for different objectives any more. It makes no sense at all. The third is the view from the other end of the telescope, from the recipient countries of our involvement, which do not see the Ministry of Defence, DfID, the FCO or the Home Office from the UK; they see HMG, the UK. Getting those things together and tied up are really why we have to do this in a more co-ordinated way.

The Chairman: That is a very good point. General Mayall.

Lt General Simon Mayall: Just to segue from Mr McCarthy, we are not dealing fundamentally with existential threats from military force. We are intervening in areas where we, nationally or in co-ordination with other people, have deemed that the international order has been upset and requires an intervention. It is normally instability. We have learnt from the school of hard knocks that military intervention is rarely decisive. It keeps taking us back, dare I say, to Carl von Clausewitz, who said that war—or, frankly, any defence engagement—is politics by other means. For us in the military, the key word is relevance. How are we using our military force relevantly to the situation? I remember David Petraeus in Iraq always having this great cry, “Tell me how this ends”, and constantly and quite rightly bringing it back to the politicians to say, “What are your objectives here? What are your strategic aims? How can I manage the application of military force that is appropriate to your strategic political aims as stated and how can I make sure that they are appropriate again with the other instruments of national power, and wider than national power, being employed on the ground?”

One of the key things for us in the British military has been a mixture of experience, as I have said, but also education. It is about the quality of the education of our officers and all the way down through our soldiers back to Rupert Smith’s strategic corporal. Are you using military power—that is, an individual or a weapons system or a formation—that is relevant to your objectives? You could talk about the intrusion of the media, but you would rather hope that the British military are operating to morally and ethically high standards anyway. Perhaps I may use an anecdote. When I was in Kosovo, at a time when there was very little threat, either from Serbia or internally—because we were to an extent defending a revolution there—I gave us the centre of gravity, the thing that we the military needed to put our effort into: public ambivalence to the rule of law. That may look like a rather odd military mission, but, to my mind, organised crime was a bigger threat to the future of Kosovo than Serbia. For my American friends, any idea that you would use hard military power to help set the conditions to tackle organised crime was well outside their remit. I felt that that was quite comfortably within the Government’s objectives, so we used a
mixture of security and intelligence to build up task forces, in conjunction with the
ambassador there, the senior policemen, the senior judges and the senior prosecuting
authorities, and via information operations—in which we had a lot of assets—in order to
create the conditions whereby we could lift some of these people without having a security
riot on the street.

The Chairman: Baroness Armstrong, we were interrupted by a Division. Had you finished
your questions?

Baroness Armstrong of Hill Top: Yes.

The Chairman: Then Baroness Hussein-Ece is next.

Q55 Baroness Hussein-Ece: Before I start, I also have to declare my interests as
recorded, drawing attention particularly to my visit to Khartoum in Sudan. I should also
highlight my interest in Turkey, given my background as chair of the APPG on Turkey.

I was very interested in the comments that Mr McCarthy made just now, because it prefaced
what I was going to say: that we are only just beginning to look at the other end of the
telescope. I am just wondering how much that has shifted in terms of foreign policy and what
we look at as our interests, whatever they may be—be it implementing trade, peacekeeping,
nation-building or bringing stability. I was struck, right at the beginning, by what Mr Beadle
said. When talking about soft power, he used the phrase “damaging … the Islamic religion”.
That ties in with looking at the other end, because depending on where your starting point
is, the perspective is obviously very different. I spend a lot of time in Turkey and am from a
Muslim background myself. When I talk to people from different communities, both here or
anywhere else, I find that their perspective is very different. The narrative seems to have
changed completely in terms of military intervention and defence. They see what has
happened with Iraq and Afghanistan, the lessons learnt, as being quite destabilising, and how
we are trying hard now to repair the relationship and the perception of what we may have
wanted to achieve and what we are leaving behind. What is your sense of soft power in
terms of legacy, of using our very important historical networks in how we approach that
legacy and of bringing sustainable stability and proper programmes to these countries in
order to rebuild civil society? It is a reputational thing. Of course, the military has a very
good reputation, but it does not have a very good reputation particularly in respect to the
Middle East.

The Chairman: Just to add a spike at the end of that excellent question: how do we know
that the military are held in good regard around the world?

Baroness Hussein-Ece: I was being polite.

The Chairman: The military over the years have not always been popular, so how do we
know? General Mayall, you were saying that they are all seen pretty well and I hope they are.
But how do we know that? How do we measure that?

Lt General Simon Mayall: The number of people who beat a path to our door for defence
engagement, places on our courses, training teams, loan service officers. If I could bottle the
appetite for British military engagement, I would be a billionaire. It is huge and it is
transferable. In terms of our influence on the security state apparatus that we deal with, I
think we are a huge force for good. I stand fast by the Baroness’s remarks on objectives that
we have been associated with. I would like to slightly ring-fence the education and training that the British military can take as well as our role and I think our behaviour, broadly speaking, for the hundreds of thousands of service men and women we have put through these operations. I think we have little to be ashamed of within our own organisation—with some very obvious exceptions that have been prosecuted quite rightly through due process. But I do think that a huge path has been beaten to our door. I am delighted to say that I take great pride in that.

**Q56** The Chairman: Now, Mr Beadle, you look as though you wanted to add to that. Did you?

Nicholas Beadle: Very briefly. I would agree with General Mayall insomuch as that is government-to-government and military-to-military relationships. I think it is somewhat different when looking at the other end of the telescope, as citizen to citizen, which is far more prevalent at the moment than it used to be with the advent of social networks and the ability for people to make their feelings known. In that complex environment, it is very difficult to know how a process or a procedure that you put in place in terms of soft power is going to work out. Not all of it works out very well.

I would also just like to touch on this issue of our own diaspora, for example. Certainly within Afghanistan or, perhaps, a very good example might be Pakistan, we clearly have very important, strategic considerations and we also have a very strong Pakistani diaspora. Now, what they think about what we are doing is quite clearly key to how other people feel too. Some of the work I did when I was running the Afghanistan communications and strategy teams across Government was to look at the diaspora and how they felt about the approach that we were taking. I was quite surprised, actually. Apart from it being a little bit more about why we were expending money on this, that was rather stronger than the issue about our approach or attacking their home country. It was very interesting that that came out. But I think it is part of what Professor Peggy Levitt from Harvard mentions in her book, which is called the social imaginary. People in Pakistan get news from people in the UK about the UK. It is that which has a very strong effect on their perceptions of the UK. It is not what Government put out on a press release. It is not necessarily what we say in terms of international conferences. It is far more about this individual-to-individual communication.

The Chairman: That is very interesting.

Baroness Hussein-Ece: Can I just press you on that, Mr Beadle? What did you mean when you said about damaging the Islamic religion? What did you mean by that?

Nicholas Beadle: On those particular interventions, in particular on Iraq rather than Afghanistan—and, to an extent, the way in which the war on terror was initially conducted and potentially, I suppose, now the drone attacks and so on—there was the issue of the type of approach that we had taken. I think we were associated with something which left no room for negotiation—left no room to talk to these people. Arguably, of course, we are changing how we are approaching things now. It did lead to one or two things; and I am sure Steve McCarthy can elaborate on this. We did bring forward a number of other initiatives at the time such as Prevent and CONTEST and so on. It was not that we were unthinking in government. I just think that the overwhelming impression was that we were doing too much.

**Q57** The Chairman: Lord Janvrin, and then I am going to come to Lord Foulkes; it is your turn.
Lord Janvrin: I will broaden it if I may.

The Chairman: Yes, well, what we are doing I think is sliding a little from the issue of how the military in hot combat situations need to mobilise the civilian soft power element, into how the military are going to fulfil their contributions to our national interests in prosperity, sales, equipment and trade. We are beginning to cross over between the two, but I do not mind. We have to cover both, so please go ahead.

Lord Janvrin: For many people, the whole concept of soft power is more about culture, cultural diplomacy, education, and, above all, trade and business, and, if you want a sort of jacket around that, something like the GREAT campaign, which many of you will be familiar with. That is what, to many people, soft power is all about. It is more and more being interpreted, as you said, about citizen-to-citizen contact rather than government-to-government or military-to-military. In this context—and that is what we are looking at, this rather broader canvas—I have two questions. To what extent is the kind of joined-up thinking that you have been doing with defence engagement, bringing together diplomacy, defence, development—connected with this wider field of trade, education, culture, et cetera? The second part of the question is: can we learn from your experience of trying to join up defence, diplomacy and development in terms of the broader canvas in how we link what we are doing with trade, with business, and with the prosperity of the nation?

The Chairman: Right, well, the next half hour can cover that. But these are the keys. How does the defence establishment fit into this new world in which you are an army or a navy or an air force, but the other side—your opponents—are not? It is all counterinsurgency; it is all irregular warfare. You have to integrate with the civil side to make any progress. That is what is being discovered by everybody now. Secondly, in doing all this, what is your impact on the bigger interests of the nation, including, as Lord Janvrin says, the trade and prosperity and general goodwill? Is trade going to follow a flag, or is it going to follow all kinds of new forms of soft power?

Steve McCarthy: I think this is multidimensional. Even just within the defence bubble—and I take your point about broadening out—there is, in its own terms, educational activity and trade activity as well. But, to get to what you were really asking about, one of the things we increasingly do across Whitehall is look at countries, particularly priority countries, on that very wide pan-government basis and look at what—I think in a rather ugly phrase—is called a golden key that might unlock a relationship between the UK and whichever state we are talking about.

Although you said that one of the issues is in some cases that it might be the military at this end doing it but at the other end it is the civilians doing it, actually, the opposite is also true: in many countries that we engage with around the world, things that are done in this country by civil society, in those countries are done by military people. Burma is the classic current example of that. One of the reasons why, following the Prime Minister’s visit there, we put a lot of effort into re-engaging with Burma in a defence sense is that a lot of Burmese society, whether we like it or not, is influenced by the military. So there is a really good opportunity there to sustain issues to do with democracy and the rule of law by engaging at a defence level because they can, we hope, see that that is the way in which in the UK the military operate—within civilian societal control. The point about the joined-up-ness was my reference earlier on to the view from the other end of the telescope because ambassadors through history, I suspect, have torn their hair out, with one department in the UK wanting
to do something that is completely out of kilter with the broader aims of the ambassador and his staff or the way in which it is received in the individual country.

So we are increasingly trying to make sure that not only do we use the levers that we have in the right way, but they are pulled in some sort of harmonious arrangement with the levers that we are also trying to pull in other departments. We have done this for a number of countries, particularly those that are loosely called the emerging powers, where the nature of the UK’s relationship really fundamentally needs to change. It is usually not a country with which we have had a long-standing historical connectivity—some of them are—but we know they are going to be very key players in the future, at least economically and probably politically. We have to develop those relationships with them, and that may be done through an increasing defence engagement but it is more likely to be done by that as part of an overall global approach. So we are definitely trying to get that. Are we perfect at it yet? No, absolutely not. But we are trying to make those things join up.

Q58 The Chairman: General Mayall, would you like to say something?

Lt General Simon Mayall: I think, coming back to Lord Janvrin’s point about soft power, when you apply it to defence you have to assume that part of the attraction of the non-conflict aspect of defence is that is has got credibility. That reputation is partly based on credibility.

I would say that various different parts of the world respond to different applications of the instruments of national power. In the Gulf states for instance, where I spend a lot of time, they genuinely believe that they have an existential threat that is coming from Iran. Although our intervention would be with a third party or, as you say, counterinsurgency and stability, they are of course seeking a rather more conventional set of defence relationships which are based on rather more conventional forces there. The nature of the Gulf again, as noble Lords are very aware, is one of very small decision-making elites in which defence has been the key concern they have as a family regime country. This means that if you can approach countries in certain parts of the world through the defence prism, clearly you have a chance to influence them on a range of other issues.

I talked earlier about the Americans, the French and probably ourselves in the Gulf. As P5 members, these people have no doubts that they wish to have friends who have influence around the world; the United Kingdom clearly is one of them. Then, as I say, the balance there between the political, the diplomatic, the military and commercial is one aspect. If you go out to the Far East or South America, quite clearly there is a very different balance. The application of the soft power advantage of the military, for instance, other than providing some technical support in South America, is hugely different compared to the Middle East, where we offer, up to a point, security guarantees to people who are key to our own prosperity and security.

Undoubtedly, in parts of the world—I say the Gulf, and come back again to the Commonwealth where we have this long-standing historical and cultural affinity—we translate those defence relationships into commercial advantage. Some of it is because they are prepared to pay for our education and training. It comes back to beating a path to our door: they would rather come to Sandhurst than they would to West Point or Saint-Cyr. Some of it is because they will pay for our officers to actually work within their armed forces. Part of it is clearly defence sales, because they are buying a relationship through that which, in the case of something like Typhoon, is a relationship with the Royal Air Force as much as BAE Systems. Part of it, of course, is that in terms of sovereign wealth funds, oil and gas energy concessions, contracts to meet their own health education requirements for
burgeoning and increasingly young populations, they will favour the United Kingdom. Again, it comes back to what the objectives are, and having a really good assessment of what is the most attractive part of the United Kingdom offer that gives us a competitive advantage. In some parts of the world it happens to be defence, through the prism of meeting some of their security concerns.

The Chairman: Different markets, different approach. Absolutely; very good.

Q59 Lord Foulkes of Cumnock: I was on the Joint Committee on the National Security Strategy for four years and two successive National Security Advisers gave evidence to us. You know, Mr Beadle, I did not detect that anything that the national security strategy incorporated had anything to do with soft power. All we got was defence issues that were debated again and again and again. I am just slightly concerned, as far as our inquiry is concerned, that all three of you are looking through rose-tinted spectacles. To summarise your evidence: as far as Britain is concerned, everything in the garden is lovely; we should write a little report saying that and go home. You would help us a great deal more if you could be a bit more self-critical and suggest to us some of the ways in which it can be improved. None of you has said, “Hey, wait a minute, maybe we are not doing quite as well, maybe this is something new we could do, maybe we could learn from the French, the Italians or the Americans”, but you have not given us anything to help us in our inquiry, really, have you?

The Chairman: There is a challenge. Mr Beadle.

Nicholas Beadle: I am glad to take up the challenge, particularly as I am no longer involved in the Civil Service so I feel a little easier about this. To an extent, I agree with the premise of the question. It has some merit in it, inasmuch as there is a question mark about whether the Government should be doing soft power at all or whether they should be an enabler for some of the soft power elements. There is no doubt that defence is just a small part of the overall perception of the UK. Its actions can be Simon’s force multiplier but they can also have the potential for doing great damage to our reputation. So care is needed. I do not think there is complacency there—there certainly should not be—but I can give you a couple of examples of where we could improve, perhaps. This is a wider soft power issue, not purely on defence, but that was the challenge you gave me.

Lord Foulkes of Cumnock: No, I meant in a wider sense.

Nicholas Beadle: One I would pick out in particular is the Korean Wave. This was the rise of popular culture from the 1990s onwards which took south-east Asia by storm. The name was not coined by the South Korean Government. The name came from a Chinese journalist. The Chinese felt it was being done to them, quite frankly. They could not understand why this culture was making such progress. It was not started by the South Korean Government; this was citizen-to-citizen, a natural cultural expansion. However, the South Korean Ministry of Foreign Affairs took this forward and embraced it. In contrast, for example, to the GREAT campaign, which is principally advertising and the creation of a framework—I am a fan of that, but I will come back to it, if I may. the Korean wave was not something that the Government did, it was just something that the Ministry of Foreign Affairs embraced. What it did was to say, “This fits very much with understanding more about Korea. It also fits with Korean unification ambitions because it is saying that we are an open society, et cetera”. Thirdly, it said, “This is a contribution to prosperity, not just for South Korea but for all”. That was quite interesting. So South Korean television stations
were expanding in different countries and so on and they were helping others come to this form. There is one example of what we could do.

Q60 Lord Foulkes of Cumnock: Can I have another one as well?
Nicholas Beadle: Oh, you would like another one!
Lord Foulkes of Cumnock: Yes. You said you had another one.
Nicholas Beadle: If I may touch on the GREAT campaign first—
Lord Foulkes of Cumnock: All right.

Nicholas Beadle: I think it leads to another example. A great deal was made about the success of the Olympics and so on. To push back on your comment about everything being rosy in the garden, I would say that I was very proud, as many other people were, when I saw the Armed Forces step up to the plate when there was an issue of security. However, and this might be more in tune with your thoughts, when I travel abroad and I see a capital city of large numbers of armed people on the streets, my reaction is, “This is authoritarian” and “How safe is it here?” As I say, I was extremely proud of the way in which our Armed Forces committed themselves but I would be interested to see what people from abroad thought about that sight.

The Chairman: Are you saying that Andy Murray does more for our foreign policy than the Army?
Lord Foulkes of Cumnock: Very much, yes.
Nicholas Beadle: No.
Lord Foulkes of Cumnock: He certainly does more than Alex Salmond.

The Chairman: I am sorry, I think someone else wants to come in.

Lord Foulkes of Cumnock: I wanted to hear a reply from the General because he is the one who has been saying that everything is rosy. Perhaps our Armed Forces are not as welcome in, say, Kenya or Belize. Different countries have different perceptions. We should be a bit careful.

Lt General Simon Mayall: My Lord, I absolutely accept that. I do, however, find that compared with the historical reputations of some other countries, we are in a considerably better place.

Lord Foulkes of Cumnock: What do you mean, a better place, and what can we do about it?
Lt General Simon Mayall: I go back to what I do: my primary motivation is the British national interest, which I pursue, as I said earlier, through the prism of defence and security. There is a question: what do you want from your soft power? There is the soft power which is about hearts and minds on operations, so how would you wish to use a national asset in conjunction, as Baroness Armstrong was saying, with the other instruments of national power? Do we want to use it for good in pursuit of security and stability in other parts of the world? Of course we do. Do we want to use it for prosperity? If I was going to close down just to prosperity and put something helpful to the Committee, I would say that we have a thing called irreducible spare capacity within the military whereby we meet the almost
endless demand for international defence training. If we were really serious about getting the maximum advantage out of the United Kingdom Armed Forces, over and above their operations and how they conduct themselves on those operations in the balance of hard power and hearts and minds, while we are waiting in a contingency role, it is important to take this appetite for defence training and use it much more widely by making it a core function of the United Kingdom’s Armed Forces.

Lord Foulkes of Cumnock: What about dealing with emergencies and disasters? We could do a lot more on those, could we not?

Lt General Simon Mayall: I am a great believer, Lord Foulkes, as I said earlier, in the concept of the engaged force. It is not a question either of operations for which I do not see much political or public appetite for a while to come, and it is not to say that it will not happen. I believe that a country like ours absolutely should have the capacity to have very well founded, trained and equipped Armed Forces to be able to deal with those. But I do not think that we can just be put back in a box because that is a waste of a superb asset. I believe that we should link it back to the political objectives of this nation, part of which is our reputation, and we absolutely should use it. That is because when we are in a really hard and austere fiscal position, a government department that is taking almost £32 billion needs to show what the British public gets for it. It is part of the narrative that says, “We can do a whole range of things that are of advantage to the United Kingdom.” That is not simply a selfish advantage, in my opinion.

Lord Foulkes of Cumnock: When I was in DfID and we asked for help from the forces, you would send us a bill for everything. Okay, those services need to be paid for, but it should not be done like that. There should be some co-ordination.

Lt General Simon Mayall: I can only agree, but I do think it is one of the areas where we could do things better. I do not think it is rosy in the garden. We do not appear quite to have the mechanisms. It comes down to stove-piping, silo funding. When times are tight, that is what we fall back on. That is why I think that other nations may be better at being able actively to use their military without ending up with an unseemly toing and froing between departments and the Treasury over the funding of operations. It is quite clearly in the British national interest, and I mean that in the wider sense, not just selfish national interest.

Q61 Baroness Nicholson of Winterbourne: I think the point that the General has just made is perhaps a point that is rather in the forefront for a number of Members of this Committee. Does Mr McCarthy, for example, feel that the committee you are running—I hate to call it IDES, the Ides of March—is strong enough to be able to pull together these rather disparate threads that, historically, our different ministries have been pursuing for a decade or two? For example, we laud—and I think rightly so—many of the DfID objectives. On the other hand, it is dealing, as is clearly said by one of our witnesses here, from the objective perhaps of pursuing the British company interest, for example. Yet, trade is at the very head of the Foreign Office’s perspectives at the moment under William Hague—and correctly. How are you going to bring together the elements that are not yet united in British policy? Do you have a strong enough mechanism? The General has just said about other nations, for example, being able to use the military—whether one calls it soft power or not—more effectively without upsetting all the other ministries. One saw, as indeed has already been noted, on the ground in Iraq the not just differing but totally contradictory aspects that were there from different ministries. It was devastatingly negative on the
population, let alone on British interests and on our influence. How is this going to be pulled together? Are you strong enough? What do you foresee?

**Steve McCarthy:** The specific committee that we talked about earlier on—the Building Stability Overseas Board—works very well at managing on a tri-departmental basis the money it is allocated to manage. That is roughly £200 million a year and out of that comes the UK’s contribution to the UN peacekeeping budget. Compared with the amount of money that is spent in my department, DFID and even the FCO, accepting the scale point, that is frankly a drop in the ocean. It is a very small amount of what we are talking about. Are we strong enough to manage the things for which we currently have responsibility? Yes, absolutely. But I think there is definitely a need to think at a higher level about the way all departments that are relevant to national security at least bring things together, without even going to the broader point about national interest. That is work that the Cabinet Office is looking at right now as we speak.

I think it is probably fair to say that two years is quite a long time. Actually, the way it takes to turn the Whitehall machine around is sometimes a bit slower than any of us would like. But if I come back to Lord Foulkes’s point, I think you can draw a parallel back to the national security strategy, which actually did set some of these things off. It did talk about using all of the tools at our power to support and sustain British interest. It has taken us a while to get there but we are beginning to get there.

To offer you one other thing that I think we could certainly begin to do much better—which will feed directly into your question about being able to bring the broader machinery together—we still have a tendency to look at things on a country-by-country basis. Not only are we stove-piped here in the UK, but it is as if every individual country in the world is a little island on its own and does not talk to its neighbours or anything else. We are increasingly trying to bring the perspective up to a regional level—not to do away with the country perspectives, which are obviously very important, but to understand relationships between the neighbours in the countries in any given region. We can therefore try to have a broader influence across the piece when it makes sense to do so. To take you to a non-controversial example, perhaps, when we involve ourselves with friends and allies in the Scandinavian countries, we tend to deal with Denmark, Sweden, Finland and Norway alone. We tend not to recognise that if you talk to a Dane or a Swede the first thing they talk about is what is going on with Denmark and Sweden. We have to get up to that sort of regional level. As part of the defence engagement strategy we put in place specifically as a sort of an experiment—although I do not think that we will change it ultimately—a formal linkage of our defence attachés in those countries. Therefore, they work together for a common aim as opposed to, as it were, just working for their bilateral embassy. That is a small step but I think that is another thing that we could look to do more of across government—thinking about the regional context not just the bilateral context.

**Q62 The Chairman:** We are getting quite close to the time when we must let our witnesses go. They have been very helpful over a two-hour period. I just have some final points on the military and the support of the national interest. General Mayall, you have been active in the area of arms sales, particularly in the Middle East, where, as you say, there is an existential threat and the emphasis is on security and defence. Would you say that being very active and successful in this field puts this country at an advantage or disadvantage compared with countries that do not arrive with a lot of arms sales in their shop windows, as it were?
Lt General Simon Mayall: “Defence sales”. We know the emotive nature of “arms sales”. As I say, even with the imperative of prosperity, we are not just in the business of selling arms. Defence sales are part of relationships and we deal with responsible Governments, I like to think, in most parts of the world. It is a virtuous cycle. If you engage politically, diplomatically and militarily as a credible nation with a long-term strategy objective to meet—yes, selfishly—your own security needs in a part of the world, the chances are that those countries will reward that strategic commitment with defence sales. In the part of the world I particularly work in, the Gulf, there is no question that any of these countries could possibly defend themselves on their own. They absolutely rely on the guarantee of the Americans, fundamentally; and, as I say, in many cases, if there was an invasion—Saddam into Kuwait—the UN would wrap round to give the legality, the legitimacy, for an intervention on that country’s behalf. But they are very aware that some of our security requirements and prosperity requirements are met by defence sales.

I support defence sales in parts of the world because I think they give you these long-term relationships. They give you political influence. They help the United Kingdom then to engage through ambassadors, Ministers and senior officials in parts of the world that give us challenges between interests and values. There is no doubt about it: if you do not engage up to a point, you will find that your competitors are rewarded for their engagement. Where you do engage, I think you get rewarded with defence sales. They have a commercial value of their own, that is undeniable, but to my mind they underpin long-term strategic partnerships that are built fundamentally on relationships, particularly in that part of the world. We have seen already, particularly in the Middle East, that the political, diplomatic and military engagement has led to defence sales but it has also led to a huge amount of other commercial activity, which comes as a result of the nature of the power in that part of the world.

The Chairman: That is very helpful. So the answer is that it is a very strong positive element.

It is coming up to six o’clock. Unless there are any final questions, I would like to thank all our witnesses very much indeed. It is an enormous canvas. We could spend many hours on different aspects of it. What emerges very clearly is the extraordinary interweaving of hard and soft power nowadays. The days of armies against armies or air forces against air forces have simply gone and opponents are all from the insurgency or irregular or less visible quarter. That means the use of soft power and working on minds become as important as working on defensive positions, and, secondly, that what is being done on the military side, including defence sales, is all part of supporting national interests more effectively than in the past, and it is very positive. Thank you very much indeed. Obviously we shall think very hard on some of the things you have said, and we are very grateful to you.