(3.15 pm)

SIR DAVID OMAND

THE CHAIRMAN: Welcome back everyone, and those who have joined us. Because we are probably going on until about 5 o'clock, if not a bit after, we will have a break in the middle of this at some point.

Can I start by welcoming Sir David Omand? You held, Sir David, the post of Security and Intelligence Co-ordinator in the Cabinet Office from June 2003 until your retirement in April 2005?

I think I should, for the record, say that the nature of Sir David's responsibilities mean that some aspects that the Inquiry may need to address would have to be covered in a private hearing, but we shall cover as much ground as we can in this public hearing this afternoon.

Now, we recognise, and I say this every time, witnesses are giving evidence based on their recollection of events, and we, of course, cross-check what we hear against the papers to which we have access.

I remind every witness that he will later be asked to sign a transcript of his evidence to the effect that the evidence given is truthful, fair and accurate.

Just to begin, Sir David, the role to which you were appointed in June 2002 was a new one. Could you

describe it?

SIR DAVID OMAND: Thank you, Chairman. Yes, I was appointed in summer 2002 as a Permanent Secretary in the Cabinet Office overseeing the Civil Contingencies Committee on the understanding that, in September, on the retirement of Sir Richard Wilson, I would then take over from him responsibility as Accounting Officer for the Single Intelligence Account, chairmanship of the Permanent Secretary's Intelligence Committee and chairmanship of the Official Committee on Security, which had rather fallen into disuse because of other pressures on the Cabinet Secretary's time.

I retired, as you say, in 2005. I should say that I'm now visiting professor at the War Studies Department at King's College, London.

SIR LAWRENCE FREEDMAN: I should say I'm also a professor.

THE CHAIRMAN: Interests declared.

SIR DAVID OMAND: Just to go on and make a further point about my responsibilities -- the new role I was carrying out -- in the Cabinet Office I reported to the Cabinet Secretary and, unlike Sir David Manning, I did not have another role inside Downing Street as an adviser to the Prime Minister.

I was, if you like, a senior secretariat member of the Cabinet Office. I was secretary of the

Prime Minister's committee on international terrorism, the secretary of the rather active two Home Secretary chaired committees on counter-terrorism and resilience, and chaired a number of official Cabinet subcommittees.

As the Butler Report, I think, commented, I didn't attend Cabinet. I wasn't a secretary of Cabinet. If I had insisted on that, which would have been a rather interesting thing to do, of course, if I had insisted on that, I would, as it were, have displaced somebody else who actually would have had rather more interest in the majority of Cabinet business.

THE CHAIRMAN: Thank you. Can you say a little about the dual role that you exercised with respect to the Chairman of the JIC? You were a member of the JIC, as I understand it, right from the beginning, and you were, in effect, the line manager for the Chairman of the JIC but not, as it were, interpolated between him and the Prime Minister.

SIR DAVID OMAND: That was a condition of my appointment and was indeed explicitly stated in the press release when I was appointed.

Again, the Butler Committee Report picked up on this point. I think paragraph 607 of that report commented that, as a result of my appointment, the Cabinet Secretary is no longer so directly involved in

the chain through which intelligence reaches the Prime Minister.

I think, Chairman, in a remark you made in your session with David Manning, you commented that my appointment had taken the Cabinet Secretary out of the loop. It wouldn't be correct to assume that any Cabinet Secretary has been in the loop in the provision of advice on assessed intelligence. That has always been a duty that has fallen on the Chairman, -- at least since the Second World War, the Chairman of the Joint Intelligence Committee.

So a condition of my appointment was that I would not interpose my judgment on the content of the intelligence --

THE CHAIRMAN: But the arrangements for intelligence assessment -- correction, the co-ordination of oversight of the agencies, was the responsibility directly of the Cabinet Secretary until your own appointment, when you took that on?

SIR DAVID OMAND: He was the chair of the Permanent Secretary's Committee on Intelligence, but there was also a Co-ordinator, and that duty, when I took over, was actually being exercised by the Chairman of the Joint Intelligence Committee.

I think the easiest way to describe what I was

trying to do, was appointed to do in that respect, is to talk about the health of the intelligence community. My job was to make sure that it was in good health, argue for its resources and negotiate those with the Treasury, ensure that the Agencies were working together, try and generate some efficiencies and be on the lookout, as I did with the creation of the Joint Terrorism Analysis Centre for new ways in which the community could be made more effective.

THE CHAIRMAN: Yes. As a matter of interest, how did this piece of evolution within the whole Cabinet Office central machinery fit with other aspects of that evolution?

SIR DAVID OMAND: Where would I start? If we look at the Cabinet Office and Number 10 together and we look across all of government activity, you would see a rather confused picture. I recall describing it at a Cabinet Office management conference once as like looking at a distant view of a range of mountains with individual snow-covered peaks on top of which were demi-gods hurling thunderbolts down on the plains below.

It was almost impossible to put it all in two dimensions on a management organisation chart. It was very confused, there were dotted lines, and there had been a mushrooming of units inside Number 10, and some

in the Cabinet Office: delivery units, policy units, strategy units, public service reform units, deregulation units, and so on.

A point worth making perhaps is that the arrangement had always been that Downing Street and the Cabinet Office are funded from the same vote. I inherited an overspend and there wasn't enough money to pay for all of these units, as they had been set up, and the Treasury kept us -- I expect deliberately -- on a very tight leash in order to restrain the growth of Downing Street.

So it was quite hard to, for example, produce modern IT for the Cabinet Office. It was quite hard to staff it up at the level I would have wanted. Downing Street had gone their own way on information technology, very sensibly, and had afforded themselves some state-of-the-art technology. At the Cabinet Office, we were struggling to buy the licence for the latest version of Microsoft Office.

We did, however, recognise -- and I think Andrew Turnbull referred to this -- where there were some priorities. We did find money for OD Secretariat, to expand them at the time of Iraq. We did find money to enable the Joint Intelligence Committee's assessment staff to work at full tilt as the crisis -- the run-up

to the campaign -- developed.

But it was a bit of a struggle and not necessarily ideal. It was also the case that the Overseas and Defence Secretariat, who were hard pressed on Iraq, were also valiantly providing me the sole support I had to work on counter-terrorism strategy. I have nothing but praise for them, they did a fantastic job, but it was a stretch.

THE CHAIRMAN: A paper analysis might suggest, looking at your own role and that of the Cabinet Secretary, that you have the Cabinet Secretary responsible to the Prime Minister and the Cabinet for co-ordinating policy advice on anything of significance, sufficient significance. But you, for your part, had security and intelligence very much in your sights, but are not attending Cabinet, and are not, are you, particularly attending ministerial meetings on broad policy unless there is a very dominant intelligence component. Is that right?

SIR DAVID OMAND: With the exception of counter-terrorism where I was the secretary of the relevant committees. I didn't attend ministerial meetings on Iraq, with the exception that, when the fire-fighters' strike began to loom, there were separate meetings the Prime Minister held with the Secretary of State for Defence and the

Chief of Defence Staff and myself and the team working on civil contingencies.

THE CHAIRMAN: Yes, because of the interaction in terms of demands for military assistance.

SIR DAVID OMAND: Precisely.

THE CHAIRMAN: Given the primacy of intelligence in justifying the whole Iraq strategy, however you choose to frame the objective: regime change, disarmament, whatever, in which order you put them, intelligence is the fundamental basis for the case made.

Do you think that there was sufficient involvement from intelligence professionalism, in which I include yourself, in the advice that goes to Ministers throughout the period up to your appointment and since? I know you have John Scarlett attending most, if not all, significant ministerial meetings. Was that enough?

SIR DAVID OMAND: I would first just gently qualify the point about the sole basis, in that there was Saddam's past behaviour and there was later on his obstructionism of the United Nations and inspection. So that's just a mild qualification.

THE CHAIRMAN: Though, once the inspectors are out of Iraq from 1998, there is no internal sources evidence.

SIR DAVID OMAND: Yes. In terms of advice on intelligence, the Prime Minister as I understand it, at his meetings

on Iraq, always had the Chairman of the Joint Intelligence Committee present, and, for most of them, also the chief of the Secret Intelligence Service.

THE CHAIRMAN: That does bring me to the question which did come up before the Butler Committee years ago, which is the degree to which Ministers are sufficiently or well prepared, as well as experienced, in understanding intelligence assessments, the very nature of intelligence, its limitations, as well as its potential.

Would you like to offer an observation on that?

SIR DAVID OMAND: When Ministers come new into government, then this is an area they have to learn about. They would normally not have had previous experience and one of the things that the heads of agencies -- I have done it myself as a previous head of an intelligence agency -- is to go round them and make sure they do understand, to invite them to visit the headquarters of the agencies and so on.

By the time we are in 2002, it is a government that I think has been through a number of crises and they have got a reasonable feel for it. But there is perhaps a tension, which is innate between, if you like, the political or policy-making approach, which is to shape the world to match your demands, and the analysts' or academic approach, which is to try and, as it were,

impose structure on the facts to assemble them and to draw hypotheses from them. The policy-maker does tend to say, "That's all very well, but just try harder".

So this is, you know, well documented in the literature on both sides of the Atlantic. It is always going to be there. I think it was present in this circumstance as well.

THE CHAIRMAN: It was quite striking -- and I'm not quoting him direct, so I don't think I'm misrepresenting him. But when we took evidence from Geoff Hoon yesterday, he did say at one point -- and he was a very experienced minister by then, in terms of the use and access to intelligence -- he could imagine it being certain in effect, whereas, on the one view, at any rate, every intelligence assessment has elements of uncertainty or indeed misjudgment in it, because it is a judgment, it is not a statement of a fact or a set of facts. Is that right?

SIR DAVID OMAND: That must be right. That's the classic statement of the position, but I think just to go back on the point I was making a moment ago about the difference between, if you like, the policy world and the analytical world, I think I have lost count of the number of occasions on which I have seen governments of all persuasions receive carefully calibrated, measured,

"On the one hand ... on the other", advice from officials, and then gone the next day to the House of Commons and stated with complete certainty that the option they have chosen is, of course, fully backed by the facts and is the one that should be supported.

We have an adversarial political system. A minister who goes to the House and says, "I think, on balance, I have probably got the right policy, but there is a possibility the evidence might not support my case", that politician is not going to survive very long, and I think this is just innate, it is in the system, and we mustn't be too precious about ministers' wish to, as it were, make their case.

The big mistake we made -- and I confess my own part in this, as the Butler Committee pointed out -- was the way we actually combined the analysis with making of the case by government, a perfectly legitimate thing for them to do. They were indeed perfectly convinced with the presentation of the summary of what the JIC had found.

We didn't spot the potential problems that would get us into. I certainly wouldn't recommend doing it that way again.

THE CHAIRMAN: We will come on to that a bit later, if we may. I was only going to observe that the sin of overstatement or overcertainty, whatever the political pressures, doesn't get its absolution by being repeated.

There is clearly a lasting problem. You are telling us, I think, it is innate, it is perhaps insoluble, but it is there and needs to be recognised at the very least.

SIR DAVID OMAND: I think that really is the lesson: that you have to be aware that it is there, and, insofar as it is within the art of the politically possible, that should be taken into account.

But just to give you an example, which I checked up on before coming before you, in the Joint Intelligence Committee and more broadly across Europe and the other side of the Atlantic, we did all believe that Saddam was hiding illegitimate programmes. For example, Dr Brian Jones in a now rather famous internal minute within the defence intelligence staff, correctly pointed out that you can't say from intelligence that you know something. That's not a sensible thing to say.

But in that very minute in which he said that, he also said: "Whilst we are more than ever convinced that Iraq has continued to produce BW agent ..."

We shouldn't describe it in exactly that way, he said but "Whilst we are more than ever convinced" is exactly the kind of thing we were all saying to each other. We were wrong.

THE CHAIRMAN: The Butler Committee reports contained some analysis of the group think phenomenon, that it is all

too easy.

Can I come to specifics, Sir David about Iraq, and one thing which this Committee is increasingly interested in is the quality of the information available to government before -- throughout 2002 and into the March 2003 period, about the state of affairs in Iraq and the prospects for the eventuality of an invasion and the toppling of a regime and the state of Iraq thereafter and the challenge that would pose.

Now, John Scarlett in evidence to this Committee, told us that the JIC produced two assessments in early 2003, one on the north and one on the south in terms of the impact of military action.

That's about a month before the action actually starts. There isn't a sense that the JIC -- you may say we must ask John Scarlett about this -- over the longer run had, as it were, an evolving assessment of the likely state of Iraq following a regime change brought about by military action. Similarly, of course, the open source material -- it is hard to find, but just on the intelligence assessment, was this too little too late or was this not a subject for intelligence assessment?

SIR DAVID OMAND: My own view is that it would be a subject for intelligence assessment. I'm not one who belongs to

the school that says that intelligence assessment should only concern itself with secret intelligence and its interpretation. I think it has to be put in a context, and open source information is a valid part of the assessment. The assessment staff in the Cabinet Office does routinely have a great deal of open source information available, everything from BBC monitoring to academic publications and so on.

I rather shared the view of the Butler Committee that, with hindsight, we probably didn't know as much as we could conceivably have known if more effort had been available to put into talking to academics, visitors, people who had been to Iraq etc. I have heard it from a number of academics that the infrastructure of Iraq was in a worse state than probably the intelligence community was assessing it to be, and that's perhaps the sort of area where we could have perhaps done a bit more.

THE CHAIRMAN: Yes. One witness -- and indeed I think it was Geoff Hoon himself -- said Iraq was probably the most photographed, in terms of overhead imagery, country in the world.

SIR DAVID OMAND: That doesn't tell you whether the pipeline is connected to anything.

THE CHAIRMAN: That was the question. Just going back very

briefly to the two assessments on the post-invasion perspective state of Iraq, it is a question whether they found an audience, frankly. It is hard to know from the way JIC assessments are circulated and submitted, what the take is, actually.

Do you happen to have any recollection of whether they caused a ripple or a stir or were they just part of the flow?

SIR DAVID OMAND: I have no direct information on that at all. I suspect they were part of the flow. I have no reason to believe, though, that those assessments were not carefully read and John Scarlett has told me at the time, and has told me since, that he would be asked questions about the latest set of assessments when he attended meetings with the Prime Minister.

So I have no belief that they were being pushed to one side. I think they probably were being read and the same would be true in relation to the other things we were saying in assessments about terrorism, for example.

THE CHAIRMAN: Thank you. Your responsibilities, as intelligence and security coordinator would include an overview of the priorities the JIC were tasked with, though, not, as it were, total control over them, I think, and I would like to turn just briefly to the post-invasion period and the deployment of our

intelligence assets over that period.

There were some surprising events which took us by surprise. Again, the same question as before: is that a matter for secret intelligence? Once you are in the place and you have got lots and lots of soldiers and others on the ground, is that secret intelligence material, you know, a fertile ground for it or are things like the beginnings of an insurgency things to be looked for more openly, quite frankly?

SIR DAVID OMAND: I think it is quite helpful to go back to the classic tactical operational and strategic distinction. There would be tactical assessment going on on the ground and --

THE CHAIRMAN: Essentially military?

SIR DAVID OMAND: Without getting into classfied defence territory, the national agencies would be providing support by their own staff directly in theatre and there are well practised arrangements for doing that.

You would have operational level assessment going on, including, at the Permanent Joint Headquarters, on how the campaign is actually going and discussions with the United States over that, and then you would have a strategic assessment in relation to the ministerial objectives: where are we getting to?

Certainly in the JIC we looked at questions like, were we facing an insurgency and what was the Al-Qaeda in Iraq phenomenon. All of those were subject to strategic assessment.

THE CHAIRMAN: Right. That focus on Iraq from our -- the entirety of our intelligence strategic assets, continued through your time?

SIR DAVID OMAND: Yes.

THE CHAIRMAN: I'll stop there and ask Sir Lawrence to pick up the questions.

SIR LAWRENCE FREEDMAN: We have already had some references to the September dossier, but I would like just to ask you some more questions about it.

Now, your role in this is as an ordinary member of the JIC, rather than particularly in your Cabinet Office role? Is that fair?

SIR DAVID OMAND: Yes. One addition I would make, wearing my security hat, I felt it my responsibility make sure the arrangements were such that the dossier did not inadvertently give away information which would be useful to a potential enemy, and there is a long history of ministers inadvertently compromising intelligence sources from 1844 and the Mazzini affair, Baldwin in 1927, Ted Rowlands in the Falklands. I did not want this dossier to be that kind of document. That's one of

the reasons why, with John Scarlett, we were determined that Alastair Campbell shouldn't write it, nor a press officer in the Foreign Office.

SIR LAWRENCE FREEDMAN: So how did the actual process of writing appear to you? How were you involved? Were you looking through it particularly for unwarranted disclosures or were you looking at it in terms of the actual content as well?

SIR DAVID OMAND: Both, which is what I would do with a Joint Intelligence Committee paper, which would be circulated in advance, and members of the committee would read it. If they thought there were points they wanted to fire in in advance of a meeting, they would do so. So I didn't see it in any different a light really than an ordinary JIC assessment when it came to process; in other words, two members of the assessment staff were detailed to write it essentially, supervised by the Chief of the Assessments Staff, superintended by the Chairman of the JIC, who took a personal interest in the actual drafting of it. Once I knew that he was doing that, I, frankly, after about the first circulation, said, "Well, that's fine, it is clearly being handled in the right way".

SIR LAWRENCE FREEDMAN: But there were a number of drafts. Did the JIC meet and discuss individual drafts or was it

all done --

SIR DAVID OMAND: No, we had one discussion. You would have to check this against the records, but we did have one JIC meeting at which it was actually tabled, and then we had a second JIC meeting at which we discussed where it had got to, and we recognised it was almost in final form, but I don't recall we actually discussed the text at that second meeting.

SIR LAWRENCE FREEDMAN: So it was only in the first meeting you discussed the text?

SIR DAVID OMAND: That's my memory.

SIR LAWRENCE FREEDMAN: It is a long document. So how was this done? Were individuals picking up particular things that fall within their normal area of concern? Was it about the overall impression being conveyed?

SIR DAVID OMAND: It is worth stepping back a pace. On the Joint Intelligence Committee you have got three groups of people. You have got the intelligence experts or the chiefs of the agencies, you have got the Chairman of the JIC and the Chief of the Assessments Staff, very much engaged in the production of the paper, and then you have got senior policy-makers from the major departments concerned in Whitehall, and the comments you get depend on which group they are coming from.

So the agencies would be looking very, very

carefully at every word to see: (a) is nothing being revealed that shouldn't be revealed, (b) do we have other information we could add in? Is our intelligence being used properly? Is it being misunderstood? That's their role on the JIC. The assessments staff are keeping the score and trying to keep it consistent with previous JIC assessments and pointing out to the committee if it is not consistent, and the policy-makers (I have been a policy-maker on the Joint Intelligence Committee as well as on the intelligence side) are rather like publishers' readers and they would be saying, "I don't see the justification for this statement", or, "This doesn't seem to be consistent with the earlier parts of it," or even, "This is far too weak, can't we say something stronger?"

That's the kind of debate you normally would get in a meeting of the JIC.

SIR LAWRENCE FREEDMAN: In a meeting that you had, were people from what has been described as the presentational team present, people who were on the press side or communications side?

SIR DAVID OMAND: No, they certainly don't get into the JIC.

SIR LAWRENCE FREEDMAN: Because there are references, as you know, in the drafting process to these -- to

John Scarlett saying that they were included.

SIR DAVID OMAND: Their views were sought perfectly properly. Why shouldn't they be? This is a public document being presented to Parliament by the Prime Minister.

SIR LAWRENCE FREEDMAN: But the meetings you were at, it was the normal JIC crowd?

SIR DAVID OMAND: Yes, yes. There were -- I think you have already discussed this -- two meetings in Number 10, at which the Chief of the Assessments Staff and/or the Chairman of the JIC attended, which were chaired by Alastair Campbell on presentation, not on the substance of the dossier. That struck me as perfectly proper.

SIR LAWRENCE FREEDMAN: These were before --

SIR DAVID OMAND: Indeed, there had been such a meeting in April when an earlier version of the dossier was being looked at.

SIR LAWRENCE FREEDMAN: That's interesting. But the meetings you are describing now, that was before the actual production rather than afterwards?

SIR DAVID OMAND: Yes.

SIR LAWRENCE FREEDMAN: In this meeting, did you get sight of the foreword as well as the --

SIR DAVID OMAND: No, that was circulated separately and I have had to refresh my memory and I discover I did see

it. It was circulated by the Chairman of the JIC to JIC members pretty late in the day. He got it, I think, from Alastair Campbell and he flashed it round the JIC. I discovered that I actually took my copy and highlighted bits that needed polishing, sent it back. Some of those got incorporated and some didn't. But my memory -- and as I say, I had to refresh my memory -- is that I didn't pay that much attention to this bit of it --

SIR LAWRENCE FREEDMAN: Now --

SIR DAVID OMAND: -- which was a mistake.

SIR LAWRENCE FREEDMAN: The phrase "beyond doubt" has now been repeated often in these sessions. So are you saying that no alarm bells were rung --

SIR DAVID OMAND: I totally failed to spot the potential problem that would arise through the disjunction between the statement of case being directly associated with the text of the dossier. We were commenting on this as a document the Prime Minister was going to produce under his own name, and he was convinced. So his saying so was not really very exceptional.

THE CHAIRMAN: It is quite an intricate little statement in the foreword. It says:

"He is convinced that the assessment shows ..."

So he bundles together his own inner conviction with

what the assessment is alleged -- or in his belief that it demonstrates --

SIR DAVID OMAND: If we all had had more time and we had thought about it more, perhaps we would have been suggesting different things, but there are we are.

SIR LAWRENCE FREEDMAN: You mentioned your eagerness to make sure this was the property of the JIC in its production and you have also mentioned before the relationship between the sort of analytical world and the policy world and perhaps with Alastair Campbell the sort of the media part -- the presentational part of that policy world.

Did you, as you looked at the drafting, notice a process of tightening going on, so that statements were getting stronger than they might otherwise have been in a normal JIC assessment?

SIR DAVID OMAND: No, I didn't, and I think by then I knew John Scarlett well enough, and he knew me well enough, that, if he had felt under pressure, he would have put his head round my office door and said, "Can you help me fend these people off?" But he didn't, because it did appear that he was making his own judgments based on the JIC and the advice of the Chief of the Assessments Staff as to what should go in and what shouldn't.

SIR LAWRENCE FREEDMAN: Just to continue on these, again,

sort of favoured topics these days, the 45 minutes, were you aware of the background to that going into the assessment? Did you take much notice of that as a feature of the presentation?

SIR DAVID OMAND: Not as a feature of presentation. It was a piece of intelligence that was circulated quite late in the day, as you know, round the JIC and found its way into the JIC's own assessment at quite a late stage.

I think it is worth again stepping back slightly and just recalling that the idea of producing a detailed intelligence assessment for public consumption was not hugely welcomed by the intelligence community, certainly not by me, partly on precedential grounds, although it had sort of been done once before, but there is a natural queasiness on the part of anyone who has worked in the intelligence business at putting anything into the public domain, and one of the problems we foresaw, and, indeed, to some extent did occur, was that the agencies were quite happy for generalised statements to be made, but were not very happy about any of the detail of the reporting being used. So the risk was we would end up with a document which was simply a series of assertions.

The JIC does that in key judgments but then there are three pages of quite detailed material in a normal

JIC paper to explain why those judgments have been reached.

So there was some email traffic around, as it were, pleading with the agencies, one email in particular that Lord Hutton highlighted, pleading with the agencies, "Has anybody got anything more they can put in the dossier?"

I wouldn't interpret that as meaning people saying there isn't enough intelligence in substance, but this isn't going to look very convincing if we are not allowed to show more of it. That's my personal expression -- explanation of why, as it were, people fell on the 45 minutes. At least that was something the Secret Service would allow to be used.

With hindsight, one can see that adding a bit of local colour like that is asking for trouble. But we didn't really spot that at the time.

THE CHAIRMAN: I think Usha would like to come in.

BARONESS USHA PRASHAR: Thank you. I think you said earlier that this is something which shouldn't be done again.

SIR DAVID OMAND: In that form.

BARONESS USHA PRASHAR: In that form. I mean the sense one gets is that there was a push -- and I think Alastair Campbell said about presentation, getting this information out to make the case, say what a threat

Saddam Hussein posed -- and an attempt was made to produce something, but given the fact that there is a kind of, what you'd say, an innate tension, which is in terms of caveats the way it has stated what the policy-makers want, did anybody actually question at the outset the wisdom of doing this?

I know you have been very candid to say mistakes were made, but what -- did somebody have responsibility to stand back and say, in its total form, "Is this the right kind of document to go out?" I mean, John Scarlett said that he had the ownership of it, but do you think there was a merging of the ownership with the presentation issues, and, as the Hutton Report said, there was a kind of a subconsciousness which may have entered into people's minds in the way that everybody got carried away with the flow, the way maybe the effects were being used to fit the policy?

SIR DAVID OMAND: Lord Hutton's remark was masterly, since, by definition, if it is a subconscious influence, you are not conscious of it. You can't do anything about it. So I'm not sure that observation actually takes us anywhere, but more substantively, there had already been, and you have, I think, taken evidence to this effect, plans for having some form of public dossier. So it wasn't a brand new idea. It was also,

I think, presented to the JIC as an instruction. We weren't asked, would we like to produce this, we were told we will produce this.

Now, in my position, I could have phoned up Downing Street and I could have asked to see the Prime Minister and said, "This is a terrible idea. Why do you want to do this?" I didn't do that because I didn't think it was such a terrible idea at the time. I still think producing a statement, a measured statement of what was known about Saddam and his past behaviour and what intelligence appeared to indicate he was currently up to, was a necessary part of proper government. How else could the government explain what on earth it was doing investing so much energy with the United Nations, explain what was happening, and explain its relationship with the United States on this issue, if it couldn't have that kind of public explanation?

The problem -- I think the Butler Committee got this absolutely spot on – was to identify that, although the dossier itself was -- I'll come back to one exception -- a faithful reflection of the intelligence assessments, the context in which it was presented was as 'making a case', and that wasn't how the document was written.

I come back to the problem of associating it with a perfectly proper Prime Ministerial statement

which appeared in the foreword. If we had suggested to the Prime Minister -- it didn't occur to us, but if we had said, "You should issue your own statement. The document, the declassified statement of Saddam's behaviour and our analysis will be issued as a separate free-standing document by the Cabinet Office placed in the library of the House of Commons and so on", that might have eased some of the tension that subsequently was produced.

BARONESS USHA PRASHAR: So you are suggesting --

SIR DAVID OMAND: Just to conclude, the one area where, with hindsight, we all wished we had done more is in chapter 1 of the dossier which was designed to be an explanation of the basis of the intelligence and did include a statement about the nature of intelligence.

With hindsight, we should have made that stronger and I think we accept entirely what the Butler Committee said about that.

THE CHAIRMAN: Since we are in the publishing business, chapter 1 of the Butler Report, I recall on the nature, use and limitations of intelligence has become, I think, a classic text and bears repetition or re-reading.

SIR DAVID OMAND: Yes.

THE CHAIRMAN: Sir Lawrence?

SIR LAWRENCE FREEDMAN: In a way, by taking ownership of

a text that was going to be used in the public domain, the JIC was putting itself in a very different role to the one that it would normally be put in, and, therefore, I take what you say about: if something is being subconscious, how do you know?

But there is possibly a point in which you are thinking, "Well, this is designed for a different audience to the one we are used to, we have to be a little stronger and a little clearer and a little less uncertain and unsure, because, otherwise, what sort of impression will that make?" You are presenting the JIC's as well as the government's case.

SIR DAVID OMAND: I agree with that, and that, of course, is essentially the justification for people like Alastair Campbell having a say in assuring the legibility of the document.

No, I think we knew at the time that by taking ownership within the JIC, we were taking something new on, and the faults subsequently that were uncovered therefore came to rebound on the JIC.

I also had in mind a vague memory, which somebody, I'm sure, can check, of the strictures of Mr Justice Scott in the Arms for Iraq Inquiry, where he said intelligence judgments must not be precised by policy officials. If you are going to put intelligence

into the public domain, you do have to make sure that it has been cleared.

Now, the question, of course, would then be, supposing the JIC had simply cleared the document but it had then been presented as a government White Paper, I'm quite sure that the first questions from the journalists would have been, "How do they know this? Has the intelligence community seen this? Has the Joint Intelligence Committee," which is a publicly acknowledged body, "seen it?" and you couldn't refuse to answer, if you are a government, in those circumstances, or somebody would at any rate brief, "Yes, of course, this has got the backing of the JIC". So in one sense better to be honest about it.

Just to make another point, I said we mustn't do this again in quite this way, but, of course, every time there is a serious terrorist incident or serious intelligence on a potential terrorist incident, the government has to introduce new restrictions -- we heard more this afternoon about those -- and somehow produce a justification.

So this problem about how safely you can put intelligence-derived information into the public domain to reassure and inform the public about why government is taking the action it is, doesn't go away with Iraq,

it is with us today.

SIR LAWRENCE FREEDMAN: Jonathan Powell, I think it was, suggested that it might have been simplest just to release the JIC assessments as they were and people could read them for what they were.

Now, you would have obviously had some concerns about that in some of the detail, but even with redacted sections, which we can all do, that would have been a possibility?

SIR DAVID OMAND: I think that would probably have caused me to form up on the Prime Minister and say, "I really don't think this is a very good precedent to set", and when you read the assessments, of course they chain backwards to previous assessments. Once you have started down that road it would be very difficult to stop, I think.

SIR LAWRENCE FREEDMAN: But it might be better, just thinking of how this is done, because, as you say, this is a problem that all governments are going to face, to find a way where something with more of a feel of the raw assessment, how it goes to ministers, is provided, rather than something which, by its nature, has the feeling of a document that's in a way for a marketing purpose.

SIR DAVID OMAND: I accept that entirely. I think my

interpretation of that would be, though, that when it comes to actually drafting a document, rather than releasing the actual text presented to ministers in the classified assessment, the drafting would have to be probably a bit longer, go into more detail about where intelligence comes from and the necessary caveats associated with it, recognising the lay nature of the readership, whereas with the JIC papers they are going to people who are used to reading them.

THE CHAIRMAN: Could I just ask you, Sir David, on this, do you, from your very great experience, see a difference between incident-based intelligence about a threat, a prospective threat, on the one hand, and strategic intelligence assessments designed to support policy-making over quite a broad range of -- or range and over time?

SIR DAVID OMAND: Certainly, you can make that distinction and I referred earlier to the tactical and operational and strategic levels, but even in the counter-terrorist field, looking at some of the potential low probability but high impact risks that might come about through unconventional means of attack, you would need a strategic assessment, but you would still have to try and somehow explain to the public why a great deal of money, for example, was being spent on certain kinds of

precautionary measures. I'm not sure it entirely gets you out of the problem.

SIR LAWRENCE FREEDMAN: I have one more question on this and perhaps one quick one on the February dossier.

If you look at all the material that was released around Hutton, it is evident that those on the presentational side, shall we say, did want to see more hard intelligence justifying it.

Now, without giving any secret, if the material upon which all of this had been based had been put more into the public domain, do you think people would have been more or less impressed? How actually strong was the evidential base upon which so much of this was based?

SIR DAVID OMAND: I think there are two parts to that question. One is, would it have been a more exciting and more persuasive dossier if there had been more colour in it on BW and CW drawn directly from intelligence reporting? The answer is, yes, it would. But if the totality of that intelligence base had been revealed, which no reasonable government would ever do, particularly facing potential conflict with an adversary, but if it had been, then I think the answer would have been, is that it?

SIR LAWRENCE FREEDMAN: That was the point I was looking for. The word "thin" has also occurred in connection

with the actual intelligence base --

SIR DAVID OMAND: I think again "thin" can be interpreted in two ways: "thin" meaning the sort of thinness of the base. That was certainly true. "Thin" meaning the depth of an individual report, no. I think it is important to remember -- it comes back to the point that you were asking about earlier about whether there was any hardening up -- that within the classified JIC assessments there was a hardening up, and this is described in the Butler Inquiry report, because of the arrival in September of what looked to be some quite convincing intelligence. It certainly convinced me. Of the four lines of reporting, I think at least three were subsequently withdrawn. We might come on to that when we talk about the Butler implementation.

SIR LAWRENCE FREEDMAN: I think that this is quite an important topic that we will want to come back to before we finish, but just before I think we probably will need to take a break, did you have any involvement in the February dossier, the so-called dodgy one?

SIR DAVID OMAND: None whatever. I recall marching into Alastair Campbell's office to ask what on earth was going on and he was gracious enough to minute and apologise. It was just one of those mistakes that happened. I regarded that as vindicating on the

1 approach we had taken on the first dossier.
2 SIR LAWRENCE FREEDMAN: So you had no awareness of it?
3 SIR DAVID OMAND: No. It came out of the blue.
4 SIR LAWRENCE FREEDMAN: Were you aware of bits of
5 intelligence that went into it?
6 SIR DAVID OMAND: Not specifically, no.
7 SIR LAWRENCE FREEDMAN: We'll leave it at that.
8 THE CHAIRMAN: We will take a break of ten minutes or so and
9 then return until 5 o'clock.
10 (4.05 pm)
11 (Short break)
12 (4.17 pm)
13 THE CHAIRMAN: Let's resume on a different theme. Lawrence?
14 SIR LAWRENCE FREEDMAN: Your main responsibilities were
15 security and terrorism and there are three issues that
16 I would like to discuss with you in those areas.
17 The first relates to the rationale for the war, that
18 was evident in the United States, but less so in the
19 United Kingdom, which is that there was direct linkage
20 between Saddam Hussein and Al-Qaeda. How was this
21 assessed in the UK, first question?
22 SIR DAVID OMAND: That was assessed on several occasions,
23 including in the JIC. We did not support the conclusion
24 of some in the US community, who saw a link between
25 Saddam, his security apparatus and AQ. This was

discussed intensively, agency to agency, and in the end, I think the Central Intelligence Agency and our own intelligence staff came to the same view but that it wasn't universally shared in Washington.

SIR LAWRENCE FREEDMAN: Did you have discussions with Americans on this issue? Or was this just a view that was developed in London?

SIR DAVID OMAND: This was discussed by the experts intensively. It is the sort of issue I raised on my visits to Washington with members of the intelligence community. As I say, there was a clear difference within Washington between the CIA and its own analysts and those inside the Pentagon.

THE CHAIRMAN: I notice you didn't use the words "within the American intelligence community".

SIR DAVID OMAND: No.

SIR LAWRENCE FREEDMAN: No, the CIA.

SIR DAVID OMAND: This is all a matter of public record, the Inspector General of the Pentagon has published quite a detailed analysis of what happened inside the Pentagon, which I commend to the Committee.

SIR LAWRENCE FREEDMAN: After the war, when you had access to materials from the Iraqi Government, was there anything in there that led you to change your view about the relationship?

SIR DAVID OMAND: I'm not aware of any, no.
SIR LAWRENCE FREEDMAN: Okay. The second area is on the opportunities that a war might provide Al-Qaeda and other terrorist groups. Again, I would be interested in what assessments were made before the war on potential impact on Al-Qaeda, first, generally, and then more specifically whether this would give them opportunities within Iraq.
SIR DAVID OMAND: To start at the beginning, the Security Service assessed as early as March 2002 what might be the threat from terrorism from Saddam's own intelligence apparatus in the event of an intervention in Iraq, and that was judged to be limited and containable.

I don't think I need to go any further in open session, but steps were taken to ensure that could be neutralised were war to ensue. At the same time, the same assessment concluded that --
SIR LAWRENCE FREEDMAN: When was this again?
SIR DAVID OMAND: March 2002.
SIR LAWRENCE FREEDMAN: So this is a year before?
SIR DAVID OMAND: Yes, clearly in the United States there was a lot of talk about action. We are not necessarily talking about the United Kingdom becoming involved, but action would increase the

probability of western, including UK, interests becoming a higher priority target for international terrorists.

It is important, perhaps, just to register for the record two points here. First of all, that the AQ threat to the United Kingdom long preceded the Iraq affair. It was in Birmingham in 2000 that the first AQ-related bomb plot was disrupted, long before 9/11 even, and, secondly, that the level of threat was high and was going to remain high regardless of Iraq, and those are points of context, I think, that are important.

That said, in August 2002, the JIC judged that the build-up of forces in the Gulf, in the region, prior to an attack on Iraq, would increase public hostility to the west and western interests. By 10 October the JIC is warning that AQ and other Islamist extremists may initiate attacks in response to coalition military action. We pointed out that AQ would use an attack on Iraq as justification for terrorist -- in inverted commas, "justification", for terrorist attacks on western or Israeli targets. We pointed out that AQ was already in their propaganda portraying US-led operations as being a war on Islam and that, indeed, this view was attracting widespread support across the Muslim community.

Coalition attacks would, we said, radicalise increasing numbers. On 16 October 2002, we reaffirmed that the United Kingdom was a priority target for AQ. On 13 December 2002, we warned that US-led action could draw large numbers to the Islamist extremist ideology over the following five years, and again, on 10 February, that the threat from AQ would increase at the onset of any attack on Iraq and that we should all be prepared for a higher threat level to be announced and for more terrorist activity in the event of war.

I think you have these assessments. I won't quote all of them because I'm not entirely sure how much is already released into the public domain.

SIR LAWRENCE FREEDMAN: That's very interesting and consistent. Can we just sort of unpack this a little bit, not necessarily going into the intelligence detail but the implications of what you are saying.

First, in terms of the risk within Iraq itself, how much was being said there about, having started with the assumption that British intelligence had, that Al-Qaeda was not a particular issue in Iraq, was there an understanding of the possibility that it might become an issue within Iraq?

SIR DAVID OMAND: Yes. Again, I would recommend reading the whole of these assessments, just to get the context, but

on 19 February 2003, we specifically assessed the situation in the south, since by then it was clear that's where our forces would be, and we pointed to unpredictability, high risk of revenge killings, settling of scores, tribal attacks, and we went on in March to warn that AQ might have, in fact, established sleeper cells in Iraq to be activated after the coalition operation.

There is a little more detail, but I won't --

SIR LAWRENCE FREEDMAN: Again, we come to the question of what meaning we should attach to probabilities and "mays" and "coulds" and so on. How strong were these as assessments?

SIR DAVID OMAND: If I take them overall, first in the relation to the United Kingdom, they were strong, they were understood by the government, the government was already extremely concerned at the high level of terrorist threat. I was encouraged in every way to get on with the business of trying to get counter-terrorism better organised, resilience built up, protective measures taken. Funds were provided. So the government was on the case. There is no doubt whatever about that.

In terms of Iraq --

SIR LAWRENCE FREEDMAN: Seeing as how you have raised that, maybe we could just stay with that for a moment. There

is a quote, I think from a Guardian interview with Lady Manningham-Buller, where she said, after seeing what had happened with 9/11:

"It never occurred to me they would go into Iraq."

Then she said:

"Why now?"

This is now March 2003:

"As explicitly I could, I said something like 'The threat to us would increase because of Iraq'."

So there is a sort of question of the strength of the warning that was going out on this question of the risk of terrorism within the UK, resulting from the war.

SIR DAVID OMAND: Well, I read out quite a long list of quotes from the JIC. I don't think there is any doubt that that was the conclusion. There was no dissent from any quarter that that was the conclusion.

It was balanced in ministerial minds, I'm quite sure -- as I say, I wasn't in the Iraq meetings -- by the overwhelming wish to achieve the objective in respect of Saddam, bearing in mind that the threat was already high. Had I been asked, "Well, exactly how much more is it possible to do to improve the protection of the UK?" you know, we were already working pretty much flat out. The Security Service was being expanded at the maximum rate which was safe. The funds were

available to do that. The protective security measures were being enhanced.

So it was certainly being taken extremely seriously. What wasn't necessarily being said was, "you know this is an overwhelming argument why you should not proceed", and you can ask the then Prime Minister, Tony Blair -- I think I know exactly what he would say, which is, "Yes, that was a risk which we took on the chin". We knew it was going to be an additional risk, but it didn't outweigh the policy objective in his mind. I'm sure that's what he would say.

SIR LAWRENCE FREEDMAN: We will have a chance to ask him, but just in terms of the assessment you are making, which is an important issue, you are saying there was already a high level of threat --

SIR DAVID OMAND: Yes.

SIR LAWRENCE FREEDMAN: -- from AQ? This doesn't create the danger?

SIR DAVID OMAND: No, it does not create the danger. It enhanced the radicalisation propaganda, but you should bear in mind, as you have already discussed with a number of witnesses, the aftermath and the impact on radicalisation and propaganda of the killings that took place in the operations which then had to take place in

response, Fallujah, for example, Abu Ghraib, and all of that, which played directly into the radical extremist propaganda, but that wasn't known at the time.

SIR LAWRENCE FREEDMAN: Of course, but in terms of making this assessment -- and this is relevant, obviously to the wider impact on Al-Qaeda's operations in Iraq, the rest of the world -- this was done still on the assumption of a moderately benign environment post-war, although you have indicated you were already worried about some --

SIR DAVID OMAND: AQ rather than --

SIR LAWRENCE FREEDMAN: Yes.

SIR DAVID OMAND: -- the Fallujah ...

SIR LAWRENCE FREEDMAN: As the evidence came in of the difficulties that we were facing, did this lead to further revisions of your estimates in terms of the effect on the United Kingdom?

SIR DAVID OMAND: Are you talking about after --

SIR LAWRENCE FREEDMAN: We are talking about sort of 2003/2004, indeed 2005.

SIR DAVID OMAND: I remember in October 2004 we were again looking at this in the JIC. You have the paper. We were, for example, looking at what had been identified as up to 50 individuals from the United Kingdom who had attempted to get to Iraq to join the Jihadist faction

and we pointed out that this was encouraging expansion of and cooperation between different Jihadist elements. So, yes, we were keeping an eye on this.

SIR LAWRENCE FREEDMAN: So just to complete this part of the discussion, you saw the deterioration of the security position within Iraq and revelations such as Abu Ghraib as having a direct impact that you could measure on the level of Jihadist activity in the UK?

SIR DAVID OMAND: Yes. "Measure" I would put in slight inverted commas. We would assess, I would think, rather than measure.

SIR LAWRENCE FREEDMAN: You could see consequences --

SIR DAVID OMAND: Yes.

SIR LAWRENCE FREEDMAN: -- you could see real activity.

SIR DAVID OMAND: Yes, and perhaps the best measurement would be looking at Jihadist websites of the period and the extent to which footage from Iraq was appearing on British screens and on websites which were being accessed by British Jihadists. So I don't think there would be any contention about that.

In response, as I have said, the government machine was working flat out to try and improve our counter-terrorist intelligence and our ability to respond.

SIR LAWRENCE FREEDMAN: Just going back to the broader

question, this was advertised as part of a war on terror, yet there is an implication in the assessments that you have been giving that one of the potential consequences could be an upsurge of global terrorist activity. Is that fair?

SIR DAVID OMAND: Yes, but I think you would need to try and balance timelines, you know, of long-term threat against short-term consequences which have to be managed, and I think the view from the British Government would have been those consequences have to be managed pretty much anyway because of the high level of threat. The long-term benefits of a new regime in Iraq would, they say, be worth this effort. I know you will be separating out carefully in your minds the US decision to intervene in Iraq according to the longstanding US policy, which I think is what I suspect Lady Manningham-Buller was actually referring to with "Why now?", and the set of consequences which led to the British Government associating itself in the way that it did with that American intention. These really do have to be disentangled.

SIR LAWRENCE FREEDMAN: Just to finally take this up, I think -- as I recall -- actually, Al-Qaeda didn't do very much around the time of the actual war, so it was more a question of the long-term consequences, notably

within Iraq itself, but also more widely. It wasn't an immediate response, it was giving another arm, another theatre, if you like, for Al-Qaeda in which to operate. Is that fair?

SIR DAVID OMAND: I'm not sure I'm really the best person to give you a complete answer to that. I suspect that experts within the Security Service might well say that they were in the 2003 and 2004 period, picking up really very worrying signs of, not just radicalisation, but of groups who were preparing to engage in violence, and there were a number of plots around that period.

So I wouldn't push the point you are making too far.

SIR LAWRENCE FREEDMAN: Just to conclude, the point you were making before about distinguishing the American and the British routes. Let's see if I understand what you were saying.

The Americans had a push that did see -- did present Saddam as a target because of the war on terror, while the UK argument was more because of weapons of mass destruction and the need to stay close to the United States. Is that the point you were making?

SIR DAVID OMAND: Yes, the UK argument would be more in terms of what a state like that, with a leadership like that, a succession to Saddam in the shape of his sons, would do, if, in five years' time, or whenever sanctions

had finally faded away, they would have rebuilt and have much stronger WMD programmes.

That kind of threat needs the sort of distinction which I think William Ehrman made between a clear and present danger and an immediate danger. If your car breaks down on a level crossing and there is a train a mile away heading towards you, you have a clear and present danger but it is not yet immediate, and that's the kind of distinction I think we need to bear in mind.

SIR LAWRENCE FREEDMAN: I think it was very marked at the time, but it is not one which is immediately obvious to a person not versed in the fine distinctions of the intelligence word.

SIR DAVID OMAND: We didn't use the "war on terror" slogan and, indeed, our own counter-terrorism policy, which was endorsed by the Cabinet, was very different in its strategic objective.

SIR LAWRENCE FREEDMAN: I think there are some broader questions which I'm sure my colleagues would like to get into, and so I'll stop at that point, and perhaps we can -- there are some of these broader questions I would also like to come into later.

THE CHAIRMAN: Thank you, Sir Lawrence.

I have one of my own today, which is this: in your time as Intelligence Co-ordinator, one of the things that

you did was to bring to birth and into being the JTAC, the Joint Terrorism Assessment Centre, UK-focused, tactical, immediate. One of the things the Butler Committee, looking at the Iraq intelligence, identified, was the limitations of the assessments staff and, indeed, the defence intelligence staff, in terms of scale, as well as their interaction, and there was a recommendation that they should be integrated more and indeed grow somewhat.

You spoke at the beginning about the resource constraints that exist, or did exist, so what I would like to jump across to is: did the Iraq experience, and specifically the lack of really good assessment of what a post-invasion Iraq might be like -- does it suggest the need for, somewhere in government, an all-source research intelligence-based capability? Do we have one? To the extent that we do, is it underscaled in DIS or the assessments staff or the Foreign Office, and, if we were to have one, where would we put it?

SIR DAVID OMAND: A number of observations, if I may. First, just to say that the creation of JTAC was a joint affair, and particularly Eliza Manningham-Buller was really co-author of the whole initiative, and I give her full credit for that.

Their remit goes wider than the UK. It is covering UK

interests as well. So they are indeed helping the Foreign Office produce the right kind of guidance for travellers overseas and businesses overseas in terms of the threat.

JTAC emerged out of a tour I did when I first arrived, since I said I wanted to meet all the different groups around Whitehall and the agencies who were working on terrorism. There were quite a few groups of different kinds and shapes, some military, some civilian, some in the intelligence community, some in the Foreign Office, and, in a sense, I asked them, "Is this the right arrangement? How would you want to be arranged?"

Most of them said, "Well, actually, we need critical mass, and what is more, we need to have access to each other's information systems instantly so we can be sure, if a threat warning comes in, for example, relating to an embassy overseas, that all potential information relating to that threat has been accessed and assessed so that a suitable warning can be given".

So that was the start or genesis of bringing everyone together and it made the most of rather small groups of people dotted around.

As part of the Butler implementation work, we then said in discussion of the results of a separate study, "Should we do this in

other areas; for example, proliferation?" The problem was one of scale. If we took everyone who was working on proliferation out of their parent departments, such as the Foreign Office, and put them together, the scale really was very small and it would not, we thought, have worked. It would have led to lines of communication back into departments which were too long.

So we went for a different and rather more ambitious model, which was a virtual centre, and connected them up so that you would have designated people working on the subject in electronic communication with each other, meeting each other regularly, having seminars, and I think experience shows that also is a good model.

You asked, though, a more difficult question as well, which is: should we, at a national level, try and create a national analysis capability across the board? If you look at the Australians, they have a very large central assessments staff and very little capacity within individual departments and agencies. So they have centralised it and there are several hundred people doing assessments.

It suits their way of working. It does have some disadvantages in terms of the danger of group think if you have one group of people only working on something. We concluded on the Butler implementation group that we

didn't really want to go down that road and we would prefer to have the JIC model where you have quite a small, but very talented, group of staff, who are pulling together subject by subject, all the experts across Whitehall and reading all the open source material and then they draft the papers, but they are not themselves deep experts.

The deep experts in a lot of the areas you are concerned with in your Inquiry are still in the defence field and associated with DSTL and the defence laboratories, Porton for BW and CW WMD with Aldermaston for nuclear. So the Defence Intelligence Staff really still does have a national role as well as a defence role. It is a national jewel in our crown. It really has to be protected. Even as we speak, you know, there is the pressure on defence expenditure that you have heard about from Mr Hoon yesterday. It really must be protected.

THE CHAIRMAN: Thank you very much. I think I'll turn to Baroness Prashar rather than take up more time. Usha?

BARONESS USHA PRASHAR: Sir David, I have one specific and one general question. My specific question goes back to what you said earlier. You said Sir David Manning had a dual role, advising the Prime Minister and head of the Defence Unit, but you didn't.

Do you think, given that your role was a new one, it

would have helped if you had had a dual role?

SIR DAVID OMAND: You heard the advantages of the double-hatting arrangement explained to you by John Sawers in one of your early sessions. I thought about asking the Prime Minister whether I, too, could have a little cubbyhole in Downing Street and be known as a Prime Ministerial adviser. Would this give me more clout around Whitehall? I could send out letters on Number 10 notepaper. Perhaps people would pay more attention.

I concluded, on balance, the arrangement had more disadvantages than advantages. So I didn't pursue that. I'm sure the Prime Minister would have agreed, if I had asked.

BARONESS USHA PRASHAR: Retrospectively, what do you think?

SIR DAVID OMAND: I think there is a helpful external perception of objectivity and support for the collective process amongst departments, if you are on the Cabinet Office side of the green baize door rather than in Number 10.

I hesitate to say this, but I think it does, over a period of time, tend to disenfranchise the Cabinet Secretary. It is a very subtle psychodynamic effect. The Prime Minister, any Prime Minister -- I'm not making this specifically about any one

Prime Minister, is going to have a trusted group of inner confidants and advisers, and if in one of those inner groups dealing with, for example, foreign and defence affairs, the adviser is simultaneously the deputy to the Cabinet Secretary and head of the secretariat, then over a period of time it is likely that there will be an implicit assumption that the Cabinet Secretary's interests are being represented already, so you don't really need to invite the Cabinet Secretary to the meeting. You don't really need to go out of your way to seek the Cabinet Secretary's advice.

It is a very subtle effect, and, as I say, I don't make too much of the point, but I concluded that, on my territory of counter-terrorism, actually I was better off in the Cabinet Office.

BARONESS USHA PRASHAR: You said it had a subtle impact, but do you think that did have some impact on the way the decision-making on the Iraq war took place? Did that have an impact?

SIR DAVID OMAND: I think the Cabinet Secretary was not as present as previous Cabinet Secretaries, going back into history such as John Hunt or Burke Trend, would have been. Of course, one of the reasons for that is that the Prime Minister had given the Cabinet Secretary a very

different agenda and that was part of the process by which the Cabinet Secretary -- the new Cabinet Secretary was chosen, it was explicitly on that basis.

SIR LAWRENCE FREEDMAN: Sorry, do you think if the Cabinet Secretary had wished to make a fuss on that, he could have done?

SIR DAVID OMAND: Yes. But it would have been at the direct expense of not being able to devote the time to sorting out reform and delivery across the government's agenda. In a sense, one of the lessons from that is that you can't enter into a run-up to a major conflict and then manage a major conflict and continue with business as usual. There was a certain sense that government was trying to do everything as well as manage this very major military operation -- I don't think that's possible. Going back to my own experience as Principal Private Secretary to the Defence Secretary during the Falklands, although it was a much shorter affair (it was all over in, as it were, weeks or certainly months) but for that period, that dominated the work of that group of ministers. They delegated everything else. That didn't happen, I think, on Iraq.

BARONESS USHA PRASHAR: I think that comes to my second more general question, because in your career you have prepared and managed conflicts. Do you have any

observations to offer on Iraq?

SIR DAVID OMAND: Well, my first observation is it is very easy to draw up lessons learned, it is really very hard in the hurly burly of events to actually apply them. So before I say anything more, let me make that absolutely clear, otherwise it will look as if this is just pontification.

BARONESS USHA PRASHAR: You could identify them, but not learn them?

SIR DAVID OMAND: Yes. Let me mention four, if I have got the time. The first is the importance in successful statecraft of imposing a process and a decision-making grid that connects you to your objectives. It is rather like trying to swim across a fast-moving river. If you judge where you are by the swirl of water around you, you are suddenly going to discover you are going over the rapids. You have to impose some sort of grid that connects you to the point on the bank you are trying to reach so that you can then readjust your direction and know when the last point is reached when safely you can turn back. If you don't have that, then the pace of events will simply carry you along.

We didn't in the JIC step back in January at the time of the --

THE CHAIRMAN: January 2003?

SIR DAVID OMAND: 2003, at the time of the first report, the interim report, of the inspectors and say, "Let's look again at all our intelligence and all of our inferences against what has been found on the ground". It wasn't asked for, it wouldn't have been welcome. If we had done it on our own initiative, there wasn't a grid, a process of decision-making into which it would naturally have fitted with a meeting at which that kind of stocktake would be looked at.

Instead, what we did was we put our effort into examining the situation in Iraq itself and what any invading force would be likely to meet in terms of opposition, which was good, useful work, and, you know, I think it bears the -- it was mostly borne out, these were good assessments.

But I think we did that because we assumed an invasion was inevitable. It was going to happen anyway. So let's be as useful as we can by analysing the situation on the ground and helping the Ministry of Defence.

So that's what I mean by that first point about having and imposing, even if it is a bit artificial, some kind of grid.

The second point that strikes me is that greater care is needed in threatening the use of military force

to back up diplomatic measures. It is quite an easy thing to say that tyrant X will not move unless there is the threat of force behind the measures. I'm sure that is correct, but military deployments generate a huge momentum of their own and they are subject to their own railway timetables.

I can remember explaining this to the Cabinet Secretary at the time, using the concept of Zugzwang in chess, where you force your opponent into a position where they have to move and every move they can make will worsen their position. That's Zugzwang. The diplomats thought that was what had been done with UNSCR 1441. It was a brilliant piece of diplomacy to achieve that, but instead of putting Saddam in that position of Zugzwang, we turned out to be in that position ourselves because we were forced to look for and get the inspectors to look for the smoking gun in double quick time before the window for invasion closed and that window was conditioned by the American political timetable.

So, as it were, the biter was bit. As I say, it is very easy, I think, to threaten force. Once you have started the military machine, different considerations come into play.

At the risk of going on, I'll give you two others.

THE CHAIRMAN: Yes, do, briefly perhaps, but ...

SIR DAVID OMAND: Yes. Third would be the importance of identifying and managing residual risk, not just encouraging the redoubling of will to achieve whatever the chosen objective is. Persuading the US to go for the inspection route was undoubtedly the best option to go for in the circumstances, but what if the inspectors then drew a blank? What if the aftermath turns out to be different from our assumptions? What if we ended up as the occupying power? The sort of "What ifs?" are the residual risks which need managing. Even though some of them might be quite low probability, nonetheless they need managing in addition to busting every gut to actually achieve objective number 1.

The final lesson, which I think we have already touched on, is that all concerned really need to understand, perhaps be trained in understanding, the psychodynamics of small groups. What happens when small groups of people come under intense pressure and overwork? One consequence well-known in the literature is that you can fall into a self-referential mindset where, when new evidence arrives, you interpret it in the light of the hypothesis you have chosen.

So when the inspectors started to report that they weren't finding what we all thought was going to be found, the response, for example, in SIS, was simply to

turn up the volume control to say, "That just proves how devious and duplicitous Saddam Hussein is, and how incompetent the inspectors are", and you can think yourself into that sort of mindset really very quickly.

So again, that was one of the things, when we came to the Butler implementation group, we really wanted to look at. It is how analysts should get trained in trying to avoid some of these well-known pitfalls.

THE CHAIRMAN: Thank you. Roderic, I know you have got one or two.

SIR RODERIC LYNE: Can I just go through picking up the points you have made very quickly?

The second of your lessons, care in threatening the use of force, do you think that Kosovo, Sierra Leone, the early success in Afghanistan, all of which have been quoted to us as justifying the policies that led to the decision on Iraq, proving the success of that way of thinking, actually were false analogies or accurate ones?

SIR DAVID OMAND: They are all so very different that I think there is a risk of bundling them together and drawing false analogies. I'm not saying that diplomacy should not be backed up from time to time with the threat of force. There are lots of historical examples where it is only when finally the tyrant comes to realise

that the consequences might be severe that they will change their policies.

My point is more that those making the threat really have to think through that, once you have pressed the button in the Ministry of Defence, you are setting in motion a machine that has its own momentum, its own timelines and it is very difficult then to impose political or diplomatic considerations, as you have seen that with the discussion you had yesterday over the ordering of equipment and mobilisation of forces and so on.

SIR RODERIC LYNE: Thank you.

Secondly, you said that in March 2002 the Security Service had made an assessment about the threat Saddam would use terrorism against the United Kingdom. Who had tasked them to do that at that stage? Did this imply that somebody as early as that was anticipating that we were going to be in the war with him and were already getting on with preparatory work?

SIR DAVID OMAND: I would need to check the papers, but my memory is this was probably done by the Security Service themselves, looking at, not necessarily UK direct involvement, there was no assumption at that point that we would be involved, but just sensing that this is the sort of thing they ought to keep an eye on.

SIR RODERIC LYNE: Finally, you talked about the distinction between policy-making and formulating intelligence. Do you think that the frequent involvement of the JIC Chairman, John Scarlett, and of the head of the SIS, Sir Richard Dearlove, in meetings on Iraq to discuss policy with the Prime Minister -- Alastair Campbell identified them as part of the circle of close advisers -- risked breaching the distinction between provision of intelligence and formulation of policy? Did they get too involved in the making and selling of the policy?

SIR DAVID OMAND: I wasn't privy to those discussions as you know, but answering your question in perhaps a more abstract way, I would hope that the Chair of the Joint Intelligence Committee would always be present at that kind of discussion, just as I would hope the Chief of Defence Staff would always be present, and, if it was domestic, the Director General of the Security Service.

I think the position of the Chief of SIS is slightly different. SIS were very much in the inner council. They had proved their worth to the Prime Minister in a number of really very, very valuable pieces of work, not just delivering intelligence, but, of course, conducting back channel diplomacy, and that, I'm sure would have weighed heavily on the Prime Minister's

calculation that, "These are people I should be listening to". But of course, the golden rule, which on the occasions in talking about domestic CT affairs when I was there John Scarlett always stuck to, was that he would deliver the views of the Joint Intelligence Committee, he would never venture a view on the policy even if asked do you think we are doing the right thing? And that's the distinction I think you need to bear in mind, not that presence at the meeting itself is the problem. But, you know, it is quite tempting to comment if you are a confidant of the Prime Minister -- and you can go back to Churchill and his intelligence advisers, I'm sure, to find this in the role of the then Chief of the SIS in Churchill's inner council. It is quite tempting to go over that line and start expressing an opinion on the policy itself. I wasn't there to know if that happened. That's not the point – I'm making a more general point.

THE CHAIRMAN: I think we have come about to the end of the session. Lawrence, anything you would like to --

SIR LAWRENCE FREEDMAN: Just one final, because there were very interesting points you were making at the end there. A number of them relate to the fact that during the course of January, February and into March of 2003 the inspectors were there. It is quite an important observation that, never mind in January, even in

late February, there was no formal stocktaking of why, given that we had provided intelligence to the inspectors, there had been no smoking gun. There had been, as we heard, some material --

SIR DAVID OMAND: One mustn't forget missile --

SIR LAWRENCE FREEDMAN: The missile issue was always the one where the intelligence was so much better.

Was there no pressure? Weren't people around you in the JIC puzzling at this, thinking, "Isn't it a surprise?" or was it just simply always put down to the cleverness of Saddam Hussein and his people in hiding things?

SIR DAVID OMAND: Well, I think there was this psychological state of being unwilling to admit that actually it wasn't going to turn out the way that had been predicted. I think that is a psychological state that people can get into and I think there were certainly people in the intelligence community, and there are still some, who believe that something will turn up in Syria, and I'm certainly not going to break my own rules and say categorically that that won't happen. We could all still be surprised. But there was a sense in which, because of past successes -- very, very considerable successes supporting this government, that SIS overpromised and underdelivered, and when it became clear that the

intelligence was very hard to find, and it was a very hard target, they really were having to bust a gut to generate intelligence.

I think the Butler Committee really uncovered that the trade craft at that point wasn't as good as it should have been for validation, wasn't as good as it should have been, and I think that's one of the significant background reasons why people were very unwilling to actually conclude: no, I think we may have miscalculated, or misassessed this.

SIR LAWRENCE FREEDMAN: But even when, in the United Nations, the inspectors were reporting the limited find on the nuclear side, saying, "There is nothing there", there wasn't a request at any point to say, "Why are they saying these things?" Does this reflect on the inspectors as well as on the cleverness of Saddam Hussein?

SIR DAVID OMAND: I'm not aware of a formal request on JIC to do that. I'm quite sure there would have been discussions between the Foreign Secretary and his officials on that and --

SIR LAWRENCE FREEDMAN: We will get a chance to ask.

SIR DAVID OMAND: You can ask him that.

SIR LAWRENCE FREEDMAN: Thank you.

THE CHAIRMAN: Thank you. Sir David, you have in effect

offered us final reflections already in answering Baroness Prashar, but do you have something else to say before we finish?

SIR DAVID OMAND: No, I just wanted to cite one sentence from George Tenet, who was the US Director of Central Intelligence, whom I saw regularly on visits to Washington. In his memoirs he said:

"Before the war, we didn't understand that he was bluffing and he didn't understand that we were not."

That explains quite a lot.

THE CHAIRMAN: Yes, thank you. Our thanks to our witness, David Omand, and thanks to all of you in the hearing room who have been here and listening. We shall resume the hearing tomorrow afternoon at 2.00 pm when Jack Straw, the Foreign Secretary during this period, will be coming.

With that, I'll close the session.

(5.05 pm)

(The Inquiry adjourned until 2 pm the following day)