

1 (4.00 pm)

2 SIR PETER RICKETTS

3 THE CHAIRMAN: Good afternoon and welcome and welcome to our
4 witness. At this session we are hearing from
5 Sir Peter Ricketts, the Permanent Secretary at the
6 Foreign and Commonwealth Office. You have appeared
7 before us in other capacities already, but this time it
8 is essentially Sir Peter's role in leading the FCO's
9 handling of Iraq issues from when you took office
10 in July 2006, I think.

11 SIR PETER RICKETTS: July 2006, yes.

12 THE CHAIRMAN: Including the provision of advice to
13 ministers, co-ordination between key government
14 departments and staffing and resource questions.

15 Now, at the risk of unnecessary repetition, I do say
16 two things before every session: we recognise that
17 witnesses are giving evidence based in part on their
18 recollection of events, and we are, of course,
19 cross-checking what we hear against the papers to which
20 we have access.

21 I remind each witness that they will later be asked
22 to sign a transcript of the evidence to the effect that
23 the evidence given is truthful, fair and accurate.

24 If I can started straight away with
25 Baroness Prashar. Usha?

1 BARONESS USHA PRASHAR: Thank you.

2 Sir Peter, can you just explain to us your main
3 areas of involvement on Iraq as Permanent Secretary at
4 the FCO? How much time did you spend on Iraq?

5 SIR PETER RICKETTS: Certainly. When I arrived
6 in July 2006, we had in the senior official chain
7 John Sawers, whom you have had evidence from, who had
8 been the British representative to the coalition
9 authority before, who is an expert on Iraq, and we had
10 below him Simon MacDonald, the director, whom you have
11 had evidence from. So the policy advice was coming from
12 people who knew a great deal about Iraq. I saw my role
13 primarily as keeping a very close eye on the safety and
14 security of our staff and of our operations in Iraq and
15 a broad oversight of the advice that was going to
16 ministers.

17 BARONESS USHA PRASHAR: Were you at all personally involved
18 in the development of policy? You were giving advice,
19 but in terms of the development of policy, were you
20 personally involved in that?

21 SIR PETER RICKETTS: Not deeply in the early stages, no.
22 I visited Iraq before I took up the job, so I was in
23 Basra and Baghdad in April of 2006. I was aware of the
24 situation on the ground, but I didn't get deeply
25 involved in the early months because I had these deep

1 experts in the policy chain.

2 BARONESS USHA PRASHAR: Is that how it has remained? You
3 didn't get involved at the early stages, but what about
4 now?

5 SIR PETER RICKETTS: It has varied. I have tended to get
6 involved at moments where I thought there were key
7 decisions, particularly for the FCO and on the foreign
8 policy side. I visited Iraq twice further in this job
9 and at each point at that stage I have come back and
10 given advice to the Foreign Secretary.

11 BARONESS USHA PRASHAR: Can you just tell me what those key
12 stages were?

13 SIR PETER RICKETTS: I paid a visit with my MoD and DFID
14 counterparts in December 2007, just at the time when the
15 local politicians in Basra were coming up with their
16 platform, including the JAM militias, which led on
17 eventually to the provincial elections, and we visited
18 again, all three of us, in February of 2009 just after
19 the provincial elections in the south.

20 So that gave me some deep opportunities to look at
21 the situation in Baghdad and Basra. Between them,
22 I followed the policy debate rather than was deeply
23 involved in it.

24 THE CHAIRMAN: Could I ask one thing, Sir Peter, which is,
25 when you have a change in key personnel up and down the

1 line, that would perhaps draw in the Permanent Secretary
2 more for a bit. Is that also something that happened?

3 SIR PETER RICKETTS: Yes, absolutely, and whenever the
4 Foreign Secretary wanted a second opinion from me,
5 I would, of course, very willingly give it, and I often
6 attended office meetings in which the policy advice was
7 being debated.

8 BARONESS USHA PRASHAR: So what you are really saying is you
9 leave it to your advisers, people with direct
10 responsibility and you keep an overview of policy
11 development. Would that be an accurate summary?

12 SIR PETER RICKETTS: That would be an accurate summary, and
13 I particularly took an interest in the corporate issues,
14 the personnel issues, the resource issues, the
15 reputational issues for the FCO in our involvement in
16 Iraq.

17 BARONESS USHA PRASHAR: When you took over in July 2006,
18 what were the government's objectives in Iraq at that
19 time?

20 SIR PETER RICKETTS: I think the two primary things that
21 were on people's minds, one was the security situation,
22 particularly in Basra, given our military deployment
23 there, but the situation across the country, and the
24 second was the arrival of the new Maliki government, his
25 national reconciliation programme and the initial steps

1 that we were all encouraging the government to take
2 towards reconciliation. Those were the two dominant
3 trends.

4 BARONESS USHA PRASHAR: You thought we were clear of the
5 direction in which we were going?

6 SIR PETER RICKETTS: We were clear in what we wanted to
7 happen, which was to see the Maliki government become
8 genuinely a national Unity Government of Iraq with all the
9 three communities working together, and, yes, we were,
10 of course, extremely keen to see the Baghdad security
11 plan begin to deliver security in Baghdad more widely,
12 and in the south I think we were gearing up for
13 Operation Salamanka, which you heard of from the Chief
14 of the Defence Staff yesterday.

15 BARONESS USHA PRASHAR: But John Jenkins, when he came to
16 give evidence, said to us that it was very difficult to
17 produce a sensible strategy until we had assurance on
18 security in Iraq. Do you think that's fair?

19 SIR PETER RICKETTS: I think if you mean a long-term
20 strategy reflecting British objectives and the
21 directions we want the country to go in, yes, it is
22 difficult to do that when the urgent security issues are
23 so dominant and it wasn't really until the security
24 situation significantly improved towards the end of 2007
25 that the FCO was able to take on our classic role,

1 I think, of looking at the whole of the country and
2 a longer-term strategy. I think that is fair.

3 BARONESS USHA PRASHAR: Since you have been in post, how
4 have you continued to assess the effectiveness of the
5 FCO's action in Iraq, because there must be some kind of
6 mechanism through which you analyse whether you are
7 achieving the objectives that you have set.

8 SIR PETER RICKETTS: We have our own internal mechanisms of
9 business planning to ensure that the resources that we put into the
embassy and the

11 consulates in Basra and Erbil are achieving what we want
12 them to do, yes.

13 BARONESS USHA PRASHAR: What is your assessment as of now?

14 SIR PETER RICKETTS: As of now? Obviously their capacity to
15 operate across the country is increasing. The security
16 situation enables the embassy to be more active. We now
17 have our own aircraft that allows the Ambassador to fly
18 around, so the capacity for him to visit Baghdad and
19 Erbil has got better. In Basra, they are able to get
20 out and about in the city more than they used to. So
21 the capacity to have real impact is increasing.

22 Although still not by any means normal.

23 BARONESS USHA PRASHAR: Our initial objective was to kind of
24 leave a stable, democratic Iraq. In terms of those
25 broader strategic objectives, are you making that kind

1 of assessment? It is not just in terms of your own
2 ability to operate, but what is happening across Iraq.

3 SIR PETER RICKETTS: I think it is too soon to say we have
4 achieved the objectives of a stable and democratic Iraq,
5 but, as I hope we can go on to discuss, I think there
6 are real signs of progress in the political area, we are
7 now coming up towards elections in March, which will be
8 an opportunity for a serving Prime Minister of an Arab
9 country to represent himself for elections. That
10 doesn't happen very often.

11 In the economic area, BP signed a deal with the
12 Iraqi Oil Company for a 27 billion, 20-year project in
13 the south. In the security area, we have had another
14 very bad suicide bombing yesterday, but the overall
15 trend of security incidents is down. So I think on all
16 the indicators progress is being made, but I would
17 certainly not say we are there yet.

18 BARONESS USHA PRASHAR: Obviously security was kind of
19 a main obstacle to achieving some of our objectives,
20 other than that, were there any obstacles to achieving
21 our objectives in Iraq?

22 SIR PETER RICKETTS: Well, the security situation indeed was
23 a -- and continues to be a major inhibition. The fact
24 that we can't get around the country as we can in other
25 countries is clearly a problem. The sheer cost of

1 operating in Iraq is a problem, the fact that we have to
2 have the guard forces, the close protection, the life
3 support arrangements --

4 BARONESS USHA PRASHAR: That continues to be the case?

5 SIR PETER RICKETTS: It continues to be an issue, of course.

6 It remains a very, very high cost area to operate. But
7 we have learned over the years to do our best to
8 overcome those obstacles and still be able to do useful
9 work despite them.

10 BARONESS USHA PRASHAR: Looking back over the time that you
11 have been Permanent Secretary, do you think the
12 timescales were realistic in terms of what we wanted to
13 achieve over that period?

14 SIR PETER RICKETTS: I think if I look back to the period of
15 2006, when I visited in April 2006 to Basra Palace, we
16 had a Queen's birthday party and we were mortared during
17 the party, we all took shelter. We were mortared for
18 most of the rest of the night and that was the daily
19 life of the consulate. I learned what incoming fire was
20 all about there.

21 I went up to Baghdad and they had incoming fire into
22 the Green Zone. They were still operating in flak
23 jackets and helmets. If you look back to that period,
24 where the Maliki government looked like it was not
25 dealing well with the intercommunity pressures, they

1 were not getting laws through the Council of
2 Representatives, from there to here, I don't think the
3 progress has been bad at all. We probably did
4 underestimate how long it would take to get on to a path
5 of more stability and increasing economic growth, but
6 I think we are now getting there.

7 BARONESS USHA PRASHAR: Thank you. I would now like to move
8 on to about how different government departments have
9 worked together on Iraq, because we were told that what
10 the UK suffered from was lack of unity of purpose and
11 unity of command. To what extent has that been your
12 experience across Whitehall?

13 SIR PETER RICKETTS: It hasn't been my experience. Since
14 2006, we have made a real effort to work closely
15 together, particularly between DFID, FCO and MoD, and
16 I know you have had evidence from DFID colleagues on
17 that.

18 BARONESS USHA PRASHAR: From your point of view, military
19 and civilian actors have been working well together --

20 SIR PETER RICKETTS: Yes, I think increasingly so.

21 BARONESS USHA PRASHAR: -- and not pulling in different
22 directions?

23 SIR PETER RICKETTS: No, I don't think so, and I think it
24 has been driven by having people together on the ground.
25 The most powerful driver for Whitehall to work together

1 is to have our staff working together in Basra, under
2 fire together, taking the risks together. That has
3 driven joint working and, as the Permanent Secretaries,
4 the three of us have met pretty well every month, we
5 have travelled, as I say, twice to Iraq, we've travelled
6 three times to Afghanistan, we have made a real effort
7 to demonstrate from our level to our organisations that
8 this is a joint endeavour and behind it a joint agreed
9 strategy.

10 BARONESS USHA PRASHAR: Demonstrating is one thing --

11 I mean, that's true, the evidence we have had from
12 witnesses, is that on the ground, in very difficult
13 circumstances, they have made it work and it has been
14 a joint endeavour and they have overcome some of the
15 difficulties, but in terms of the Whitehall
16 co-ordination, it is one thing think to demonstrate it,
17 but do you think you have the capacity and the machinery
18 where there is a unity of command, where there are
19 strategic objectives that have been pulled together?

20 SIR PETER RICKETTS: I think in my time in this job that has
21 been the case, yes. Of course, the departments don't
22 always agree and you wouldn't want them always to agree,
23 but they disagree in a structured way around a table and
24 they hammer out proposals that go to ministers and there
25 is then a policy laid down.

1 I have seen over this period a series of moments
2 where Prime Ministers -- because Prime Minister Blair
3 did it in February 2007, Prime Minister Gordon Brown has
4 done it on a number of occasions since then, where
5 policy has been laid down at Prime Ministerial level
6 reflecting a lot of debate and discussion and challenge
7 and test among officials in the official structure, but
8 that seems to me to be working, yes.

9 BARONESS USHA PRASHAR: To give an example, military
10 drawdown in the south-east, did that have an impact on
11 what the FCO's ambitions and plans were, because --
12 I mean, was there a co-ordinated approach or was there
13 something which was determined separately in terms of
14 the drawdown?

15 SIR PETER RICKETTS: Absolutely, it had direct effects on
16 us. In the first place, in terms of the safety of our
17 operation in the Basra Palace. When it became clear
18 that the armed forces would in due course be moving out
19 of the Basra Palace in the centre of Basra, and that
20 became increasingly clear in the latter part of 2006,
21 I was clear that our consulate had to either shut and go
22 back to Baghdad or operate out of the air station.

23 So we, in a co-ordinated way with the military,
24 planned that our operation moved back to the air
25 station. I think they moved in March of 2007, in

1 advance of the military, because the military decided to
2 stay on longer, but we had a co-ordinated strategy of
3 repositioning our various people and assets back to the
4 airfield.

5 BARONESS USHA PRASHAR: Was the timetable discussed with you
6 or did you have to respond to the timetable given to
7 you, and did you agree with the timetable for the
8 drawdown?

9 SIR PETER RICKETTS: It certainly was discussed with us.
10 I mean, this was all discussed very openly. We made our
11 own decision that we would move the consulate back to
12 the air station in March of 2007. In fact, the military
13 decided that they would stay on longer in Basra Palace,
14 but in conditions where we judged it was not reasonable
15 to ask civilians to serve, so we stayed with our
16 decision to move in March, but that was all discussed
17 entirely, yes, openly in Whitehall.

18 BARONESS USHA PRASHAR: So you were in agreement with the
19 speed of transition of the UK military to Iraqi security
20 forces?

21 SIR PETER RICKETTS: I didn't formulate an opinion on that.
22 That was a military judgment about the reposturing in
23 the south. I fully understood that it reflected the
24 wishes of Prime Minister Maliki, that it reflected
25 increasingly the wishes of the local armed forces,

1 General Mohan and his people, and we had no reason to
2 object to it. We needed to posture ourselves, taking
3 account of the way that the military were organising
4 themselves.

5 BARONESS USHA PRASHAR: I think it was Mark Lyall Grant who
6 explained to us how the FCO took more of a leading role
7 on UK strategy for Iraq during 2007/2008. Do you think
8 the FCO should have had a leading role earlier than
9 that?

10 SIR PETER RICKETTS: I think it is natural in Whitehall, and
11 I have seen it in many crises, that in a period of
12 combat operations, the Ministry of Defence will clearly
13 have a very leading role in policy-making, not the only
14 role, the FCO will always be involved, but where there
15 are large numbers of British forces engaged in combat
16 that is always going to be a very significant part of
17 the policy-making debate.

18 As the combat operations wind down, so the FCO's
19 role in overall strategy rises again and I think you saw
20 that from the time of David Miliband's visit to Iraq
21 in December 2007. Increasingly, the emphasis was on the
22 whole of Iraq strategy, not just a Basra strategy, and
23 a political strategy rather than just a military one,
24 but that seems to me to be the normal ebb and flow of
25 the way Whitehall works.

1 BARONESS USHA PRASHAR: Now they are moving towards a proper
2 bilateral relationship with Iraq, you know, what sort of
3 support are we giving the Iraqi government and what is
4 our strategy now?

5 SIR PETER RICKETTS: You are right to point towards that.
6 We visited in February 2009 and already by then the
7 strand of the visit was a broad-based relationship
8 between Britain and Iraq with Iraqi ministers
9 increasingly interested, not just in the sort of
10 political military support that we had been giving them,
11 but building up governance, helping the British
12 investors come in, cultural links to the
13 British Council, educational links, scholarships for
14 Iraqi students and a restoration of normal relations
15 between two countries. The FCO, of course, is centrally
16 involved in that. So the agenda has broadened a lot
17 although the security assistance to Iraq continues to be
18 important and we are engaged in all of that.

19 BARONESS USHA PRASHAR: Are we actively working with other
20 partners, like the United Nations and the EU, in working
21 issues like governance and capacity building?

22 SIR PETER RICKETTS: Absolutely. I think one of the roles
23 that the FCO has played throughout the period, even in
24 the period where the military security issues were
25 dominant, is in trying to encourage into Iraq the

1 World Bank, the UN, the EU, NATO, for the training
2 mission, to internationalise as far as possible the
3 support effort in Iraq and that has been a constant
4 theme of ours.

5 BARONESS USHA PRASHAR: Thank you.

6 THE CHAIRMAN: Thank you. I would like to ask Sir Martin to
7 take up the questioning. Sir Martin?

8 SIR MARTIN GILBERT: I would like to ask about staffing and
9 personnel.

10 In your early months as Permanent Secretary the
11 security situation deteriorated significantly,
12 particularly in Basra. Most of the civilian staff were
13 withdrawn. What was the FCO staff on the ground able to
14 do effectively in the circumstances in which you
15 yourself have described?

16 SIR PETER RICKETTS: Well, on my three visits --

17 I mentioned April 2006, where we were able to be in
18 Basra palace, we had large numbers of Iraqi local
19 leaders in for the Queen's birthday party, which was
20 then disrupted with mortar fire. When I went back in
21 December 2007, we were back at the Basra air station,
22 security was still not good. It was difficult for the
23 civilians to be able to get out from the air station
24 back down into Basra town, but nonetheless they were
25 able to have the politicians back in to the air station

1 and we had a long meeting with the very politicians who,
2 I think, the next day, set out their 4 December
3 platform, including the JAM militias which led on to --
4 eventually to the provincial elections.

5 When I went back in 2009, in February, we were able
6 to walk down the main street in Basra, have lunch with
7 the newly elected provincial leaders in the mosque and
8 see that political life was very much back in being and
9 that the consulate was deeply involved. So at every
10 stage, by different means, sometimes by Iraqi
11 politicians coming to us and by telephone links and
12 things like that, we were able to maintain contact with
13 the political players in Basra and, I hope, continued to
14 have influence towards political settlement to their
15 differences. I don't think that ever stopped. We were
16 also able to continue police training, which was another
17 very important thing.

18 THE CHAIRMAN: Slow down, please.

19 SIR PETER RICKETTS: I'm sorry. We also continued our
20 police training and the economic work done by the PRT in
21 terms of bringing in investors and encouraging
22 development. All of that continued, even in the
23 difficult times.

24 SIR MARTIN GILBERT: Even when you were --

25 SIR PETER RICKETTS: Even when we were confined to the air

1 station, yes.

2 SIR MARTIN GILBERT: Several of our witnesses have talked
3 about the problems of duty of care, and I wonder if you
4 could tell us how difficult it was to reach a joined-up
5 Whitehall view on duty of care with regard to locally
6 engaged staff, given that other departments, as well as
7 the FCO, were employing civilian staff in Iraq.

8 SIR PETER RICKETTS: Indeed and we had -- we have a duty of
9 care towards our own UK-based staff and towards
10 contractors who work on our sites, and, of course, to
11 our local staff.

12 Just before I took up this job in June 2006, a local
13 member of staff was very sadly killed in Basra and his
14 wife badly injured. So the risks to our local staff
15 were very clear, and shortly after I took up the job
16 there were IED attacks against British Embassy convoys
17 in and around Baghdad. So we were very conscious from
18 the beginning.

19 For local staff, there were limits to what we could
20 do. We had duty of care for them when they were on our
21 premises, but as they left and when they went back into
22 the community, we couldn't offer them that duty of care,
23 and that is why as the risks rose to them, we were prompted to
24 launch the scheme that you are familiar with, to offer
25 resettlement or financial payment to former members of

1 the local staff who felt themselves to be under threat.

2 That was an effort, cross-government, but with the
3 FCO very prominent, to produce a scheme that recognised
4 the risks that our local staff members ran.

5 SIR MARTIN GILBERT: In terms of lessons learned, have you
6 been able to draw lessons from the balance between the
7 risk to staff and the risk to policy delivery?

8 SIR PETER RICKETTS: I would say that is one of the lessons
9 that we have learned in this crisis. When I took up the
10 job I inherited from my predecessor, Michael Jay, four
11 tests for our staff which I thought were good and these
12 tests were: are they volunteers; are they aware of the
13 security risks that they will be running; have we done
14 everything we can to reduce those risks; and can they do
15 something useful while they are there?

16 I kept those four tests in mind all the time, and if
17 we had got to point where we couldn't do anything
18 useful, then there would have been no point in spending
19 the very large amounts of money in keeping our staff
20 there, but we have learned, I think, across Whitehall
21 now, to have a risk management approach, where we have
22 a local security manager who assesses every move made
23 out from the embassy or the consulate, who assigns
24 security personnel, who ensures that routes are safe and
25 we delegate to that person a lot of autonomy within

1 rules that we set, and that works pretty well. We have
2 armoured vehicles, we have hardened accommodation, we
3 have learned to allow civilians to operate in dangerous
4 environments, which we had not had the experience of
5 doing before.

6 SIR MARTIN GILBERT: Your experience in Iraq was that the
7 greatest risks were in the earliest period of your being
8 Permanent Secretary?

9 SIR PETER RICKETTS: Yes, the direct risks were greater
10 then. But, of course, as the security situation eases,
11 there is always a risk that you ease the constraints on
12 staff too quickly, and then you have a security incident
13 as a result of that. So you can never relax your guard,
14 but, certainly, keeping staff safe through those periods
15 when indirect fire was coming in every day was a pretty
16 testing time.

17 SIR MARTIN GILBERT: Maintaining the tests is something that
18 is ongoing?

19 SIR PETER RICKETTS: Yes. I mean, all our staff are
20 volunteers, and if they felt we were not taking their
21 duty of care seriously, then we wouldn't have
22 volunteers. We have applied the same lessons in
23 Afghanistan where we have again kept our staff safe
24 through some very difficult and dangerous times,
25 including right now in Lashkar Gah, but applying the

1 same system of risk management and the same instruments
2 in terms of keeping our staff safe, and I think now the
3 military accept that in Lashkar Gah the civilians can do
4 everything that the military want them to do, and that's
5 as a result of the experiences that we learned in Basra.

6 SIR MARTIN GILBERT: My final set of questions relate to
7 financial resources. How were you able to find
8 sufficient money within the existing FCO funds to pay
9 for the programmes and presence in Iraq? Were there
10 limits on what you wanted to do which -- as a result of
11 not being able to find the funds?

12 SIR PETER RICKETTS: By the time I arrived, we had grappled
13 with that over several years and we had built it into
14 our budgets. So I'm sure, before I arrived, some
15 difficult prioritisation decisions were made, because we
16 are talking about substantial sums of money.

17 I think Sir Nick Macpherson gave you a memorandum
18 setting out the money, and you will see from there that
19 the FCO contribution was very significant, £88 million
20 in 2006/2007, not large in terms of the MoD operations,
21 but in our budget getting on for 10 per cent of our
22 discretionary budget to run our operations around the
23 world. It has declined since then, but that certainly
24 required some very careful reprioritisation.

25 Now, the costs in Iraq have come down, but --

1 because we have very significant costs in Afghanistan
2 and, yes, this is a major portion of our budget.

3 SIR MARTIN GILBERT: In terms of cross-departmental funding,
4 we have heard evidence about the pools, and
5 Mark Lyall Grant told us in his view the joint pools had
6 been a failed experiment. Is this your experience, and
7 can you elaborate on the pools and their effect on FCO
8 funding?

9 SIR PETER RICKETTS: Yes, I saw that Sir Mark said that.
10 I wouldn't have said that they are a failed experiment,
11 but they are certainly under real stress because of
12 rising costs, particularly of assessed contributions to
13 the UN and other international organisations.

14 The way the pools work in Whitehall is that within
15 them sits the obligation to pay our assessed
16 contributions and, as they grow, then there is less
17 money available for the -- what we call the
18 discretionary activities, and that puts pressure on the
19 whole system. That has required some difficult
20 prioritisation decisions, announced by ministers for the
21 current year and that will continue to be the case.

22 But I think the pools have been useful in bringing
23 the three departments together and forcing us to make
24 choices about what our top priorities are for the
25 available money, and that continues to be the case and

1 I think that's a valuable instrument which we can use
2 for whatever level of funding we have, whether it rises
3 or falls.

4 So I wouldn't say it was a failed experiment, but
5 I would say that the challenge of continuing to find
6 enough resources to meet the demands, not just of Iraq
7 and Afghanistan, but the important conflict preventing
8 work that we are doing in many countries around the
9 world. Many of the countries that Hilary Benn was just
10 discussing with you, are countries where we have
11 conflict prevention programmes and we need to preserve
12 some funding for those as well.

13 THE CHAIRMAN: Sorry, can I just ask, Martin? You said that
14 the assessed demands which fall on the pools have been
15 rising. Is that an exchange rate phenomenon or is it to
16 do with enlarged responsibilities and burdens, as it
17 were in the real world?

18 SIR PETER RICKETTS: Both. A growing number of UN
19 peacekeeping missions and a growing size of UN
20 peacekeeping missions. So a growing cost in absolute
21 terms. Translate that into pounds at a weak exchange
22 rate and that's an even greater amount. So it is both.

23 THE CHAIRMAN: Thanks.

24 SIR MARTIN GILBERT: So if perhaps you will elaborate on
25 that, which is what I wanted to ask about, how you and

1 the FCO board keep in view the relative importance of
2 continuing with the high levels of FCO expenditure for
3 Iraq and the other competing and perhaps growing
4 competing demands on you. What are these demands and
5 how do you review this?

6 SIR PETER RICKETTS: Well, yes, the FCO board does review
7 that as part of allocating our resources to all the
8 demands we have. The reduction in cost of our
9 operations in Iraq over the last two or three years in
10 part reflects fewer people, although not many fewer
11 people. In part, it reflects finding ways to keep our
12 people safe and run our missions at lower cost. As one
13 example, we are no longer using, buying capacity on RAF
14 helicopters to fly between Baghdad centre and the
15 airfield in Baghdad, and we are able to use other means
16 of moving our staff around.

17 There are other things like that, which are probably
18 better not discussed in open session, where we have been
19 able to reduce the cost of protecting and supporting our
20 people, through experience as much as anything else. So
21 we bear down on costs where we can. We keep under
22 review the value of each staff member that we have
23 there, because it is the cost of staff that drives this
24 particularly and we have to balance that against the
25 other demands, and over time we have been able to do

1 that.

2 SIR MARTIN GILBERT: My final question in terms of funding
3 is: has the political importance of our relations with
4 Iraq and what we see as our role with the Government of
5 Iraq and our strategy towards, if you like, Anglo-Iraq
6 relations, has that been a factor that has imposed
7 burdens on the FCO, rather has made it impossible or
8 difficult for you to reduce the burdens with regard to
9 the Iraqi costs, the high costs, as witnesses have
10 explained, of our missions there?

11 SIR PETER RICKETTS: I think we feel a responsibility in the
12 FCO to take on and develop now the relationship with
13 Iraq following the military withdrawal. Sometimes
14 people say we have withdrawn from Iraq. I don't feel we
15 have withdrawn from Iraq, since we keep three British
16 missions there and a very lively and growing bilateral
17 relationship, but I think the responsibility rightly
18 falls on the FCO and DFID and other colleagues like the
19 British Council, like UKTI, who now have somebody
20 working in the embassy, to pick up the relationship from
21 where it is now and take it forward into a more normal
22 broad-based relationship.

23 That will take significant resources, but I hope
24 over time, as the security situation improves, the
25 security costs will go down and we will be able to

1 operate in a more normal way, but I think that is
2 properly the role of the FCO and it is very good to see
3 that the agenda for the embassy now includes trade and
4 investment, promotion, cultural promotion, as well as
5 security support.

6 SIR MARTIN GILBERT: Thank you.

7 THE CHAIRMAN: I have got one rather general question,
8 Sir Peter, before turning to my colleagues, and it is
9 really to ask how far hopes, and indeed expectations,
10 that the British Government has had throughout this
11 period are matched by the actuality of the achievement.
12 Have the two at times been out of sync and have they
13 come together in this final phase, as we now embark on
14 a normal bilateral relationship?

15 SIR PETER RICKETTS: Well, I'm sure, if you look back to the
16 beginning of period, where I think I started as your
17 first witness, it has taken a long time to get to the
18 point where we can begin to see our hopes fulfilled, but
19 I personally find it very encouraging to see politics
20 alive and well in Iraq, political parties fighting with
21 each other in the Council of Representatives over
22 passing laws, trying to resolve the very difficult
23 issues that the country faces between the
24 three communities, between the centre and the provinces,
25 the allocation of their growing revenues.

1 All those sorts of things, which are the problems
2 that countries have to grapple with, they are being
3 grappled with politically and we are facing elections.
4 The provincial elections showed that popular will can be
5 expressed and it has consequences for the Iranian-backed
6 parties in the south, for example.

7 I think all that is positive, and after a long time
8 and a great deal of effort and lives sadly lost and
9 a great deal of expense, we are now seeing politics
10 back, economic life resuming and normality gradually
11 returning, although it remains fragile, and I think,
12 therefore, that the hopes we had at the outset are
13 gradually being fulfilled.

14 THE CHAIRMAN: Just as a tailpiece, in a narrower setting
15 and at an earlier time the word "exemplary" was set as
16 an objective or at least a descriptor for our efforts in
17 the south-east. But, looking at Iraq as a whole today
18 within the region, does it have exemplary value?

19 SIR PETER RICKETTS: I think the way it develops now will be
20 very important in the region, which is perhaps the same
21 thing. I think, although it is not a perfect democracy
22 in Iraq, as I have said, the fact that an Iraqi
23 Prime Minister presents himself for re-election at
24 national elections is not altogether a common experience
25 in the Arab world. The fact that there is vigorous

1 political life, vigorous, pretty open debate and media
2 is not entirely common either.

3 You have had previous witnesses who have talked to
4 you about the strategic location of Iraq and therefore,
5 if we can see a growing stability, a growing oil wealth,
6 in a country which is one run on representative lines,
7 I think that does have importance in the Middle East,
8 yes.

9 THE CHAIRMAN: Thank you.

10 I'll just ask my colleagues if they have any final
11 questions. Roderic?

12 SIR RODERIC LYNE: I have just got three or four broader
13 questions. In your three and a half years as
14 Permanent Under-Secretary, can you recall any occasions
15 on which the Foreign Secretary has rejected the advice
16 of the FCO's legal advisers?

17 SIR PETER RICKETTS: No.

18 SIR RODERIC LYNE: Or the Attorney General?

19 SIR PETER RICKETTS: No.

20 SIR RODERIC LYNE: Okay. Moving on, in a public statement
21 of the government's foreign policy, made in April 2002,
22 the then Prime Minister said:

23 "We must be prepared to act where terrorism or
24 weapons of mass destruction threaten us."

25 He went on to say:

1 "If necessary, the action should be military and
2 again, if necessary and justified, it should involve
3 regime change."

4 Is that still the government's policy?

5 SIR PETER RICKETTS: I haven't seen it stated like that.

6 SIR RODERIC LYNE: So it is not.

7 If I move on a little further, you probably heard
8 Mr Benn's closing remarks, in which he raised a very
9 broad issue of how the international community should
10 address such diverse issues as Rwanda, Kosovo,
11 Sierra Leone, Afghanistan, the Congo and so on, and
12 Mr Blair, in his evidence to us last Friday, gave a view
13 that:

14 "If we had left Saddam there with the intent to
15 develop these weapons and the know-how and the
16 concealment programme, and the sanctions had gone, today
17 we would be facing a situation where Iraq was competing
18 with Iran, competing on both nuclear weapons capability
19 and competing as well in support of terrorist groups."

20 Do you think it was, in the end, a question of
21 either military action to topple Saddam Hussein or we
22 would by now in 2010 be facing the situation that
23 Mr Blair posited?

24 SIR PETER RICKETTS: Well, I gave you extensive evidence at
25 an earlier session about my own involvement and my own

1 thoughts on the period before the war, and I remember
2 telling you at that stage that even in 2001 we faced
3 a period of sanctions eroding, the international
4 framework for containing Saddam Hussein failing, and
5 that that was of concern even before 9/11. So I think
6 that trend line was there and I have no reason to think
7 it would have been different if we had not gone down the
8 path that we did of the UN route and then eventually
9 military action.

10 I think today we are in a very different position in
11 Iraq and I think the fact that Iraqi Shia Arab people
12 are prepared to differentiate themselves very sharply
13 from Iran and see an Iraqi destiny for themselves is
14 a very important development.

15 So, however we got here -- and there will be much
16 debate about how we got here -- I think the fact that
17 Iraq sees itself as clearly a member of the Arab
18 community and that a Shia-led Arab state is now
19 demonstrating that it can move down the path of
20 representative government is a very powerful signal and
21 would not have been the case if we had not followed the
22 path in 2003 that we did.

23 SIR RODERIC LYNE: So there isn't an alternative to military
24 action if the sanctions are failing and we are seeking
25 to contain a contingent potential threat of weapons of

1 mass destruction reaching a threatening level of
2 development at some point down the road or of a country
3 becoming a serious base of international terrorism,
4 which Iraq, of course, was not at the time? I mean, is
5 there not a wider range of options than A or B?

6 SIR PETER RICKETTS: And I would add that Iraq is not now
7 a serious base of international terrorism either.

8 I think the effort by AQ of Iraq to install itself with
9 foreign fighters in Iraq has not succeeded and that has
10 also been something that we can draw some comfort from.

11 But, of course, there are always alternatives, and
12 the alternative that we pursued through 2002 was the
13 alternative of Iraqi compliance with a UN sanctions
14 regime, tightened and augmented with people on the
15 ground, and that was an alternative that was a viable
16 one right up to the point where it was rejected. So I
17 don't think --

18 SIR RODERIC LYNE: But, I mean, arguably, trade sanctions,
19 which you are talking about and which is what was
20 eroding, wasn't even the most important element of
21 containment. The arms embargo, which was still proving
22 very effective, the military deterrence of forces
23 stationed in neighbouring countries, the Naval embargo,
24 these were -- the No Fly Zones, which were under
25 pressure but to which there were alternatives, which

1 were already being reviewed, these were all elements of
2 containment that could, presumably, have been continued
3 in some shape or form as an alternative to military
4 action?

5 SIR PETER RICKETTS: Well, Sir Roderic, you are taking me
6 back into a previous period, which we discussed before.

7 SIR RODERIC LYNE: No, I'm looking at the question of how we
8 deal with threatening regimes, which is a question, as
9 Mr Blair said, for 2010, and it's a question of our
10 foreign and security policy. It's the sort of thing we
11 are going to have to look at in this report as a lesson
12 to be learned from Iraq. That's why I'm asking this
13 question.

14 SIR PETER RICKETTS: You're posing it to me as a
15 counterfactual in terms of what would have happened if we had
16 not done what we did, and one can debate that.

17 SIR RODERIC LYNE: The counterfactual was not raised by me,
18 he was raised by an earlier witness.

19 SIR PETER RICKETTS: If you are asking me more generally
20 about the issue of failed and failing states and the
21 tools that the international community have available to
22 deal with them, yes, there are a range of tools, and
23 some of the most powerful ones are the conflict
24 prevention tools that I mentioned briefly, getting in
25 early, before states collapse into failure and

1 potentially into ungoverned space, where terrorists can
2 find safe haven.

3 I think the experience of Iraq and Afghanistan have
4 shown the international community the importance of
5 getting in earlier, if possible, and the importance of
6 using the UN. Hence the growth of UN peacekeeping
7 missions and conflict-preventing missions putting
8 pressure on our budgets. It is putting pressure on our
9 budgets for a good reason because it is an increasing
10 use of the UN instruments.

11 So I think there are many instruments and I think
12 one of the lessons of Iraq and of Afghanistan is that
13 conflict prevention, if it can be achieved, is a great
14 deal cheaper and easier than post-conflict
15 stabilisation.

16 SIR RODERIC LYNE: Thank you, that's a very useful lesson.

17 Finally, just going back to something again from
18 another earlier witness, we heard this morning from
19 Ms Clare Short that in her view one of the lessons of
20 Iraq -- and she emphasised this in her closing
21 remarks -- was that we needed to debate and re-examine
22 the relationship with the United States, sometimes
23 called the "special" relationship, in order to avoid
24 what she described as the humiliation -- the word she
25 used -- of tying ourselves unconditionally to American

1 policy. She thought we needed to establish where the
2 UK's bottom lines were in this relationship and she also
3 argued that we needed to be much better and firmer about
4 using leverage where we had it. That's a point which
5 also is not dissimilar to a point made by
6 Sir Christopher Meyer, when he gave evidence.

7 This is a huge subject and I'm not going to take us
8 all the way down the road but I would simply like to
9 ask: has the experience of Iraq led the FCO to
10 re-evaluate the relationship with the United States and
11 the way it works, the way we operate it, to have the
12 sort of debate that she was suggesting we should have?

13 SIR PETER RICKETTS: I didn't have the opportunity to hear
14 Ms Short's evidence, but I don't think the experience of
15 Iraq has led to us a fundamental review of the way we
16 deal with the United States, no. I think what has
17 happened is that there has been, as there always is, an
18 evolution, a new administration has arrived in
19 Washington, new people have arrived, and the
20 relationship continues in different ways, because it is
21 always related to the personalities. I think we have an
22 extremely close and productive relationship with the
23 Obama administration. I don't think that that is
24 particularly affected by the experience of Iraq because
25 I think the people have changed.

1 So I don't want to comment particularly on what
2 Ms Short said but I believe that the experience of
3 operating together in Iraq and in Afghanistan has helped
4 the two political/military communities in the US and the
5 UK to remain in the very closest cooperation, actually.

6 SIR RODERIC LYNE: Thank you.

7 THE CHAIRMAN: Lawrence?

8 SIR LAWRENCE FREEDMAN: Just to follow up on the sort of
9 broad foreign policy lessons -- and again this is just
10 things that we need to think about; I'm interested in
11 your views. Well before Mr Blair, but in the 1990s,
12 I recall a Foreign Secretary talking about how good it
13 was that Britain punched above her weight, and you can
14 argue that that was one of the things that we were
15 trying to do in 2003, and perhaps it is part of our
16 approach to foreign policy that we keep on trying to do
17 that.

18 In the event, is Iraq, possibly, a warning of the
19 dangers of punching above our weight, because it is
20 quite a difficult thing to do over a prolonged period of
21 time?

22 SIR PETER RICKETTS: I don't myself see our experience in
23 Iraq as punching above our weight, and I don't see, in
24 the day-to-day conduct of foreign affairs, that it has
25 weakened or made more difficult a leading British role.

1 I find that in our discussions these days with leaders
2 in the Middle East, they ask: do we have creative ideas,
3 do we have diplomatic energy, do we have experience of
4 the region to offer, and the answer is yes, and they
5 engage very willingly with us.

6 When we call a meeting on Yemen in London or
7 a meeting on Afghanistan in London, we get people coming
8 to London because they know we will, with our experience
9 and our ideas and our creativity, offer an opportunity
10 for people facing very difficult international crises to
11 find ways of finding consensus and moving forward, and
12 I don't think that the experience of Iraq and the
13 British role in Iraq has affected that.

14 So I don't myself believe that what happened in Iraq
15 has had any particular negative effect on our ability to
16 conduct foreign policy since.

17 SIR LAWRENCE FREEDMAN: Can I just ask a question which
18 relates to what you were talking about earlier in terms
19 of the conflict prevention and the pressure on your
20 budget?

21 One of the requirements of conflict prevention is
22 early diagnosis, and that requires a pretty good grasp
23 of what is going on in the world: the quality of
24 reporting from our embassies, the ability to research
25 and analyse the information that is coming in, and the

1 Foreign Office, historically, has been extremely good at
2 that.

3 Do you find that your budgetary position is eroding
4 that sort of spare capacity -- or capacity -- so that it
5 becomes harder to get the sort of high quality reporting
6 and analysis for which the Foreign Office has been
7 known?

8 SIR PETER RICKETTS: I think it is a very important point
9 and my broad answer is no, but I think the Iraq
10 experience and the Afghanistan experience has made us
11 relearn the lesson that what we are really about in the
12 FCO is understanding foreign countries -- their
13 languages, their cultures, their tribal dynamics, the
14 personalities, the economics -- and we have to have the
15 capacity to do that. And I think you have seen from the
16 witnesses from the FCO that you have had before you
17 a number of people who have made a study of Arab
18 language, Arab culture, the Arab world, a deep lifetime
19 commitment, and we need to keep that level of expertise,
20 and we need to have the Dari speakers and the
21 Pashto speakers and the experts in Sudan and Somalia, to
22 ensure that we can continue to play that role.

23 What we have been doing with our tight budgets has
24 actually been reducing the number of diplomats in Europe
25 and having more out in the conflict-prone areas of the

1 world, because we do believe that's a real comparative
2 advantage we have.

3 I should also pay tribute to our local staff
4 members, who, in many countries, have been prepared to
5 be very brave in helping us see what is going on and
6 understand the country. I'm thinking in particular of
7 Iran at the moment. So, with a combination of our
8 diplomats and our local staff, I do think the FCO has
9 that vocation and I think the lesson for us from Iraq is
10 that we have to keep up that capacity.

11 SIR LAWRENCE FREEDMAN: Thank you.

12 THE CHAIRMAN: Sir Peter, are there any other lessons you
13 would like to share with us today or indeed final
14 reflections?

15 SIR PETER RICKETTS: I think that one is very important to
16 me, and I believe that we have got a level of expertise
17 on the Arab world which is vital for British interests.

18 The last thought I would leave with you -- we have
19 touched on it -- is that the experience of Iraq has been
20 difficult for all Whitehall departments but I really do
21 believe it has driven a much closer working culture
22 between departments that, five years ago, were very
23 separate.

24 When I see DFID, MoD and FCO and the Cabinet Office
25 working together in Basra, in Lashkar Gah, in Erbil, in

1 Whitehall, it is hugely different to where it was
2 five years ago, and I think departments understand each
3 other, the civilians understand the military much better
4 than they did, we have learned to operate together in
5 dangerous conditions and we are trying to perpetuate
6 that experience through the Stabilisation Unit, which
7 you have had evidence on, and I hope that that is
8 a lasting benefit from these very difficult years.

9 I calculated that at least 400 FCO staff have served
10 in Iraq over this period, many more in Afghanistan. The
11 skills they have learned and the experience they have
12 had, I hope, will ensure that the FCO is ready to
13 respond professionally to a future crisis involving
14 service in very difficult and dangerous circumstances.

15 THE CHAIRMAN: Thank you very much.

16 I should like to thank our witness and those of you
17 who have been in the room this afternoon.

18 Just to say, we are resuming again at 9 o'clock
19 tomorrow morning, not 10 o'clock -- 9 o'clock -- and our
20 witnesses tomorrow will be, first, Sir Kevin Tebbitt,
21 who was Permanent Secretary at the Ministry of Defence
22 from 1998 to 2005, followed by the Rt Hon Dr John Reid
23 MP, who was Secretary of State for Defence from 2005 to
24 2006, and then in the afternoon we are taking evidence
25 from the Rt Hon Anne Clwyd MP, who has served since 2003

1 as the Prime Minister's special envoy for human rights
2 in Iraq.

3 With that, I will close today's session. Thank you.

4 (4.53 pm)

5 (The Inquiry adjourned until 9.00 am the following day)

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