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Foreign Affairs Committee

Foreign Policy Aspects of the War against Terrorism

Fourth Report of Session 2005–06

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written evidence*

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Foreign Affairs Committee

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Conclusions and recommendations

The ongoing threat from terrorism

1. We conclude that despite a number of successes targeting the leadership and infrastructure of al Qaeda, the danger of international terrorism, whether from al Qaeda or other related groups, has not diminished and may well have increased. Al Qaeda continues to pose an extremely serious and brutal threat to the United Kingdom and its interests. (Paragraph 15)
2. We conclude that the dispersal and fragmentation of al Qaeda into more autonomous local cells mainly linked together by a common ideology will make it more difficult to tackle the threat of international terrorism. We further conclude that the situation in Iraq has provided both a powerful source of propaganda for Islamist extremists and also a crucial training ground for international terrorists associated with al Qaeda. (Paragraph 21)
3. We conclude that propaganda is one of the major tools in al Qaeda's arsenal. We further conclude that progress towards resolving key international conflicts would go some way to removing widespread feelings of injustice in the Muslim world that feed into the causes of and support for terrorism. Although the United Kingdom and its allies recognise this, and are working to resolve these conflicts, they are putting insufficient effort and funding into countering terrorist propaganda. Much greater effort needs to be made to communicate effectively with the Arab and Islamic world in order to bridge the gulf of mistrust that feeds into international terrorism. We recommend that the Government continue to engage with Muslim leaders and clerics who speak out against distorted and extremist versions of their faith. We commend the Government's Engaging with the Islamic World Programme as well as the decision to set up an Arabic BBC World Service television station, but note that it will initially broadcast for only 12 hours a day and be much less generously funded than al Jazeera, which is heavily subsidised by the government of Qatar. We conclude that much more could be done. We recommend that the Government set out in its response to this Report what plans it has to expand its work in this field. We also recommend that the BBC World Service carry out an evaluation of the cost-effectiveness of this expenditure. (Paragraph 30)
4. We acknowledge that there is a problem of what to do with some of the detainees at Guantánamo and that those detained include some very dangerous terrorists. We also conclude that the continuing existence of Guantánamo diminishes US moral authority and adds to the list of grievances against the US. We further conclude that detentions without either national or international authority work against British as well as US interests and hinder the effective pursuit of the 'war against terrorism'. We conclude that those who can be reasonably safely released should be released, those who can be prosecuted as criminals should be prosecuted and that as many others as possible should be returned to their countries of citizenship. We commend the British Government for its policy of urging the US government to move towards closing Guantánamo. (Paragraph 46)

5. We conclude that there has been a lot of speculation about the possible use of rendition to countries where torture can take place, so called “Black Sites” and the complicity of the British Government, all of which would be very serious matters, but that there has been no hard evidence of the truth of any of these allegations. The British and US governments have categorically denied that either UK airspace, or airports have been used by the US government for rendition or extraordinary rendition since 11 September 2001. We reiterate our strong view that the Government must deal with extraordinary rendition in a transparent manner with timely answers to questions from this Committee. We conclude that it is regrettable that far more detailed information has been given in parliamentary answers to opposition party spokesmen than has been given in response to questions from this Committee. (Paragraph 58)
6. We conclude that despite the reforms adopted by the 2005 UN General Summit, there remain uncertainties over the international legal framework for humanitarian intervention. We recommend that the Government set out in its response to this Report what steps it is taking to establish a consensus on whether and when intervention on humanitarian grounds is permissible. (Paragraph 66)

Saudi Arabia

7. We conclude that there remains a serious terrorist threat in Saudi Arabia, and that this is directed at both the Saudi authorities and foreign interests. (Paragraph 77)
8. We conclude that Saudi Arabia is taking the threat of terrorism very seriously and is providing valuable assistance to the international community in this area. The Kingdom has put in place an effective security-focused strategy targeting individuals and this has had a forceful impact on the al Qaeda presence in the Kingdom. However, we also conclude that the level of regional cooperation could be significantly improved, and recommend that the Government give assistance in this area, setting out in its response to this Report what steps it is taking. We further recommend that the Government pursue with its Saudi counterparts the possibility of a regional terrorism centre headed by Saudi Arabia. (Paragraph 87)
9. We conclude that Saudi Arabia is taking very seriously the causes of terrorism and process of extremist recruitment and has conducted valuable research in this area. We further conclude that Saudi Arabia is pursuing crucial long-term policies to tackle the causes of terrorism. We conclude that the United Kingdom could usefully learn from Saudi Arabia’s experience in this field, highlighting the two-way nature of cooperation with the Kingdom. (Paragraph 99)
10. We conclude that despite a number of reform steps, the political environment remains severely constrained in Saudi Arabia. This raises serious concerns, and in the context of glaring socio-economic disparities, could feed into extremism and the causes of terrorism. Nevertheless, we conclude that the Saudi reform process must be domestically driven; perceived interference by the international community could be counter productive. (Paragraph 128)
11. We conclude that the human rights situation in Saudi Arabia continues to give cause for grave concern. We recommend that the Government continue to make clear that

discrimination against women, other human rights abuses which are endemic in Saudi Arabia including discrimination against migrant workers, torture and the shortcomings of the judicial system, breed discontent and fall far short of universal standards. We recommend that the Government set out in its response to this Report what progress was made in this area at the April 2006 meeting of the Two Kingdoms Forum. We further recommend that the Government set out whether it is seeking a memorandum of understanding with Saudi Arabia. (Paragraph 135)

12. We conclude that the United Kingdom's relationship with Saudi Arabia is of critical and strategic importance. Not only is the Kingdom a crucial ally in the international 'war against terrorism', but it is central to many of this country's national interests and meets most of the Government's strategic priorities. We further conclude that while the United Kingdom may not see eye to eye with Saudi Arabia on a number of issues, it is critically important that the two countries remain close and communicative allies. We conclude that Saudi Arabia is a country where a significant British diplomatic presence can make a difference. The stability of Saudi Arabia is vital to the United Kingdom's interests, particularly in the context of the war in Iraq and developments in Iran. We conclude that stability requires significant reform. (Paragraph 139)
13. At the time of concluding the drafting of our Report, the United Kingdom's courts had just determined that the Saudi Arabian government is immune, in international law, from being pursued in UK courts in relation to the unjustified detention and alleged torture of British citizens. We recommend that the British Government disclose what it knows about this grave incident and what representations it made on behalf of the British nationals. (Paragraph 140)

The United Arab Emirates

14. We conclude that the UAE is an important ally in the international 'war against terrorism'. We further conclude that the UAE has taken important steps to improve banking regulation in order to target money laundering; we welcome the role of British personnel in this area. However, we conclude that there are limits to what regulation of the banking sector can achieve with regard to terrorist financing. We further conclude that important work is being done to tackle the risk of proliferation, in large part through work between the UAE and the USA by means of the Container Security Initiative (CSI). We recommend that the Government set out in its response to this Report its current position on placing British officials in major ports overseas to improve security for the United Kingdom and its Overseas Territories. (Paragraph 167)
15. We conclude that the public and Congressional concern in the USA at the prospect of a deal that would have given Dubai Ports World control over a number of US ports is very regrettable, and sends the wrong signals to the Arab and Muslim world. However, we also conclude that the level of regional cooperation is not as high as it could be. We recommend that the Government work to support regional efforts at cooperation where appropriate and that it set out in its response to this Report what steps it is taking in this regard. We conclude that as a Muslim country, the UAE has an important role to play in countering sources of terrorism, such as religious

teaching and education system; indeed, the Federation's leaders have provided bold and courageous leadership in this regard. We further conclude that the UAE's experience in this area could provide useful lessons for the United Kingdom. (Paragraph 168)

16. We conclude that there is a serious democratic deficit in the UAE, although informal channels of consultation appear to go some way to address the needs of the population. We recommend that the Government work to support moves towards democratisation in the UAE, offering assistance wherever appropriate. (Paragraph 173)
17. We conclude that there remain areas of human rights concern in the UAE, notably the treatment of foreign workers. We recommend that the Government work to encourage the UAE to sign up to the remaining ILO rules and improve the status of foreign workers. We further conclude that there have been serious efforts to improve the situation of child jockeys, nevertheless, we recommend that the Government remain seized of this issue and remind the UAE of the need to protect children. (Paragraph 182)

Israel–Palestine

18. We conclude that the recognition given to the state of Israel in President Abbas's proposed 18-point peace plan is welcome but that the recognition should be explicit rather than implicit. We recommend that the FCO state whether or not it favours the holding of a national referendum in the Palestinian territories on President Abbas's 18-point peace plan. (Paragraph 187)
19. We conclude that the Government is correct to refuse to deal directly with Hamas. We recommend that, until Hamas accepts the existence of Israel and commits itself to both to a two-state solution and exclusively peaceful means of achieving its goals, the Government should continue to refuse to deal with it directly. However, we further recommend that the Government continue to work with President Abbas, work with international organisations and non-governmental organisations in order to assist the Palestinian people, and seek out, where feasible, 'back channels' in order to facilitate movement towards negotiations between the Palestinians and Israelis. (Paragraph 192)
20. We conclude that the Government was right to refuse to channel its aid through a Palestinian administration led by Hamas, and we endorse the Government's support for the policy set out by the Quartet in the London statement of 30 January. However, it is important that the Palestinian people are not punished for exercising their rights as voters and we support the subsequent decision to create a mechanism for channelling aid directly to those who most need it. We recommend that the Government act with all speed to ensure that this mechanism is fully implemented and that it has the desired effect of averting an economic and humanitarian disaster in the Palestinian territories. We further recommend that the Government, in its response to this Report, set out what steps it is taken to avert an economic and humanitarian crisis in the Palestinian Territories. (Paragraph 197)

21. We reiterate the Committee's previous conclusions on the illegality of the current route of the separation barrier and underline our concerns about the impact it is having on the lives of ordinary Palestinians. We recommend that the Government continue to make the strongest representations to the Israeli authorities to align the route of the barrier with the 1967 border and that it raise the question of the present alignment of the barrier in international fora such as the new United Nations Council on Human Rights. (Paragraph 206)
22. We conclude that satisfactory road and rail links between Gaza and the West Bank are essential for the creation of a viable Palestinian state. We recommend that the Government intensify the international efforts being made to achieve progress with these projects and provide the Committee with a full statement of the latest position in its response to this Report. (Paragraph 213)
23. We conclude that there is little prospect of the Israelis and Palestinians reaching any agreement on the way forward without substantial commitment and engagement by the Quartet, by regional players and above all by the USA. We recommend that the Government do everything possible both bilaterally and through international mechanisms to encourage both parties to implement their Road Map obligations. (Paragraph 222)

Iraq

24. We conclude that the continued deterioration in the security situation in Iraq is extremely worrying, as are the deepening sectarian and ethnic dimensions of the violence. We further conclude that Iraq's neighbours have yet to take sufficient steps to prevent the movement of insurgents across Iraq's borders, although we note that the length and porous nature of these borders make this task extremely difficult. (Paragraph 232)
25. We conclude that despite continued hard work to build up the Iraqi Security Forces, and the dedication and bravery of many of the members of those forces, they remain a long way from being able to take the lead on security across Iraq. We further conclude that relying on Shia and Kurdish communities to build up the Iraqi Security Forces has contributed to the development of sectarian forces and that this is regrettable in the volatile security and political environment in Iraq. We recommend that the Government continue to work with its international partners to address this problem and make clear to the Iraqi authorities the importance of legitimate national Security Forces. We further recommend that the Government set out in its response to this Report what steps it is taking to assist the Iraqi authorities to establish a security infrastructure that respects human rights. (Paragraph 238)
26. We recommend that the Government set out in its response to this Report the circumstances under which it would withdraw British forces from Iraq. We further recommend that the Government set out in its response to this Report the findings of the 'joint committee to transfer security responsibility'. (Paragraph 245)
27. We conclude that, in the context of the insurgency and the appalling level of violence, detention will continue to be necessary; however, the level of such detentions is a problem for coalition forces too and for the United Kingdom's image

in the region. Wherever and whenever possible such detainees should be handed over to the Iraqi government for trial. We recommend that the Government set out in its response to this Report the current number and status of detainees held by the United Kingdom in Iraq, including the basis for their detention, as well as any plans to transfer them to Iraqi or US custody or to subject them to due judicial process. We also recommend that the Government provide in its response the latest information it has as to the number of detainees being held by the USA in Iraq and the number being held by the Iraqi authorities. (Paragraph 247)

28. We conclude that the Government is making slow progress towards resolving the issue of how to regulate private military and security companies. This is regrettable given the increase in the use of such firms in Iraq and elsewhere. We recommend that the Government accelerate its efforts in this area and that it set out in its response to this Report what measures it plans to take. (Paragraph 253)
29. We commend the continued commitment of ordinary Iraqis to the democratic process in Iraq and are impressed by the obvious desire on the part of ordinary Iraqis to achieve a more representative political system. We reiterate the conclusion of our predecessor Committee that it is essential that the international community, and especially the USA and United Kingdom, refrain from interfering in Iraqi politics and decision making. Nevertheless, there is an important continuing role for the international community in support of the democratic government in Iraq. We recommend that the Government do all it can to facilitate the UN's role in Iraq, both in terms of providing security assistance in Iraq and through support in the Security Council. We recommend that the Government set out in its response to this Report what progress has been made on providing security to the UN in Iraq and what plans there are to facilitate a greater UN presence. We further recommend that the Government set out in its response to this Report the progress made in establishing EU assistance to Iraq. (Paragraph 261)
30. We conclude that concerns over Iranian involvement in Iraq reinforce the need for dialogue and engagement with Tehran. We recommend that the Government engage with both its Iranian and Iraqi counterparts to ease concerns in this area and that it work to encourage Washington to take a similar approach. We further conclude that serious concerns exist over Iranian involvement in Iraq and that the organisation, weaponry and technology for a number of terrorist incidents in Iraq have emanated from within Iran. (Paragraph 265)
31. We conclude that the reconstruction process has been made extremely difficult by the insurgency, both by sabotage and by the level of violence to personnel involved; however, the lack of progress risks dissatisfaction with the political process. We recommend that the Government set out in its response to this Report its plans to make reconstruction efforts more effective as well as its plans, if any, to take part in setting up Provincial Reconstruction Teams in Iraq. (Paragraph 275)
32. We conclude that conditions remain extremely difficult for British personnel in Iraq and commend the good work they are doing in testing circumstances. We recommend that the Government update us in its response to this Report on the number of British personnel in Iraq, their location and its plans to improve facilities further. (Paragraph 279)

33. We conclude that the deterioration in the security situation and the continuing difficulties in relations with the local communities in Basra are deeply worrying. We commend efforts that have been made to build bridges and repair relations. We recommend that the Government set out in its response to this Report what further steps it is taking to improve the situation in the four south-eastern provinces of Iraq and to bring about a resolution of the differences between Shia groups. (Paragraph 286)
34. We conclude that there remain significant disagreements about the timing of the decision to go to war with Iraq. We recommend that the Government set out in its response to this Report the chronology of when decisions were made with regard to the Iraq war, including publication of the memorandum of the conversation between the Prime Minister and President Bush on 31 January 2004. (Paragraph 291)

Iran

35. We conclude that there is clear cause for international concern over Iranian nuclear intentions and a number of substantive issues have yet to be resolved, as spelled out in successive IAEA reports. We further conclude that the Government is correct to take extremely seriously the possibility that Iran is seeking to acquire nuclear weapons. A nuclear armed Iran would radically alter the security geography of the region and would lead other countries to seek nuclear weapons or guarantees themselves. (Paragraph 303)
36. We conclude that despite achieving a high degree of international agreement about the need to address Iran's nuclear ambitions, there has been a worrying lack of consensus among the Permanent Members of the UNSC on how best to tackle this problem. We commend the Government's commitment to diplomatic efforts to resolve the nuclear standoff with Iran. We sincerely regret the breakdown of negotiations in 2005 and Iran's resumption of enrichment activities. We commend the international consensus achieved among members of the IAEA Governing Board and the efforts taken to maintain this consensus in the decision to report Iran to the UN Security Council. We also commend renewed efforts by the EU3 to resolve the crisis by diplomatic means and we recommend that the Government keep us informed of the progress of these negotiations. (Paragraph 312)
37. We commend the high-level cooperation between the United Kingdom, France and Germany in their negotiations with Iran. We conclude that US engagement will be an essential component of any lasting agreement and commend US involvement in the current EU3 diplomatic initiative. We recommend that the Government use its close relationship with the USA to encourage it to engage further with Iran and that it set out in its response to this Report what steps it is taking to do this. (Paragraph 324)
38. We conclude that a broad range of options are available to the international community with regard to Iran, but that that some are fraught with difficulty. We further conclude that in the interest of legitimacy as well as effectiveness it is highly desirable that maximum international consensus is maintained on any action taken against Iran. (Paragraph 332)

39. We conclude that military action against Iran would be likely to unleash a host of extremely serious consequences both in the Middle East and elsewhere and would not be guaranteed to prevent Iran from developing nuclear weapons in the long term. We further conclude that the Government should not undertake or support military action against Iran until all other options have been exhausted or without broad agreement among its international allies. We also conclude that the lack of international consensus for sanctions against Iran combined with the extremely worrying prospect of military action mean that all possible diplomatic efforts must be applied to reaching a negotiated agreement with Iran; we recommend that the Government make this point absolutely clear to the administration in Washington. (Paragraph 340)
40. We conclude that Iran's position towards the 'war against terrorism' has been contradictory, and extremely unhelpful in a number of key areas. Iran continues to have links with terrorist groups, while statements by the Iranian president about Israel and denial of the Holocaust are deplorable and cannot be dismissed as empty rhetoric. We commend the Prime Minister's robust response to these comments and recommend that the Government continue to make clear to the Iranian Government that such behaviour and comments are unacceptable. (Paragraph 353)
41. We conclude that the human rights situation in Iran remains extremely unsatisfactory. We recommend that the Government continue to use its diplomatic contacts with the Iranian government to promote respect for human rights and political and religious freedoms, and actively encourage the EU to do likewise. We further conclude that the democratic process in Iran is deeply flawed, and that although this issue must be handled with care, there is a role for the United Kingdom and the international community more broadly in supporting reform efforts. We recommend that the Government seriously consider funding a Farsi BBC television service. (Paragraph 361)

Afghanistan

42. We conclude that bringing stability to Afghanistan remains a key British interest. We commend the Government for its role in hosting and co-chairing the London Conference and welcome the Prime Minister's comments that the United Kingdom will remain by the side of the Afghan people in their struggle for freedom, moderation and democracy. (Paragraph 366)
43. We conclude that there has been a worrying deterioration in the security situation in Afghanistan, and that there are signs that the tactics that have brought such devastation to Iraq are being replicated in Afghanistan. We recommend that in its response to this Report the Government indicate what steps it is taking to prevent further deterioration. (Paragraph 371)
44. We commend the Government's work assisting the Afghan authorities to establish secure prison facilities and in providing training in prison techniques. We recommend that the Government set out in its response to this Report what further assistance it could give in this area, particularly in respect of increasing the Afghan capacity to house drug offenders at the provincial level. (Paragraph 377)

45. We reiterate our predecessor's Committee's conclusion that "the United Kingdom's lead role in co-ordinating the UN's counter-narcotics strategy in Afghanistan is one of the Government's most important responsibilities overseas". We conclude that negligible progress has been made reducing opium poppy cultivation in Afghanistan. We recommend that the Government set out in its response to this Report how it intends to make better progress in tackling this problem. We further recommend that the Government clarify its position towards eradication and that it set out what progress has been made on developing alternative livelihoods for Afghan farmers. (Paragraph 383)
46. We conclude that there is potential for a blurring of the United Kingdom's counter-insurgency and counter-narcotics objectives in Afghanistan. We recommend that the Government clarify the role of British personnel, including with regard to the policy of eradication and support to eradication activities. We further conclude that the expansion of ISAF's area of operation requires careful consideration of how best to coordinate with the US-led Operation Enduring Freedom. We reiterate our predecessor Committee's conclusion that "increased synergy between and better integration of NATO's operations in Afghanistan and those of the US-led coalition is a potentially positive move, which if correctly implemented should enhance the effectiveness of security, reconstruction and counter-terrorist activities alike". We recommend that the Government update us in its response to this Report on NATO planning to achieve this greater synergy. (Paragraph 391)

Non-proliferation

47. We conclude that the failure of the May 2005 NPT Review Conference is a matter of serious concern. We recommend that the Government do all in its power to sustain the NPT, as the most effective tool for the prevention of the proliferation of nuclear weapons. (Paragraph 401)
48. We recommend that the Government set out in its response to this Report what it is doing to strengthen the non-proliferation tools available to the International Atomic Energy Agency (IAEA), and set out its views on the proposals for strengthening the IAEA put forward by Director General Dr Mohammed ElBaradei. We further recommend that the Government work with its IAEA partners to establish a permanent section of the IAEA dealing with nuclear proliferation by non-state actors, with adequate and sustainable funding arrangements. (Paragraph 406)
49. We recommend that the Government set out in its response to this Report what impact the agreement between New Delhi and Washington on nuclear co-operation might have on the existing non-proliferation framework. We also recommend that in its response to this Report the Government set out what progress has been made on introducing revisions to the guidelines of the Nuclear Suppliers Group. (Paragraph 409)
50. We conclude that the Comprehensive Test Ban Treaty (CTBT) is a crucial tool for the control of the spread of nuclear weapons, and the work of the Comprehensive Test Ban Treaty Organisation (CTBTO) is both technically impressive and of great worth. We recommend that the Government urge those states that have not yet ratified the CTBT to do so, concentrating its efforts on the states which have not

ratified for technical reasons, such as Colombia, Indonesia and Vietnam. (Paragraph 414)

51. We conclude that a successful outcome of the Biological and Toxin Weapons Convention (BWC) Review Conference is essential in order to preserve confidence in the global non-proliferation regime. We recommend that the Government outline what progress has been made by the various meetings of experts and state parties since the middle of 2005, and set out what it hopes to achieve at the Review Conference. We also recommend that the Government explain how it proposes to ensure compliance with the BWC without the existence of a verification mechanism. (Paragraph 419)
52. We conclude that universality of the Chemical Weapons Convention is a most desirable objective, and we recommend that the Government step up its efforts to encourage Middle Eastern states such as Egypt, Israel, Lebanon, and Syria to ratify the CWC. We also conclude that the destruction of chemical weapons is a priority, and recommend that the Government urge other states to accelerate the destruction of their chemical weapons. (Paragraph 422)
53. We conclude that the work of the G8 Global Partnership makes a valuable contribution to the reduction of nuclear and chemical weapons material in the former Soviet Union, although the slow progress on plutonium and chemical weapon destruction is a serious concern. We recommend that the Government set out in its response to this Report how it will maintain the momentum behind the G8 Global Partnership. We also recommend that it explore the possibilities of expanding the Partnership's work beyond the borders of the former Soviet Union. (Paragraph 428)
54. We welcome the Government's outreach work on the Missile Technology Control Regime (MTCR) and we recommend that in its response to this Report the Government set out what further steps it is planning to take in this area. We also welcome India's decision to comply with MTCR guidelines voluntarily, and we recommend that the Government work to encourage India to become a full member of the MTCR. However, we conclude that the spread of knowledge of cruise missile and space programme related technology may outpace the MTCR's best efforts, and we recommend that the Government set out in its response to this Report how it will ensure that the MTCR keeps pace with the spread of technology and what steps it will take to give the MTCR greater enforceability. (Paragraph 432)
55. We welcome the expansion of the Wassenaar Arrangement, both in terms of membership and its trigger lists, but fear that the organisation will continue to work at the lowest common denominator. We recommend that the Government explore means to strengthen the Wassenaar Arrangement, perhaps by establishing an inspections regime. We also conclude that the lack of interaction between the Wassenaar Arrangement and UN bodies dealing with small arms and light weapons hinders the effective implementation of an international non-proliferation regime on small arms and might have a deleterious impact on the establishment of an Arms Trade Treaty (ATT). We recommend that the Government work to bring the Wassenaar Arrangement into closer collaboration with the UN and other international efforts related to the ATT. (Paragraph 437)

56. We welcome progress towards an international ATT and recommend that the Government continue its work to garner support for such a treaty. However, we recommend that the Government does not allow its desire to establish internationally accepted norms lead to a treaty that operates only at the lowest common denominator. (Paragraph 440)

1 Introduction

1. This is the seventh Report in a series on foreign policy aspects of the ‘war against terrorism’. Our predecessor Committee launched this inquiry following the 11 September 2001 terrorist attacks in the USA. These Reports, supplemented by other Reports on the decision to go to war in Iraq, on British–US relations and on human rights, have contributed to the ongoing debate on both the causes of terrorism and the United Kingdom’s response to it. During the course of the inquiry, the Committee has discussed wide and varied themes, such as the fall of the Taliban and efforts to rebuild Afghanistan, shifts in the organisation of al Qaeda, the war and subsequent situation in Iraq, multilateral efforts to tackle terrorist financing and global work to prevent the proliferation of weapons of mass destruction.

2. In this Report, we return to a number of these themes. We discuss the fast developing situations in Israel and the Palestinian Territories, Iraq and Iran. However, for the first time we also discuss in some detail the United Kingdom’s relations with Saudi Arabia and the United Arab Emirates and the role of these two countries in the international ‘war against terrorism’. Both countries were linked to the attacks of 11 September: fifteen of the nineteen suicide aeroplane hijackers were Saudi citizens; two were UAE nationals. In addition, both Saudi Arabia and the UAE have significant experience fighting terrorism, both through security-based counter-terrorism measures and by tackling the causes of terrorism through educational reform and cooperation with religious authorities. Not only are both countries key allies in the fight against international terrorism, but there is also much that could be learned from their efforts to understand and thwart recruitment of extremists.

3. Although for consistency with our previous Reports we have entitled this one ‘Foreign Policy Aspects of the War against Terrorism’, we have come to the conclusion that the phrase ‘war against terrorism’ is inappropriate. The phrase may initially have seemed an adequate description for international efforts in the context of the attacks of 11 September and subsequent action against the Taliban in Afghanistan. However, it does not adequately describe what has become a multi-faceted and complex international effort to thwart terrorist attacks across the globe simultaneously with attempts to address the background to international terrorism. We shall give further consideration to providing a more appropriate phrase when we produce our next Report on countering terrorism.

4. If any reminder were needed of the continuing threat posed by international terrorism, on 7 July 2005 four suicide attacks in London left 56 dead and hundreds injured. The bombers were British, but their crimes were committed against a backdrop of global terrorism. In March 2006, the FCO published its new strategy document “Active Diplomacy for a Changing World.” This document sets out nine strategic international priorities for the United Kingdom:

- Making the world safer from global terrorism and weapons of mass destruction.
- Reducing the harm to the UK from international crime, including drug trafficking, people smuggling and money laundering.

- Preventing and resolving conflict through a strong international system.
- Building an effective and globally competitive EU in a secure neighbourhood.
- Supporting the UK economy and business through an open and expanding global economy, science and innovation and secure energy supplies.
- Promoting sustainable development and poverty reduction underpinned by human rights, democracy, good governance and protection of the environment.
- Managing migration and combating illegal immigration.
- Delivering high-quality support for British nationals abroad, in normal times and in crises.
- Ensuring the security and good governance of the UK's Overseas Territories.¹

5. Many of these priorities are relevant to international efforts to fight terrorism and the circumstances in which extremism and terrorism flourish. Critically, the document states that “The priorities cannot be pursued in isolation. They intersect in many of the urgent international problems the UK faces, such as the search for peace in the Middle East and South Asia, the reconstruction of Afghanistan and Iraq, or dealing more effectively with poverty and conflict around the world.” Throughout the course of the Committee’s inquiry into foreign policy aspects of the ‘war against terrorism’, it has become clear not only that the ‘war against terrorism’ must consider wider and more complex issues than terrorism itself, but that the development and implementation of policy to protect British interests must be carried out as part of a coherent foreign policy strategy.

6. Much of the evidence taken for this Report was received before the change of Foreign Secretary, and therefore was provided by Jack Straw ahead of the appointment of Margaret Beckett in May 2006. We heard oral evidence from Jack Straw on three occasions. We also held discussions with senior figures at the UN in New York, with members of the US Administration in Washington DC, with key personnel in the European Commission and with ministers, politicians, senior officials and others in Saudi Arabia, the UAE, Israel, the Palestinian Territories and Iraq. We also heard formal and informal evidence from a range of witnesses and received written evidence from a variety of sources; we express our thanks to all of these.

1 Foreign & Commonwealth Office, *Active Diplomacy for a Changing World: The UK's International Priorities*, Cm 6762, March 2006. In June 2006, the new Foreign Secretary, Margaret Beckett, added a further strategic priority of climate change.

2 The ongoing threat from terrorism

Continuing International Threat

7. In response to the terrorist attacks of 11 September 2001, the USA and its allies adopted a policy of targeting al Qaeda's senior leadership, infrastructure and funding networks. Speaking in October 2005, US President George Bush outlined some of the successes of this campaign:

Together, we've killed or captured nearly all of those directly responsible for the September the 11th attacks; as well as some of bin Laden's most senior deputies; al Qaeda managers and operatives in more than 24 countries; the mastermind of the USS Cole bombing, who was chief of al Qaeda operations in the Persian Gulf; the mastermind of the Jakarta and the first Bali bombings; a senior Zarqawi terrorist planner, who was planning attacks in Turkey; and many of al Qaeda's senior leaders in Saudi Arabia.²

8. The White House responded to an audio message by Osama bin Laden broadcast by al Jazeera satellite television station on 23 April 2006 by saying: "The al Qaeda leadership is on the run and under a lot of pressure. We are continuing to take the fight to the enemy abroad, and making it difficult for them to plan and plot against America. We are on the advance, they are on the run, and we will not let up...We will prevail. It's important that we continue to use every tool at our disposal as we take the fight to the enemy."³ More recently, President Bush described the killing of Abu Musab al-Zarqawi, the head of al Qaeda in Iraq, as a severe blow to al Qaeda.⁴

9. Paul Wilkinson, Professor of International Relations and Chair of the Centre for the Study of Terrorism and Political Violence at the University of St Andrews, wrote to us about the impact of the international 'war against terrorism':

Al Qaeda's core leadership, communication and training capabilities suffered major disruption and damage when the Taleban regime in Afghanistan, which had provided Al Qaeda with safe haven, was overthrown in autumn 2001. Since 9/11, 15 leading Al Qaeda militants have been captured or killed, and over 3,000 suspected Al Qaeda followers have been arrested or detained. Moreover, millions of pounds of Al Qaeda assets have been frozen in the banking system.⁵

A letter believed to be from Osama bin Laden's deputy, Ayman al-Zawahiri, to Zarqawi, suggests that al Qaeda has indeed felt the impact of this campaign. In the letter, Zawahiri says that al Qaeda has lost many of its key leaders and is virtually resigned to defeat in Afghanistan. He also says that its lines of communication and funding have been severely disrupted and makes a plea for financial support.⁶

2 Remarks by President Bush, National Endowment for Democracy, Washington D.C., 6 October 2005

3 Press Gaggle by Scott McClellan, 23 April 2006

4 "Zarqawi killed in Iraq air raid", *BBC News Online*, 8 June 2006, news.bbc.co.uk

5 Ev 1

6 "US 'intercepts al-Qaeda letter'", *BBC News Online*, 7 October 2005, news.bbc.co.uk

10. However, despite the claimed successes of the campaign, international terrorists nevertheless clearly retain the capacity to strike across the world. Professor Wilkinson wrote to us about the enduring threat:

In attack after attack Al Qaeda's network of networks has proved its ability to deploy large numbers of operatives and to recruit more than sufficient new members to replace those lost by capture and death in suicide bombing or in armed confrontations with security forces... There is no evidence that the movement is unable to obtain the funds and explosives it needs to carry out major coordinated mass-killing suicide bombing attacks.⁷

In fact, there is broad consensus that al Qaeda continues to represent the most dangerous terrorist threat ever posed by a non-state actor. With a presence in over 60 countries, it is al Qaeda's explicit commitment to mass killing that makes it so dangerous. Professor Wilkinson, told us about this:

I think we must not underestimate the sheer ruthlessness and brutality of this movement. It is still acting on the decree, the fatwa that was issued by bin Laden in February 1988 in which all Muslims were urged to kill Americans and their allies, including civilians, whenever and wherever possible... Fortunately they have not succeeded in doing anything as ambitious or as deadly as the 9/11 attacks, although they certainly have plotted to undertake more deadly attacks. In some cases those conspiracies have been thwarted. In some cases we believe the plans may still exist, they just have not been implemented, and it is a worry that they may still try to implement them.⁸

11. On 24 October 2005, the then Foreign Secretary also highlighted the brutality of the threat posed by al Qaeda when he described to us the indiscriminate nature of terrorist attacks and the fact that they “really do not mind who they kill provided they kill somebody in the name of a totally perverted ideology. It is a further illustration of the evil which we are dealing with.”⁹

12. While agreeing about the extreme danger posed by al Qaeda, Peter Taylor, of BBC Panorama, also warned against the tendency of attributing every terrorist incident to al Qaeda: “there is a danger of putting the al Qaeda stamp on everything that happens—sometimes it is justified, sometimes it is not—nevertheless, the threat that these new kind of cells that subscribe to the same philosophy as al Qaeda and bin Laden are extremely dangerous and I think the evidence speaks for itself.”¹⁰

13. Indeed, the evidence does speak for itself. There has been no let up in terrorist attacks across the world since our predecessor Committee's last Report in this inquiry.¹¹ Since that Report, terrorism has hit at the heart of the United Kingdom. On 7 July 2005, four suicide

7 Ev 2

8 Q 8 [Professor Wilkinson]

9 Q 56

10 Q 1 [Mr Taylor]

11 Foreign Affairs Committee, Sixth Report of Session 2004-05, *Foreign Policy Aspects of the War against Terrorism*, HC 36-I

bombers from a home-grown group inspired by al Qaeda struck in central London, killing 52 people and injuring hundreds.¹² The report into the attacks by the Intelligence and Security Committee found that two of the bombers spent time in Pakistan: “It has not yet been established who they met in Pakistan, but it is assessed as likely that they had some contact with Al Qaida figures.”¹³ The degree of al Qaeda involvement remains under investigation:¹⁴ “The extent to which the 7 July attacks were externally planned, directed or controlled by contacts in Pakistan or elsewhere remains unclear. The Agencies believe that some form of operational training is likely to have taken place while Khan and Tanweer were in Pakistan. Contacts in the run-up to the attacks suggest they may have had advice or direction from individuals there. Claims in the media that a ‘mastermind’ left the UK the day before the attacks reflect one strand of an investigation that was subsequently discounted by the intelligence and security Agencies.”¹⁵ Two weeks after the 7 July attacks, on 21 July, four would-be-bombers targeted London’s transport system once again; none of their devices exploded.

14. Elsewhere, on 23 July 2005, two car bombs and a bomb placed in a suitcase in the Egyptian tourist resort of Sharm el Sheikh killed at least 88 people, including 11 British tourists.¹⁶ The region was targeted once again on 24 April 2006, when a series of explosions in the Egyptian seaside resort of Dahab killed at least 23 people and injured more than 60.¹⁷ The Egyptian authorities have blamed the attacks on local groups ‘inspired’ by international extremist ideology. Tourists were once again the target on 1 October 2005, when three suicide bombers killed at least 23 people and injured around 150 people in Bali, Indonesia.¹⁸ On 9 November 2005, a triple bomb attack in Amman in Jordan left at least 56 dead and around 100 injured.¹⁹ Meanwhile, the insurgency in Iraq continues to blaze, with a rising death toll, and the situation in Afghanistan has deteriorated, with an increase in the number of terrorist attacks and evidence that the Taliban is regrouping. We discuss both countries in greater detail later in this Report.

15. We conclude that despite a number of successes targeting the leadership and infrastructure of al Qaeda, the danger of international terrorism, whether from al Qaeda or other related groups, has not diminished and may well have increased. Al Qaeda continues to pose an extremely serious and brutal threat to the United Kingdom and its interests.

12 Home Office, *Report of the Official Account of the Bombings in London on 7th July 2005*, 11 May 2006, HC 1087. This report found that: “55. There is as yet no firm evidence to corroborate this claim or the nature of Al Qaida support, if there was any. But, the target and mode of attack of the 7 July bombings are typical of Al Qaida and those inspired by its ideologies.”

13 Intelligence and Security Committee, *Report into the London Terrorist Attacks on 7 July 2005*, Cm 6785, May 2006, para 37

14 *Ibid*, para 40

15 *Ibid*, para 38

16 “Toll climbs in Egyptian attacks”, *BBC News Online*, 23 July 2005, news.bbc.co.uk

17 “Explosions at Egyptian Red Sea resort kill at least 23”, *Financial Times*, 25 April 2006

18 “Bali bombs death toll rises to 23”, *BBC News Online*, 8 October 2005, news.bbc.co.uk

19 “‘Al-Qaeda’ claims Jordan attacks”, *BBC News Online*, 10 November 2005, news.bbc.co.uk

Developments in al Qaeda

16. The international ‘war against terrorism’ has had a marked impact on al Qaeda. Peter Taylor told us about this:

[T]here is a fundamental change in the nature of al Qaeda and its associated, but not necessarily directly related, groupings. That is the result of the successes that the coalition had in removing the jihadi training camps in Afghanistan. Al Qaeda was denied a base in Afghanistan, it tried to set up bases in places like Fallujah, in Iraq. They were destroyed again by the coalition forces. My understanding is that in the course of interrogation of senior or middle ranking al Qaeda people they said they were under orders to return to their countries of origin to recruit and train for Jihad on home ground, recruiting home-grown would be jihadis, and I think what the recent attacks show is the operation of those semi autonomous cells that do not necessarily have any directly linear connection with al Qaeda. The 9/11 attacks were the result of al Qaeda planning. Al Qaeda was the command and control centre. It no longer works like that, so these cells are their protean: they change; they are autonomous, or semi-autonomous. What binds them together is a common association with the philosophy of bin Laden and al Qaeda.²⁰

17. This shift has implications for international efforts to tackle terrorism. Professor Wilkinson and Peter Taylor both told us about this: “it does make it far more difficult for the intelligence services and the whole intelligence community of the coalition against terrorism to track down cells and to identify new networks as they are created, but it is even more complex than that.”²¹ Moreover, its diffuse structure gives al Qaeda “the flexibility and resilience to adapt and sustain its global jihad in spite of the many severe blows the movement has suffered.”²²

18. Our witnesses were all deeply concerned about the boost that the war in Iraq has given to al Qaeda. Peter Taylor told us about this: “they manipulate the situation in Iraq... They use the situation there to recruit, to propagandise, to fund raise, to train and also to plan and operate.”²³ Jack Straw concurred on this point, telling us: “It is self-evidently the truth that al Qaeda et cetera are exploiting what is going on in Iraq.”²⁴ The situation in Iraq is a gift to al Qaeda in terms of propaganda. Peter Taylor told us that recorded attacks and beheadings in Iraq are “one of the most powerful recruiting tools that they have”.²⁵ Indeed, Peter Taylor told us that by going into Iraq, “what we have done is fanned the flames of terrorism rather than subdue them.”²⁶

19. Professor Wilkinson wrote to us about the importance of al Qaeda’s experience in Iraq in terms of training:

20 Q 1 [Mr Taylor]

21 Q 1 [Professor Wilkinson] and Q 13 [Mr Taylor]

22 Ev 1

23 Q 14 [Mr Taylor]

24 Q 65

25 Q 14 [Mr Taylor]

26 Q 17 [Mr Taylor]

By far the more important capability for carrying out local attacks is the availability of expertise, especially in bomb making, operational planning and tactics. The Al Qaeda network's supply of well-trained and experienced terrorist operatives has been enormously increased as a result of the field experience provided in the Iraq conflict. Foreign terrorists who have been involved with the Al Qaeda Jihad in Mesopotamia led by the Jordanian Abu Musab al-Zarqawi, are now able to return to their countries of origin, including the EU member states, battle hardened and with skills acquired and honed in Iraq. It is also noteworthy that in recent weeks we have seen tactics methods copied from the terrorist campaign in Iraq being used in Afghanistan by Taleban and Al Qaeda-linked groups and their Afghan warlord allies to attack.²⁷

20. Despite this rather gloomy picture, our witnesses gave us some cause for optimism. There has been some evidence of strategic and ideological divisions within the broad al Qaeda movement. This has been precipitated by the targeting of Muslims in suicide attacks in Iraq and elsewhere. A letter believed to be from Zawahiri to Zarqawi warns that insurgents' tactics, notably the killing of hostages and bombings of mosques, may alienate the wider Muslim population.²⁸ Professor Wilkinson told us about this:

I do not think all the networking arrangements necessarily favour the al Qaeda movement, because when you have a movement which is constituted of a network of networks worldwide there are bound to be some that begin to differ from the core leadership in its strategy and tactics, and we are beginning to see that. We see it in the communication that was intercepted between Zawahiri and Zarqawi... [W]here one sees a schism, where you see people with some political criticisms of a leadership, that is a hopeful sign because the history of terrorism shows that when they start to quarrel with each other that is the beginning of their decline.²⁹

21. We conclude that the dispersal and fragmentation of al Qaeda into more autonomous local cells mainly linked together by a common ideology will make it more difficult to tackle the threat of international terrorism. We further conclude that the situation in Iraq has provided both a powerful source of propaganda for Islamist extremists and also a crucial training ground for international terrorists associated with al Qaeda.

Public diplomacy and human rights

22. Professor Wilkinson wrote to us about some of the successes and failures of the international community's counter-terrorism policy. He highlighted the importance of international cooperation, despite the deep divisions that were caused by the war in Iraq. Professor Wilkinson also emphasised the success that EU member states have had in "using their criminal justice systems to try persons suspected of involvement in al Qaeda linked terrorism" as well as "the un-dramatic but vital work of capacity building in the developing countries, for example the assistance programme of the FCO in disseminating expertise in anti-terrorism law, policing and intelligence work and the work of the

27 Ev 2

28 "US 'intercepts al-Qaeda letter'", *BBC News Online*, 7 October 2005, news.bbc.co.uk

29 Qq 2, 8 [Professor Wilkinson]

international agencies such as ICAO, IATA and ACI in enhancing aviation security and of IMO in maritime security.” He also noted the progress that has been made on counter-terrorism cooperation in Europe “for example through the Europe Arrest Warrant mechanism, and the enhanced intelligence sharing and judicial cooperation procedures through EUROPOL, SITCEN, and EUROJUST.”³⁰

23. However, our witnesses argued that al Qaeda is doing rather better than the international community when it comes to public diplomacy. Peter Taylor has looked in some detail at al Qaeda’s use of the internet as a propaganda tool. In one of his Panorama programmes, Taylor noted that: “al Qaeda has changed, the internet has given it wings... al Qaeda has become a global brand, driven by the power of the worldwide web.”³¹ Professor Wilkinson also wrote to us about the importance that al Qaeda attaches to propaganda: “Al Qaeda videotapes and websites demonstrate the great importance they attach to propaganda. Recently they have expanded into broadcasting their own news programme called Voice of the Caliphate which attempts to use world events to put over their movement’s perverted doctrines.”³²

24. The conduct of the international community’s foreign policy, and the exploitation of perceived injustices in this policy, are central to al Qaeda’s propaganda. Key international conflicts such as those between Israel and the Palestinians and between India and Pakistan over Kashmir, and the situation in Iraq, are fed into this propaganda. Peter Taylor told us about the role that such conflicts play in recruitment: “potential recruits are identified at radical mosques but the actual indoctrination—the showing of videos, of Palestine, of Chechnya, of Kashmir and increasingly of Iraq—is done privately in apartments, flats, etc, afterwards.”³³

25. This point is illustrated by bin Laden’s audio message, broadcast on 23 April 2006.³⁴ This message accused the West of waging a war against Islam and sought to identify with the Palestinian cause, which resonates strongly with Muslims across the world. Bin Laden said: “Our countries are burning, our homes are being shelled and our peoples are being killed and nobody cares about us. An example of the blatant attacks on our beliefs, our brothers and our countries is what your ally, Israel, did in terms of storming and demolishing Jericho Prison with the collusion of America and Britain.” He expanded to cover other perceived injustices of the West’s foreign policy: “An example of ridiculing people and holding them in contempt is that your aircraft and tanks are destroying houses over the heads of our kinfolk and children in Palestine, Iraq, Afghanistan, Chechnya, and Pakistan... They are determined to continue with their Crusader campaigns against our nation, to occupy our countries, to plunder our resources, and to enslave us.” Bin Laden also asserted that the role of al Qaeda is to defend Muslims across the world “Our aim is clear: that is, defending Islam, its people, and land.”

30 Ev 3

31 The New Al Qaeda, Part One

32 Ev 1

33 Q 1 [Mr Taylor]

34 “‘Bin Laden’ accuses West—excerpts”, *BBC News Online*, 23 April 2006, news.bbc.co.uk

26. There is a clear recognition of the need for the international ‘war against terrorism’ to be multi-faceted. In October 2005, the then Foreign Secretary told us that in addition to the security focussed aspects of counter terrorism policy, the United Kingdom and its allies are:

[S]eeking to deal with the causes of terrorism, for example, in the work we have done over many years to support the Middle East Peace Process, the very active engagement of the United States and United Kingdom Governments, Colin Powell, Secretary Condoleezza Rice, myself in the Peace Process in respect of Kashmir, many other theatres, and the work which we and the UK Government are doing both with the Home Office and the Foreign Office to improve understanding of Islam and to give those who are of the Islamic faith greater confidence to stand up against these evil people; all of that is the only strategy that is sensible to follow.³⁵

27. While Jack Straw told us that he thought “We would be naive if we thought if we eliminated those problems, this infection will go”,³⁶ he also said that “if we want to engage the minds of people in the Islamic world we need to see better progress, for example on the Middle East Peace Process.”³⁷ Asked whether the United Kingdom is doing enough to counter terrorist propaganda, the former Foreign Secretary told us: “I think we can never do enough to counter the propaganda, it is a most extraordinary moral relativism. We have to counter it and we have to say there are some absolutes in our society.”³⁸ However, Jack Straw also noted the work that is being done in this area, for example the FCO’s Engaging with the Islamic World Programme.³⁹

28. During a visit to Indonesia in March 2006, Prime Minister Tony Blair emphasised the need for greater understanding between people of different faiths, adding that “within that greater understanding we’ve got a chance of resolving the conflicts that there are in the world.”⁴⁰ There have also been efforts to communicate better with the Muslim community worldwide. For example, ‘British Muslims’, a recent publication by the British Council, seeks to inform the dialogue between communities.⁴¹ However, all of our witnesses were clear in their opinion that the United Kingdom and its allies should be doing far more in this area. Professor Wilkinson told us:

I think we are failing on this particular score. The Americans are only spending, we discovered, 3 per cent of their entire defence budget on public diplomacy on information. If you compare that with the Cold War years where information was so important—it ultimately helped us to end the Cold War—I think it is absolutely incompetent of us not to be doing more to use all the channels of communication that are open to us. We have the people with the language expertise, we have the media technology, but we are not making enough use of it, in my view, and I think that is a big failing: because as long as those ideas are unanswered, we are really

35 Q 56

36 Q 57

37 Q 58

38 Q 57

39 Q 58

40 “Blair vows to boost defence ties with Jakarta”, *Financial Times*, 31 March 2006

41 The British Council, *British Muslims: Media Guide*, 2006

creating new generations of suicide bombers while we are busy trying to unravel the existing networks and new ones are emerging... [I]f only we had invested the effort, and I think it is not too late. We should be doing far more of that. The money we spent on it would be chicken feed compared to the sort of money that is being spent on the deployment of our forces and the expensive technology that that requires.⁴²

29. Peter Taylor told us about the role that the BBC could play in this area:

The BBC Arabic Service, which is in the planning, will not be a propaganda vehicle. That is not the BBC's job. We are not in the business of propaganda. What it will do, I am sure, is present an alternative or a different perspective on events to that propounded by an Al Jazeera, which has been phenomenally successful. You go into any Arab cafe in America or anywhere and they are not watching BBC World, they are watching Al Jazeera; so I think the advent of a BBC Arabic service will go some way towards correcting the perceptions, but I stress, it will not be a propaganda vehicle, it will be a sort of corrective, if you like.⁴³

30. We conclude that propaganda is one of the major tools in al Qaeda's arsenal. We further conclude that progress towards resolving key international conflicts would go some way to removing widespread feelings of injustice in the Muslim world that feed into the causes of and support for terrorism. Although the United Kingdom and its allies recognise this, and are working to resolve these conflicts, they are putting insufficient effort and funding into countering terrorist propaganda. Much greater effort needs to be made to communicate effectively with the Arab and Islamic world in order to bridge the gulf of mistrust that feeds into international terrorism. We recommend that the Government continue to engage with Muslim leaders and clerics who speak out against distorted and extremist versions of their faith. We commend the Government's Engaging with the Islamic World Programme as well as the decision to set up an Arabic BBC World Service television station, but note that it will initially broadcast for only 12 hours a day and be much less generously funded than al Jazeera, which is heavily subsidised by the government of Qatar. We conclude that much more could be done. We recommend that the Government set out in its response to this Report what plans it has to expand its work in this field. We also recommend that the BBC World Service carry out an evaluation of the cost-effectiveness of this expenditure.

31. Professor Wilkinson wrote to us about the impact of international policy on human rights:

There has been a tragic failure to wage the battle of ideas against the extremists who preach hatred and incite people to commit terrorism. All democratic governments, including our own have a special responsibility to actively promote democratic values, the rule of law and human rights... Action counts far more than words in the difficult world of upholding democratic values and human rights. If the behaviour of

42 Q 15 [Professor Wilkinson]

43 Q 15 [Mr Taylor]

democratic states flatly contradicts our stated values we lose our credibility in the battle of ideas worldwide.⁴⁴

Two areas of policy with regard to the international 'war against terrorism' have caused particular concern vis a vis human rights: Guantánamo Bay and extraordinary rendition.

Guantánamo Bay

32. The US government has claimed that the detention camp at Guantánamo Bay, which has been used to hold suspected al Qaeda terrorists since shortly after the attacks of 11 September 2001, plays a key role in the 'war against terrorism'. However, its existence has been extremely controversial, especially among human rights groups, many of which have condemned what they believe are extralegal detentions at the camp. Current criticism centres on the continuing detention of about 500 people, including nine individuals previously resident in the United Kingdom and one Australian citizen currently seeking British citizenship, and allegations of abuses committed at the Guantánamo Bay prison complex. The USA has made moves recently to release 140 of the detainees; in April 2006, the Pentagon announced that 141 detainees could no longer be classified as enemy combatants and would be freed.⁴⁵ Positively, it has also now released the names of all those held at the camp.

33. Amnesty International has attacked the system of detentions, saying:

The detention camp at the US Naval Base in Guantánamo Bay in Cuba has become a symbol of the US administration's refusal to put human rights and the rule of law at the heart of its response to the atrocities of 11 September 2001. Hundreds of people of around 35 different nationalities remain held in effect in a legal black hole, many without access to any court, legal counsel or family visits. As evidence of torture and widespread cruel, inhuman and degrading treatment mounts, it is more urgent than ever that the US Government bring the Guantánamo Bay detention camp and any other facilities it is operating outside the USA into full compliance with international law and standards. The only alternative is to close them down.⁴⁶

34. We asked Amnesty International and Human Rights Watch for evidence that torture is being used at Guantánamo Bay. Kate Allen, Director of Amnesty International UK, told us: "I think we have very strong accounts, particularly from young men from Tipton, who documented on their return to the UK what had happened to them, of being kept awake, of loud music, of threats being made to them, of being held and interrogated endlessly day after day... I think that amounts to torture."⁴⁷ Ms Allen went on to say: "I think if you hold people incommunicado and you interrogate them endlessly day upon day, that you have extremes of temperature that are used, that you do not allow them any contact with their families, that you have loud noise playing continuously, that you threaten people in terms

44 Ev 4

45 "Pentagon plan to free 140 from Guantanamo", *The Guardian*, 26 April 2006

46 Amnesty International, *Guantánamo Bay: A Human Rights Scandal*, available at: web.amnesty.org

47 Foreign Affairs Committee, First Report of Session 2005–05, *Human Rights Annual Report 2005*, HC 574, Ev 31–32

of their lives and their well-being, I think that adds up to torture.”⁴⁸ Steve Crawshaw, London Director at Human Rights Watch gave his perspective:

I think it is important to remember that torture is not just applying electrodes to the testicles... to put it this way, a number of the techniques that have been used have led to both self-incriminating evidence which was completely false—in other words the pressures were great enough that they confessed to things which they had not done and provably had not done—you know, having been together with Osama bin Laden at a particular time when demonstrably, and as, indeed, the British authorities later confirmed, they had actually been somewhere else. Those kinds of pressures are banned for the same reasons... [N]ot everybody has been tortured at Guantánamo. That is not the suggestion. Some people have got off relatively lightly and others have not.⁴⁹

35. In April 2006, Professor Philippe Sands QC told us his views on Guantánamo Bay:

I think Guantánamo should be closed down tomorrow. Guantánamo is terribly undermining of a legitimate effort to protect against a serious threat and it is being used mainly as an indication of the values that our societies purport to hold dear not being followed when their vital interests are at stake, and I think it has been terribly undermining in that sense. I recall here a statement made by the great American diplomat, George Kennan, who wrote a famous telex in 1947 from Moscow, where he was posted for the State Department, on the emergent Soviet threat, and he ended that telex by saying, “The greatest threat that can befall us as a nation is to become like those who seek to destroy us.”⁵⁰

The recent suicide of three detainees at Guantánamo Bay has reinvigorated calls for the camp to be closed down.

36. Professor Sands told us that in his view there were only two categories into which those detained at Guantánamo might fall and that they should either be treated as Prisoners of War or as Criminals. He said that there is no third category of Illegal Combatants as the US asserts. The US view is that they are not Prisoners of War and they cannot all be treated as criminals and prosecuted with due process for practical as well as legal reasons. The USA therefore argues that there is a third category of Illegal Combatants into which those detained at Guantánamo fall and that they are entitled to detain them.

37. The USA denies allegations that it is mistreating detainees and argues that Guantánamo Bay is an important tool in the ‘war against terrorism’. Speaking at Chatham House in February 2006, John Bellinger, Legal Adviser to the US Department of State, outlined the US position:

[W]e believe we have been and still are engaged in an international armed conflict with al Qaida. They have attacked our embassies, our military vessels and military bases, our capital city, and our financial center. On September 11, they killed nearly

48 HC (2005–06) 574, Ev 32

49 Ibid

50 Q 314

three thousand people, including 67 British nationals. The UN Security Council has reaffirmed our right of self-defense in relation to their attacks, which were planned and launched from abroad, in resolution 1373. In the context of this conflict, we believe that the appropriate legal framework for the detention and transfer of al Qaeda is the international law of war. While domestic criminal law has been used in the past to deal with terrorism, we believe that traditional systems of criminal justice, which were designed for different needs, do not adequately address the threat posed by this enemy, which continues to plan and launch attacks of a magnitude and sophistication previously achievable only by organized states.⁵¹

Mr Bellinger went on to set out the USA's position on torture:

“In its activities relating to detainees, the United States Government complies with its Constitution, its laws, and its treaty obligations. We have made clear our position on torture: U.S. criminal law and treaty obligations prohibit torture, and United States policy is not to engage or condone torture anywhere... Where there have been cases of unlawful treatment of detainees, the U.S. has vigorously investigated and, where the facts have warranted it, prosecuted and punished those responsible.”

38. During her visit to Blackburn on 1 April 2006, US Secretary of State Condoleezza Rice spelled out the difficulties that the USA faces over what to do with suspects captured in Afghanistan and elsewhere. She also reiterated the point that Guantánamo Bay is a US response to the very real threat posed by international terrorism:

[W]e have to recognize that Guantanamo is there for a reason. It's there because we captured people on battlefields, particularly in Afghanistan but sometimes, frankly, on the battlefields of our own democratic societies, who were either plotting or planning or actively engaged in terrorist activities. And we have released hundreds of people from Guantanamo. It is not as if everybody who was in Guantanamo on October 1st, 2001 or January 1st, 2002 is still in Guantanamo. We have gone out of our way to try to release people. We've released British citizens back to Great Britain. We've done that with many different countries. But there are some people who cannot either be safely be released to their countries or certainly safely released, and there are people for whom the value of the information that they have is still relevant to the fight against terror.⁵²

39. The British Government has been criticised for its reticence to criticise loudly the Guantánamo Bay camp. In evidence to this Committee, Human Rights Watch said: “the UK government chooses to praise the US government even while it remains in blatant defiance of international law. As far as we are aware, the British government has not expressed its concerns about the US failure to provide the conditions in which rapporteurs can do their work. Instead, it has publicly ‘welcomed’ the alleged ‘engagement’, which has so far proved worthless.”⁵³ For its part, Amnesty International has described the United Kingdom's role on Guantánamo as “lamentable and not improving” since “we have moved

51 Remarks by John Bellinger, at Chatham House, 9 February 2006, available at: www.chathamhouse.org.uk

52 Remarks with British Foreign Secretary Jack Straw at Blackburn Town Hall, 1 April 2006

53 HC (2005–06) 574, Ev 27

from commenting...on Guantánamo to an attempt to offer an explanation as to why Guantánamo might be necessary.”⁵⁴

40. The last Report in this inquiry called on the Government to make strong representations about the complex. The Government responded by saying that the US authorities were familiar with the British position.⁵⁵ In a previous Human Rights Report, we noted the oppressive conditions and mistreatment at Guantánamo Bay and the USA’s strong denial of mistreatment at the facility as well as its determination to continue to hold detainees there. The Report also noted criticisms of the Government’s failure to engage seriously with the USA on these points as well as calls by international human rights groups for the Government to take a more publicly critical stance. Ian Pearson, the then Minister for Human Rights, was quick to reject these suggestions, telling the Committee: “We made clear to the US authorities on many occasions and at every level that we regard the circumstances under which detainees are held in Guantánamo Bay as unacceptable, and the US Government knows our view on this.”⁵⁶ Notwithstanding the Minister’s comments, we concluded that the continued use of Guantánamo Bay as a detention centre outside all legal regimes diminishes the USA’s moral authority and is a hindrance to the effective pursuit of the ‘war against terrorism’. We recommended that the Government make “loud and public” its objections to such a prison regime.⁵⁷

41. The Committee’s concerns were echoed by a UN report released in February 2006, which called for the closure of Guantánamo Bay as soon as possible. Among its conclusions, the Report says:

Terrorism suspects should be detained in accordance with criminal procedure that respects the safeguards enshrined in relevant international law. Accordingly, the United States Government should either expeditiously bring all Guantánamo Bay detainees to trial, in compliance with articles 9(3) and 14 of ICCPR, or release them without further delay. Consideration should also be given to trying suspected terrorists before a competent international tribunal.⁵⁸

The White House dismissed the report as “a discredit to the UN”, because investigators did not travel to the camp. “[The Unedited Report] selectively includes only those factual assertions needed to support those conclusions and ignores other facts that would undermine those conclusions. As a result we categorically object to most of the Unedited Report’s content and conclusions as largely without merit and not based clearly in the facts.”⁵⁹ In response, the investigators said they rejected an offer to go to the prison complex because they would not have been allowed to meet the prisoners.⁶⁰

54 HC (2005–06) 574, Q 6

55 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004-05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

56 HC (2005–06) 574, para 38

57 *Ibid*, para 39

58 United Nations Economic and Social Council, Commission on Human Rights, *Situation of detainees at Guantánamo Bay*, 15 February 2006

59 *Situation of Detainees at Guantánamo Bay*, Joint Report of the Five Holders of Mandates of Special Procedures of the Commission on Human Rights, E/CN.4/2006/120, 15 February 2006, para 3. Annex: Letter dated 31 January 2006

42. Recently, the British Government has edged towards a more critical public stance on Guantánamo Bay. In the wake of the UN report, Northern Ireland Secretary Peter Hain said that he would prefer to see the camp closed.⁶¹ The Prime Minister, who had previously referred to the prison complex as an “anomaly” that should be dealt with “sooner or later”, went further when he said on 17 March 2006 that it would be better if it were closed.⁶² We asked the former Foreign Secretary Jack Straw about Guantánamo Bay just two days before this, and he told us:

On Guantánamo Bay...it is an anomaly which, as the Prime Minister said, will come to an end and should come to an end sooner or later, we all hope sooner. The American Government is aware of that and it is working on it, but again I simply, at the risk of repetition, say that they have practical problems. On the issue of damage to the United States’ reputation, I think views vary but it is just worth bearing in mind that the September 11 terrorist atrocities actually happened and they were not caused by the CIA or Mossad but by al Qaeda.⁶³

43. He went on to explain that the USA’s attempts to close Guantánamo Bay had slowed because:

[T]he problem they face is what to do with these individuals, which countries they go back to. In the case of British citizens, it would be straightforward, we would have them back here. I was able to negotiate that, and that has been true for citizens of a number of other countries, but their concern is that quite a number of these are Afghans. Do they go back to Afghanistan? Some are Pakistanis. Do they go back to other countries? In what circumstances can they transfer them? There is a process taking place.⁶⁴

Notwithstanding the practical difficulties of closing the camp, the right to a free and fair trial is enshrined in international instruments to which the USA and United Kingdom are party, such as the Universal Declaration on Human Rights and the International Covenant on Civil and Political Rights.

44. We also asked Mr Straw why the Government had not made loud and public its opposition to the prison regime, and he said:

I talk about the issue quite regularly to my American counterparts. They are also well aware of opinion around the world and in the United States on it, but they have just got practical problems they have got to deal with, and if we were in that situation we would have a practical problem, too. I do just say that if September 11 had happened

addressed to the Office of the High Commissioner for Human Rights, by the Permanent Representative of the United States of America to the United Nations and Other International Organisations in Geneva.

60 “Annan backs UN Guantánamo demand”, *BBC News Online*, 17 February 2006, news.bbc.co.uk

61 “Pressure on Blair over Guantánamo”, *BBC News Online*, 17 February 2006, news.bbc.co.uk

62 “Pressure on Blair over Guantánamo”, *BBC News Online*, 17 February 2006, news.bbc.co.uk; see also HC Deb, 17 May 2006, col 993

63 Q 237

64 Q 235

in this country rather than the United States, it would have changed our politics and security parameters just as it has changed the Americans. It just would have done.⁶⁵

In its response to our annual Report on Human Rights, the FCO went further than in previous exchanges with the Committee when it stated that the Government:

has made clear publicly that it regards the circumstances under which detainees continue to be held in Guantanamo as unacceptable. The United States Government knows our views. As the Prime Minister said on 16 March 2006, it would be better if Guantanamo were closed. We will continue to raise our concerns about Guantanamo Bay and work with the US authorities to resolve outstanding issues.⁶⁶

45. We note that in a speech to the Royal United Services Institute the Attorney-General described not just the circumstances but the very existence of the camp at Guantánamo as “unacceptable”, although he was careful to say that this was his personal opinion.⁶⁷ He called for the camp to be closed down:

Not only would it, in my personal opinion, be right to close Guantanamo as a matter of principle, I believe it would also help to remove what has become a symbol to many—right or wrong—of injustice. The historic tradition of the United States as a beacon of freedom, liberty and of justice deserves the removal of this symbol.⁶⁸

On 15 June 2006, during a debate on the Committee’s Report on Human Rights, Minister for Trade and Human Rights Ian McCartney told the House:

We have long made it clear that we regard the circumstances under which detainees continue to be held at Guantánamo Bay as unacceptable. The US Government know our views, which we have reiterated to them. As the Prime Minister has said, it would be better if Guantánamo were closed. We have also heard the public remarks of the Attorney-General and the Lord Chancellor. We raise those concerns in our regular discussions on detainee-related issues with the US Government. I give my hon. Friends the commitment that we will continue to do so.⁶⁹

Pressed by the Chairman on whether Guantánamo Bay is unacceptable and should be closed, the Minister added: “Yes, that is what has been said. Furthermore, that is what I believe.” On 19 May 2006, the UN Committee against Torture added its voice to those calling for the closure of the camp.

46. We acknowledge that there is a problem of what to do with some of the detainees at Guantánamo and that those detained include some very dangerous terrorists. We also conclude that the continuing existence of Guantánamo diminishes US moral authority and adds to the list of grievances against the US. We further conclude that detentions

65 Q 236

66 Foreign & Commonwealth Office, *First Report from the Foreign Affairs Committee; Session 2005–06; Annual Report on Human Rights 2005; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6774, May 2006

67 For the full text of Lord Goldsmith’s speech, see: news.bbc.co.uk

68 Ibid

69 HC deb, 15 June 2006, cols 353–4 WH

without either national or international authority work against British as well as US interests and hinder the effective pursuit of the 'war against terrorism'. We conclude that those who can be reasonably safely released should be released, those who can be prosecuted as criminals should be prosecuted and that as many others as possible should be returned to their countries of citizenship. We commend the British Government for its policy of urging the US government to move towards closing Guantánamo.

Extraordinary rendition

47. Over the past year, there has been considerable speculation over whether, as part of its efforts in the 'war against terrorism', the USA is making use of the practice of extraordinary rendition.⁷⁰ This is a procedure whereby criminal suspects are sent to other countries for interrogation that may involve the use of torture by the recipient state. Detainees have no access to lawyers and details of their detention may not be passed to the relevant consulates. The alleged destinations may include Egypt, Jordan, Morocco and Pakistan. Accusations have also emerged that the USA has sent or rendered terrorist suspects to a system of prisons (known to the CIA as "black sites") across Eastern Europe, possibly in Poland and Romania, and also in Asia. Although there is firm evidence that flights have taken place, there is no firm evidence of the transfer of individuals or the application of torture. Much of the debate on this subject is based on journalism.

48. The US government has denied the use of torture as part of the process of rendition. In response to a letter written by the then Foreign Secretary on behalf of the United Kingdom as President of the EU, US Secretary of State Condoleeza Rice said on 5 December 2005:

Rendition is a vital tool in combating trans-national terrorism. Its use is not unique to the United States, or to the current administration...[However] the United States does not permit, tolerate or condone torture under any circumstances.

- The United States has respected—and will continue to respect—the sovereignty of other countries.
- The United States does not transport, and has not transported, detainees from one country to another for the purpose of interrogation under torture.
- The United States does not use the airspace or the airports of any country for the purpose of transporting a detainee to a country where he or she will be tortured.
- The United States has not transported anyone, and will not transport anyone, to a country when we believe he will be tortured. Where appropriate, the United States seeks assurances that transferred people will not be tortured.⁷¹

49. These comments prompted discussion about differences between the interpretations of what constitutes torture in the USA and United Kingdom. We asked Jack Straw about this. He wrote to us, saying:

70 'Rendition' is the practice of transferring detainees to other countries; 'extraordinary rendition' is the practice of transferring detainees to countries where torture may be used in interrogation.

71 Remarks by US Secretary of State Condoleeza Rice, 5 December 2005

First of all, it is important to note that the US Detainee Treatment Act, enacted on 30 December 2005, provides that no individual in the custody or under the physical control of the US Government, regardless of nationality or physical location, shall be subject to cruel, inhuman or degrading treatment or punishment... On the question of definitions, the United Kingdom understands the term “torture” to have the meaning set out in Article 1 of the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT). Article 1 CAT defines torture as “any act by which severe pain or suffering whether physical or mental is intentionally inflicted...”. It does not, however, give specific examples of what constitutes torture. The understanding of the definition of torture made by the US on ratifying CAT specifies the meaning of “mental pain or suffering” in more detail than Article 1 CAT. The UK made no reservations or understandings on ratification and has not adopted a formal definition of what constitutes mental pain or suffering for the purposes of Article 1. Section 134 of the Criminal Justice Act 1988 provides that a public official commits torture if he intentionally inflicts severe pain or suffering on another in the performance of his duties, and does not define “severe pain or suffering”.⁷²

50. The campaign group Reprieve has outlined allegations of British involvement in the rendition of Bisher al Rawi and Jamil El-Banna, who were detained in the Gambia and then sent to a prison in Kabul and Bagram airbase in Afghanistan for interrogation, before their transfer to Guantánamo Bay. Commenting on the case, Reprieve wrote:

“There is developing evidence of (1) British governmental involvement in the men’s seizure and rendition, (2) British assurances that the men could safely go to the Gambia to set up a mobile peanut-processing plant, (3) telegrams that indicate direct British involvement in their seizure once they arrived, (4) the identity of the CIA plane that was used to render them, and (5) the failure to assist them despite the fact that they worked to help British intelligence.”⁷³

In addition, Reprieve outlined the case of Binyam Mohammed Al-Habashi, who underwent torture and interrogation in Morocco after his detention in Pakistan; some information may have come from British intelligence sources.⁷⁴ We asked the former Foreign Secretary about the al-Habashi case, but he refused to answer our questions, saying that he considered the issue a matter for the Intelligence and Security Committee.⁷⁵

51. On 15 June 2006, during a debate on the Committee’s Report on Human Rights, Minister for Trade and Human Rights Ian McCartney commented on these cases: “In the cases of el-Banna and el-Rawi, we did not request the detention, and we played no role in their transfer to Afghanistan and Guantánamo. Benyam Mohammed Al Habashi was interviewed once by a member of the security services in Karachi in 2002, but the security services had no role in his capture or transfer from Pakistan.”⁷⁶

72 Ev 145

73 Ev 151

74 Ev 156

75 Ev 145

76 HC Deb 15 June 2006, col 352WH

52. The Foreign Affairs Committee has a long-standing interest in the question of extraordinary rendition. The last Report in this inquiry concluded: “If the Government believes that extraordinary rendition is a valid tool in the war against terrorism, it should say so openly and transparently so that it may be held accountable.”⁷⁷ Our recent Human Rights Report also discussed the issue. We noted that a range of investigations into extraordinary rendition and black sites had been launched across Europe, including one by the Council of Europe and at a judicial level in Germany, Italy and Spain. In June 2006, the Council of Europe’s Committee on Legal Affairs and Human Rights released a draft report. This claimed that 14 European states have colluded with the CIA in its pursuit of extraordinary rendition and that there is evidence to support suspicions that secret prisons are or were located in Poland and Romania.⁷⁸ Washington rejected the report, saying that it contained nothing new and was full of allegations but “thin on facts”.⁷⁹

53. The Government has denied any role in the process of extraordinary rendition, and said in its response to our last report on the Foreign Policy Aspects of the War against Terrorism that its “policy is not to deport or extradite any person to another state where there are substantial grounds to believe that the person will be subject to torture...The British Government is not aware of the use of its territory or airspace for the purposes of ‘extraordinary rendition’.”⁸⁰ The then Foreign Secretary told the Committee on 24 October 2005 that its position in respect of extraordinary rendition:

has not changed. We are not aware of the use of our territory or air space for the purpose of extraordinary rendition. We have not received any requests or granted any permissions for use of UK territory or air space for such purposes. It is perfectly possible that there have been two hundred movements of United States aircraft in and out of the United Kingdom and I would have thought it was many more; but that is because we have a number of US air force bases here, which, under the Visiting Forces Act and other arrangements they are entitled to use under certain conditions.⁸¹

54. Jack Straw did undertake to conduct research to establish if the USA had made any requests for renditions through British airspace, and on 12 December 2005 issued a written answer stating that research by Government officials had failed to identify any occasion since 11 September 2001 when the USA had requested permission for a rendition from or through the United Kingdom.⁸² Both the British and US governments have categorically denied directly to the Committee that the USA has used British airspace or airports for the purposes of extraordinary rendition since 11 September 2001.

77 HC (2004–05) 36-I, para 98

78 Committee on Legal Affairs and Human Rights, *Alleged secret detentions and unlawful inter-state transfers involving Council of Europe member states*, Draft Report, 7 June 2006

79 “Secret CIA jail claims rejected”, *BBC News Online*, 7 June 2006, news.bbc.co.uk

80 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

81 Q 105

82 HC Deb, 12 December 2005, col 1643W

55. In March 2006 Alistair Darling, then Secretary of State for Transport and Adam Ingram, Minister of State (Armed Forces) at the Ministry of Defence admitted that six CIA planes linked to rendition had passed through the United Kingdom.⁸³ We asked Jack Straw about this on 17 March 2006, and he told us:

I have not got the answer in front of me from Adam Ingram, but it did not add a scintilla of evidence in support of the claim that there had been secret CIA flights coming through here with prisoners on them about whom we knew nothing. Not a scintilla...It does not follow for a second that because there are flights here with CIA aeroplanes that on those aeroplanes, in breach of undertakings given by successive American administrations, there were people being rendered through UK air space or territory without our agreement...if there had been people rendered in this way, I think it is a fair bet that somebody would have spotted this, somebody on the ground, or somebody would have told somebody. No one has come forward, nobody at all.⁸⁴

Nevertheless, the Government adhered to its position in its response to our annual Report on Human Rights, stating that it has not approved any renditions, that it has made clear to the USA that renditions through British or Overseas Territory airspace require its permission, and that it is co-operating fully with the investigation by the Council of Europe.⁸⁵

56. In December 2005 Jack Straw told us that allegations in the media of mistreatment of detainees in Greece by the British intelligence services were “in the realms of the fantastic.”⁸⁶ When subsequent press reports appeared to cast more light on these allegations and threw doubt on the former Foreign Secretary’s comments, we wrote to him requesting fuller answers. His response stated:

You have made a number of inaccurate assertions about “what did or did not happen in the presence of British officials in Greece” last year... I am not going to give details of operations nor of contacts with liaison services, all of which take place within authority provided by Parliament...You make a serious unqualified further allegation that, “not for the first time,” your Committee “has been told, at best, only part of the truth.” Since you have been categorical in this claim, please let me know the details of the occasions when I have told your Committee “at best only part of the truth. You also say that the Committee’s questions on extraordinary rendition over the last year “have not been taken seriously.” What justification do you have for saying this? It is completely untrue. I have, as I always do with your Committee’s and any other Parliamentary colleagues’ questions, gone to great lengths to deal with the matter very seriously.⁸⁷

83 “Darling admits 73 visits by US rendition planes”, *The Herald*, 18 March 2006

84 Q 233

85 Foreign & Commonwealth Office, *First Report from the Foreign Affairs Committee; Session 2005-06; Annual Report on Human Rights 2005; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6774, May 2006

86 HC (2005–06) 574, para 49

87 HC (2005–06) 574, Ev 75

The Chairman of the Committee responded:

You also ask me to justify the Committee's view that its questions on rendition have not been taken seriously. There is nothing new in this. You will recall that in a Report at the end of the last Parliament, the Committee concluded that "the Government has failed to deal with questions about extraordinary rendition with the transparency and accountability required on so serious an issue" and called on it to "end its policy of obfuscation." The comment was justified at the time and in the Committee's view it remains justified. This view has been reinforced by the recent development which has seen the FCO providing quite full answers to opposition party spokesmen—fuller, certainly, than those it has provided to the Committee. Welcome though these fuller statements are, we fail to see why they could not have been made in response to the Committee's questions. A particular case in point is the admission to William Hague in your letter of 6 February that an approach was made by the US authorities in connection with the rendition of a detainee in 2004.⁸⁸

57. This exchange of letters underlines the unwillingness of the Government to engage with the Committee on this issue in a transparent manner. Although the then Foreign Secretary issued a statement on extraordinary rendition on 20 January 2006, this was in response to a leaked document that appeared to demonstrate the Government's determination to limit debate on rendition, not the Committee's inquiries. In that statement, Jack Straw said again that the United Kingdom had no knowledge of the transfer of people through British airspace for the purposes of extraordinary rendition, and that the FCO had completed a search for requests from the USA.

58. We conclude that there has been a lot of speculation about the possible use of rendition to countries where torture can take place, so called "Black Sites" and the complicity of the British Government, all of which would be very serious matters, but that there has been no hard evidence of the truth of any of these allegations. The British and US governments have categorically denied that either UK airspace, or airports have been used by the US government for rendition or extraordinary rendition since 11 September 2001. We reiterate our strong view that the Government must deal with extraordinary rendition in a transparent manner with timely answers to questions from this Committee. We conclude that it is regrettable that far more detailed information has been given in parliamentary answers to opposition party spokesmen than has been given in response to questions from this Committee.

The International Rules-Based System

59. Previous Reports in this inquiry have considered in some detail international law in the context of the 'war against terrorism'. Our predecessor Committee noted in July 2004 that concern about the spread of WMD is putting pressure on the existing framework of international law. "In particular, the limits to timely warning of an imminent WMD strike have raised doubts about the efficacy of classical interpretations of the doctrine of self-

defence, and some states have proposed changing the existing legal framework in response.”⁸⁹

60. The Committee set out the three bases for the use of force by states:

The United Nations Charter outlaws the use of force with only two established exceptions: individual or collective self-defence in response to an armed attack (Article 51), and action authorised by the UN Security Council as a collective response to a threat to the peace, breach of the peace or act of aggression (Chapter VII). In addition, some have argued that there exists a right to use force to protect against a massive violation of fundamental human rights (humanitarian intervention).⁹⁰

The Committee also set out comments by the Prime Minister in March 2004 that have been interpreted by some to suggest that he questions the adequacy of international law on the use of force and hinting at his support for a reappraisal of anticipatory self-defence and the existing order of international law.⁹¹

61. The Committee asked the Government about its position towards reform of international law in this area. It also looked forward with interest to the conclusions of the Panel of eminent Persons examining the case for reform in the UN and concluded that “a doctrine of humanitarian intervention appears to be emerging, but that its application in the context of the war against terrorism raises difficult questions of interpretation and embodies significant risk.” In its response to that Report, the Government told the Committee: “The Government supports the work of the Secretary-General’s High Level Panel on Threats, Challenges and Change. We hope that it will provide concrete recommendations for improving the UN’s response to the full range of threats to international peace and security.”⁹² In the area of humanitarian intervention, the Government told us:

“there are occasions when it is right to intervene militarily in response to large-scale humanitarian crises. The Security Council has been increasingly willing to take this view in particular situations... There have been a number of attempts to establish international consensus on guidelines or criteria to be used in deciding when military action is justified... The Government hopes that the High Level Panel established by the Secretary-General will make recommendations in this area.”

62. When he appeared before us as a witness in April 2006, Professor Philippe Sands QC said this about the existing framework of international law:

[C]oming back to the fundamental question: are the rules adequate to deal with the threats that we now face? My view is that they are adequate, that if the State finds itself in a situation in which a malign organisation, al Qaeda or some other entity, is

89 HC (2003–04) 441–I, para 400

90 *Ibid*, para 406

91 *Ibid*, paras 402–433

92 Foreign & Commonwealth Office, *Seventh Report from the Foreign Affairs Committee; Session 2003–04; Foreign Policy Aspects of the War against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6340, September 2004

assembling weapons of mass destruction, it does not have to wait until the Security Council has authorised the use of force; if it is threatened by the actual use of force it is entitled to use force in self-defence. So those rules remain adequate to deal with a changed situation. So it is the positive side of the rather amorphous nature of international law rules that they are sufficiently ambiguous to evolve with time to take into account new situations. They are not set in stone.⁹³

At the same time, Professor Sands cautioned against unilateral efforts to alter the international legal framework: “[I]n a complex globalising world we have an interest in a rules-based system setting forth minimum standards of behaviour. If you start unilaterally tinkering with the rules and getting rid of the ones that you do not like others will do the same thing in relation to the rules that they do not like.”⁹⁴

63. On the question of humanitarian intervention, Professor Sands told us about the limited reforms endorsed by the UN General Summit in September 2005. These reforms did not go as far as the recommendations of the High Level Panel:

[U]ltimately the changes which were adopted were regrettably very limited and I think insufficient to apply the changes that the Secretary General’s high level panel required, particularly, for example, in relation to the question of a state’s responsibility to protect. What do you do when a massive and fundamental violation of human rights is taking place in another country, do you stand by and do nothing at all? The high level panel came up with reasonably specific rules to try to move the UN rules along a little bit and State said, “No, we are not having that, we are basically satisfied with the rules as they are.”⁹⁵

64. On the subject of humanitarian intervention, the UN Summit’s outcome document says:

Each individual State has the responsibility to protect its populations from genocide, war crimes, ethnic cleansing and crimes against humanity. This responsibility entails the prevention of such crimes, including their incitement, through appropriate and necessary means. We accept that responsibility and will act in accordance with it. The international community should, as appropriate, encourage and help States to exercise this responsibility and support the United Nations in establishing an early warning capability.

The international community, through the United Nations, also has the responsibility to use appropriate diplomatic, humanitarian and other peaceful means, in accordance with Chapters VI and VIII of the Charter, to help to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity. In this context, we are prepared to take collective action, in a timely and decisive manner, through the Security Council, in accordance with the Charter, including Chapter VII, on a case-by-case basis and in cooperation with relevant regional organizations as appropriate, should peaceful means be inadequate and

93 Q 310

94 Q 301

95 Q 309

national authorities are manifestly failing to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity. We stress the need for the General Assembly to continue consideration of the responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity and its implications, bearing in mind the principles of the Charter and international law. We also intend to commit ourselves, as necessary and appropriate, to helping States build capacity to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity and to assisting those which are under stress before crises and conflicts break out.⁹⁶

65. Professor Sands wrote to us about this. Commenting on the various reform proposals, he told us that they

“indicate a move towards a right to use military force to protect fundamental human rights. However, the conditions under which such force could be used, if at all, remain unclear, and a number of important states remain opposed to this development. In my view the recent conflict in Iraq has tended to undermine developments in this direction, since it has supported doubters who are concerned about motive and possible abuse.”⁹⁷

66. We conclude that despite the reforms adopted by the 2005 UN General Summit, there remain uncertainties over the international legal framework for humanitarian intervention. We recommend that the Government set out in its response to this Report what steps it is taking to establish a consensus on whether and when intervention on humanitarian grounds is permissible.

96 “2005 World Summit Outcome”, General Assembly Sixtieth Session Agenda items 46 and 120, A/RES/60/1, 24 October 2005

97 Ev 100

3 Saudi Arabia

Saudi Arabia and the 'War against Terrorism'

Background

67. Saudi Arabia came under great scrutiny following the 11 September 2001 terrorist attacks. Fifteen of the nineteen suicide aeroplane hijackers were Saudi citizens. In the aftermath of the attacks, the country's rulers, religious beliefs, social customs and education system came under examination as the Kingdom came to be widely portrayed as a breeding ground for terrorism. Members of the Committee visited Saudi Arabia in November 2005, and held meetings with government ministers, the ruling family as well as members of the business community and civil society.

The terrorist threat in Saudi Arabia

Enhanced threat

68. Since the mid-1990s, there have been periodic violent attacks against foreign and state interests in Saudi Arabia. However, the violence reached a new level in 2003. On 12 May 2003, attacks on Western housing compounds in Riyadh killed 35 people; and on 8 November 2003, 17 people, most of them expatriate workers from Arab countries, were killed in a suicide attack on a residential compound in Riyadh. The following months saw a series of deadly bombings and shoot-outs as militants attacked expatriate workers and the Saudi police. In June 2004, three gun attacks in Riyadh left two Americans and a BBC cameraman dead, and BBC Security Correspondent Frank Gardner seriously wounded. The same week, a US engineer was abducted and beheaded.⁹⁸ More recently, in February 2006, the Saudi authorities announced that they had foiled a suicide attack on a major oil-processing plant at Abqaiq—the first direct assault on Saudi oil production.⁹⁹

Al Qaeda in the Arabian Peninsula

69. The identity and affiliation of the militants is the subject of some speculation. The most active appear to be linked to the al Qaeda network. However, little is known about the organisational structure or membership of the 'al Qaeda Organisation in the Arabian Peninsula'. For example, it is not known if it is a coherent organisation as opposed to a network of autonomous cells. There is also no reliable estimate of the number of individuals operating in Saudi Arabia; some analysts speculate that there are no more than 1,000–2,000, while others suggest much higher or lower figures.¹⁰⁰ Frank Gardner told the Committee that al Qaeda in the Arabian Peninsula "is relatively small. They have very grand ideas. They have an online magazine, *Al-Batar*, where they have issued advice and

98 "Timeline: Saudi Arabia", *BBC News Online*, 25 February 2006, news.bbc.co.uk

99 "Saudi most wanted killed in raid", *BBC News Online*, 28 February 2006, news.bbc.co.uk

100 International Crisis Group, *Can Saudi Arabia Reform Itself?*, 14 July 2004

instructions to their followers on how to ambush princes and kidnap people. They are a small but extremely bloodthirsty organisation.”¹⁰¹

70. Describing the links between the international al Qaeda leadership and cells in Saudi Arabia, Frank Gardner told us:

The nexus is weaker than it was. There was an intercept by Western intelligence collectively. I do not know whether it was the NSA or GCHQ, but there was an intercept in January 2003—this is public knowledge—of a communication from the hills of Waziristan in Pakistan, where some of al Qaeda’s fugitive leadership were hiding out and still are, and their followers in Saudi Arabia. That communication said: “It is time to start the insurgency.” The Saudi would-be insurgents said, “Hang on, we are not ready yet; we are not organised yet; we can get the weapons, but we are not ready.” They said: “No, this is an order; you have got to start.” Four months later they drove three suicide truck bombs into the compounds in Riyadh and killed 35 people, so it began.¹⁰²

71. On 19 October 2005, Professor Paul Wilkinson, Professor of International Relations and Chair of the Centre for the Study of Terrorism and Political Violence at the University of St Andrews, told the Committee about al Qaeda’s goals in Saudi Arabia: “they would undoubtedly like to undermine the royal family and change the regime radically... Remember that al Qaeda’s leader is a dedicated enemy of the royal family. He was expelled by the royal family, and he feels bitter that the American forces were allowed to operate near the holy cities, which was one of the reasons he gave for starting al Qaeda in the first place.”¹⁰³ Frank Gardner expanded on this:

Originally, when Osama Bin Laden was setting up in Afghanistan, his big beef was with the presence of US uniformed forces in Saudi Arabia, in the Land of the Two Holy Mosques. He objected to the presence of 5,000 US Airforce men and women at Prince Sultan Air Base; and they were there from 1990 right the way through to late 2003. They have gone, so that particular aim is no longer there. There are those who support al Qaeda in Saudi Arabia, who consider that their entire peninsula needs to be cleansed of non-believers, of “Kuffar”, as they call them. I think that that was certainly the aim of the people who attacked us. Here was a chance to have a pop at some Westerners, scare others into leaving the country, and embarrass the Saudi Government. Ultimately they want to turn the Saudi Kingdom into something that is much more approaching a theocratic Islamist state. They do want to get rid of the al-Sauds. They have different reasons for this. In some cases, it is economic frustration; in some cases it is political frustration.¹⁰⁴

72. Saudi Arabia’s large pool of unemployed youth and the prevalence of extremist religious beliefs create a natural constituency for militant groups. Professor Wilkinson referred to this problem when he told us that despite the improving response to terrorism

101 Q 143

102 Q 146

103 Q 18

104 Q 145

by the Saudi authorities, there remains the “problem of many potential supporters and sympathisers within their own society.”¹⁰⁵ Although polls suggest popular respect for Osama bin Laden, they also indicate that the vast majority of Saudis would not support him or his organisation as political leaders. Anecdotal evidence suggests a general revulsion at acts of violence, especially when perpetrated against Saudis.¹⁰⁶ According to some analysts, Saudis support the militants’ rhetoric, particularly their criticism of the USA and corrupt Arab regimes, but the violence in Saudi Arabia has aroused fear rather than admiration. Speaking about popular support for al Qaeda in Saudi Arabia, Frank Gardner told the Committee: “To a limited degree there is a kind of wellspring of anger, be it directed against the Americans because of what is going on in Iraq, or be it directed against the al-Saud in some cases. The numbers are hard to put a figure on.”¹⁰⁷ However, he also made the point that the majority of the population is staunchly opposed to violence: “Generally, the Saudi population is very anti-terrorism, and the Saudi authorities have been able to reach out to them.”¹⁰⁸

73. The threat of terrorism does not come only from Saudi citizens. There has been some surprise in Saudi Arabia over the presence in the country of jihadis from around the world:

The Saudi authorities... were quite surprised and shocked to find that at a big shoot-out they had at a place called al-Ras in April [2005], ... they found that they had killed in the shoot-out somebody called Abdul Karim Majati, who was a Moroccan. They did not even know he was in the country. He was instrumental in the Casablanca bombings of May 2003 in Morocco, and is thought to quite possibly have had a hand in the Madrid bombings, through connections to Moroccan extremists... it is making them wonder how many other international jihadis might have come back to Saudi Arabia and be hiding out there.¹⁰⁹

Iraqi ‘bleed-back’

74. There is concern that the violence in Iraq is exacerbating the terrorist problem in neighbouring Saudi Arabia. The two countries have a long and porous border and it is feared that jihadis are crossing between the two countries. Frank Gardner told us:

[T]here is a very ominous dark cloud on the horizon, and that is what the CIA refer to as “bleed-back”, the return of militants who have gone to fight in Iraq who have come back to Saudi Arabia; and there is an organisation for this, a pipeline to bring them back. The latest estimate I saw for the number of Saudi Mujahideen, as they call themselves, who have gone to fight the coalition and the Iraqi Government in Iraq, is about 350. I suspect that that is probably an underestimate and that the numbers are probably bigger than that. Obviously, some of these people do not come back. They think they are going to Paradise, and blow themselves up. However, there are those who are coming back, and there are indications that a recent shoot-out in Dammam

105 Q18

106 International Crisis Group, *Can Saudi Arabia Reform Itself?*, 14 July 2004

107 Q 143

108 Q 152

109 Q 148

in Eastern Province involved some Saudi militants who had come back from Iraq. Remember that these are people who are going to come back utterly brutalised, with all sense of humanity, as we would know it, dissipated. These are people who have watched beheadings first-hand, and possibly have even done them themselves.¹¹⁰

This problem was highlighted by the capture in March 2006 by the Iraqi authorities of a man suspected of involvement in an attempted suicide attack on an oil facility in Saudi Arabia. The suspect is reported to have been arrested on the desert border between Iraq and Saudi Arabia and is believed to have been heading to Mosul, in northern Iraq.¹¹¹

75. We heard about this problem during our visit to Riyadh. The Saudi authorities are deeply concerned about bleed-back and would like to see better intelligence in Iraq as well as improved border control. We heard that around 900 people are believed to be operationally active in Iraq and ready to conduct operations in Saudi Arabia. Neil Partrick, Senior Analyst at the Economist Intelligence Unit, wrote to us about Saudi frustration over this: “Officials keenly wish that the Iraqi/coalition side of the border could be more effectively policed to prevent the very ‘wash-back’ that others have effectively encouraged.”¹¹²

76. We also heard from our Saudi interlocutors about the use that is made of the situation in Iraq for propaganda purposes. In particular, we heard concern over the use of recorded attacks in Iraq as a powerful recruitment tool. The Saudis seek to counter this propaganda by showing images of the impact of terrorism, for example by broadcasting and publishing images of the carnage caused by suicide attacks.

77. We conclude that there remains a serious terrorist threat in Saudi Arabia, and that this is directed at both the Saudi authorities and foreign interests.

Counter-terrorism policy

78. There were initial concerns over the Saudi commitment to the international ‘war against terrorism’. Professor Wilkinson told us about this in June 2003: “I think that the Saudi situation is one where al Qaeda has been able to recruit and plant a cell structure and that the Saudi authorities appear to have underestimated this danger.”¹¹³ In November 2005, Frank Gardner reiterated this point to the Committee: “I do not think that the Saudi authorities had taken al Qaeda seriously... Prince Naif, the Interior Minister, had boasted and said: “We do not have any al Qaeda sleeper cells here; if we did, we would have woken them up long ago.” There was an element of “head in the sand”; al Qaeda was somebody else’s problem.”¹¹⁴ However, this all changed in 2003, when there were a number of devastating terrorist attacks in Saudi Arabia.

110 Q 144

111 “Iraq captures Saudi blast suspect”, *BBC News Online*, 3 March 2006, news.bbc.co.uk

112 Ev 187

113 Foreign Affairs Committee, Tenth Report of Session 2002–03, *Foreign Policy Aspects of the War against Terrorism*, HC 405, Ev 104

114 Q 146

Security strategy and international cooperation

79. Since the attacks of 2003, Saudi Arabia has turned around its approach towards terrorism and is taking concerted efforts to tackle the problem. In a marked change in rhetoric, King Abdallah vowed to crush the “scourge” of al Qaeda in his first televised interview after becoming monarch. Speaking to US television, he admitted that there remains an extremist threat in Saudi Arabia.¹¹⁵

80. Professor Wilkinson told the Committee: “there is no doubt that the Saudi authorities, from a security measures point of view, have really sharpened their efforts against al Qaeda.”¹¹⁶ Speaking after the May 2003 attacks, Frank Gardner reported for Newsnight that the Saudi Authorities were now “on a mission to beat terrorism”. He also said that the May bombings had “galvanised” the Saudi authorities and that they were now giving full cooperation on the ‘war against terrorism’.¹¹⁷ Speaking to the Committee, Mr Gardner added that while there will undoubtedly be further terrorist attacks in Saudi Arabia, the country has taken very credible steps against terrorism.¹¹⁸

81. Neil Partrick wrote to us about the Saudi counter-terrorism strategy and the importance of both short and long-term approaches. Neil Partrick told us that Saudi Arabia “continues to pursue a mixture of short term conventional security measures inside the kingdom against terror attacks, and some steps with an eye toward shifting the longer term social and economic conditions in order to tackle the causes of disaffection.”¹¹⁹

82. Describing the impact of Saudi policy on the ranks of al Qaeda in the Kingdom, Frank Gardner told us:

They are heavily depleted; they have taken huge losses in the last couple of years, particularly in the last ten months. Their leadership is very fragmented. A lot of the main leaders have been killed in the last two years; for the record, men like Abdul Aziz al-Muqrin, Salah Al-Oufi, Yousef Al-Ayeeri and Turki Nasser Al-Dandani. All these men have been killed in the last two years, so a lot of the brains at the top of this organisation are no longer there. However, there are still recruits coming into it.¹²⁰

Professor Paul Wilkinson reiterated this latter point, telling the Committee that while al Qaeda has suffered some severe setbacks with the capture and killing of individuals, this “does not mean that there are no candidates for replacing them—I am sure that they are being replaced—and there are plenty of potential recruits in Saudi Arabia.”¹²¹

83. Given the importance of Saudi production to world oil supplies, there has been concern over the danger of a terrorist attack on the country’s oil industry. Al Qaeda would certainly like to wreak havoc on the industry; Osama bin Laden has called for action against oil

115 “Saudi king vows to crush al-Qaeda”, *BBC News Online*, 14 October 2005, news.bbc.co.uk

116 Q 18

117 Newsnight, 31 July 2003

118 Q 143

119 Ev 187

120 Q 143

121 Q 18 [Professor Wilkinson]

installations in both Iraq and Saudi Arabia to “put an end to ‘the biggest theft in history’.”¹²² The Saudi authorities have taken particular care to ensure that the industry is protected. Professor Wilkinson told us that security measures for the energy industry are particularly impressive because the authorities recognise how damaging attacks on the energy industry would be to the economy.¹²³ Frank Gardner reiterated this point: “I have been several times to the oil facilities and they are very well guarded. They would need a light aircraft or something like that, and even then they have got anti-aircraft defences. Last year, to get to Ras Tanura, which is the main loading terminal for Saudi’s oil exports to bring them out to the Gulf, I had to pass through six checkpoints, where we were checked very thoroughly. However, where there is a will, there is a way, and it is always possible.”¹²⁴ Indeed, in February 2006, the Saudi authorities announced that they had foiled an attack on the country’s oil industry. A statement published on a website used by Islamic militants in Saudi Arabia said that the attack was part of al Qaeda’s campaign to force infidels out of the Arabian Peninsula.¹²⁵

84. Saudi Arabia’s security and intelligence cooperation with the international community has improved significantly in recent years. During our visit to the region, we heard that since 2003, the United Kingdom and Saudi Arabia have developed a very substantial and mutually beneficial counter-terrorism relationship. Frank Gardner told the Committee about Saudi Arabia’s commitment to cooperating with the international community on terrorism:

How reliable a partner is Saudi Arabia? At the moment it is reliable. The co-operation between Saudi Arabia, Britain and the US is intense in the CT field in Saudi Arabia. It has not always been that way, and remember that this is often quite difficult for the Saudis to manage because there will be people at middle and low level who cannot stand the Americans and who do not think that we are much better because we are, in their eyes, crusading, occupying forces, who have gone in to try and re-colonise Iraq.¹²⁶

85. In contrast, there is concern about the low level of regional cooperation. There are a number of areas that would benefit from enhanced regional collaboration, for example work to tackle weapons smuggling, the movement of terrorists and intelligence sharing. For example, Frank Gardner told the Committee that it is very easy for insurgents in Saudi Arabia to get hold of weapons from Yemen or Iraq.¹²⁷ During our visit to the region, we heard more about this issue as well as Yemen’s role as a traditional route for smuggling arms in the region and concern over the failure to make full use of forensic material in Iraq.

86. King Abdallah has proposed the establishment of an international terrorism centre. However, given the strong reluctance of states to share intelligence multilaterally, this is unlikely to gain support; a regional terrorism centre might be more successful. During our

122 “Democratic façade”, *The World Today*, Mai Yamani, February 2005

123 Q 18

124 Q 155

125 “Al-Qaeda ‘behind Saudi oil plot’”, *BBC News Online*, 25 February 2006, news.bbc.co.uk

126 Q 143

127 *ibid*

visit we heard a suggestion that the Gulf Cooperation Council-funded Naif Centre could take the lead on a regional counter-terrorism centre, with the potential for a great deal of very good work in this area.

87. We conclude that Saudi Arabia is taking the threat of terrorism very seriously and is providing valuable assistance to the international community in this area. The Kingdom has put in place an effective security-focussed strategy targeting individuals and this has had a forceful impact on the al Qaeda presence in the Kingdom. However, we also conclude that the level of regional cooperation could be significantly improved, and recommend that the Government give assistance in this area, setting out in its response to this Report what steps it is taking. We further recommend that the Government pursue with its Saudi counterparts the possibility of a regional terrorism centre headed by Saudi Arabia.

Financial measures

88. There are ongoing concerns over the channelling of terrorist funding through Saudi Arabia. Professor Wilkinson told the Committee about this: “We know that money is still flowing from wealthy donors in Saudi Arabia despite the Saudi effort to regulate their charities and so on... I think there is more to be done in suppressing the financial assistance that comes from wealthy Saudi supporters of al Qaeda.”¹²⁸ Frank Gardner expanded on the problem:

Saudis are generally very generous people... The way it often works is that somebody will literally sign pretty much a blank cheque for what he thinks is a charitable cause—an orphanage in Bosnia, a madrassa in Pakistan, a blind charity somewhere—and the problem has been that in giving this charity Saudis have not been nearly strict enough with themselves in asking questions as to where it is going. A lot of the funds that people thought were going to genuine charitable causes were ending up in the hands of al Qaeda—in Afghanistan in the past.¹²⁹

89. Neil Partrick wrote to us about Saudi efforts to tighten financial regulation:

Saudi Arabia’s central bank (SAMA; the Saudi Arabian Monetary Agency) began to initiate legal changes before the FATF [Financial Action Task Force] visit, but, in the wake of the latter’s initial recommendations, went further. The monitoring of significant bank deposits and/or transfers is now far more comprehensive, while charitable giving, formerly a key means for transferring monies to armed groups, is much more closely circumscribed, with one notable organisation eventually being prevented from operating... SAMA is more efficient in following financial trails and in limiting the potential for monies to be transferred out of the country for nefarious purposes than a number of other GCC countries’ central banks.¹³⁰

90. Nevertheless, there is scepticism over the effectiveness of tackling terrorist funding. Frank Gardner told us:

128 Q 18

129 Q 156

130 Ev 185

The trouble is that you cannot control it completely, and terrorism is cheap—9/11 cost half a million dollars; Madrid cost \$50,000. This is nothing; it is peanuts; this is pocket money to some of the people who come to Bayswater in the summer. This is not a lot of money. Personally, I think that the financial war against terrorism is a bit of a red herring.¹³¹

We discuss this issue in more detail in the chapter on the United Arab Emirates.

Targeting the sources of terrorism

91. In addition to its security driven counter-terrorism strategy, Saudi Arabia has also formulated a longer-term approach targeting the causes of terrorism and the recruitment of terrorists. Frank Gardner told us about Saudi thinking behind this:

[T]he man who is in charge of the counter-terrorism effort in Saudi Arabia is Prince Muhammed bin Naif, one of the sons of the Interior Minister. He is very highly rated by both Saudis and Western diplomats. He views it that physical measures are less than half the battle. They have got to win over the hearts and minds.¹³²

We talked to the Saudi Interior Ministry about this approach. There is a firm recognition in Saudi Arabia that the military and security solution are only part of the answer. The Saudi government has done extensive research into the causes of terrorism, recruitment and training.

92. The Saudi government has sought to use religious authorities to tackle the ideology behind terrorism. Clerics have been encouraged to refute militants' arguments, preaching against the religious rhetoric and explaining in mosques and on television that their acts are breaches of Islam. Religious scholars, some of them known for their conservative views, have issued strongly-worded statements, bolstered by references to the Quran and the traditions of the Prophet, clearly condemning al Qaeda's actions and its attacks on Muslims and non-Muslims.¹³³ Repentant militants have also appeared on television and Islamist mediators have been brought in. We were told all about these efforts during our visit to the region.

93. Frank Gardner told the Committee about this work: "One thing that the Yemenis have done, which the Saudis are also doing, is to use scholars, experts, people who know the Islamic scriptures inside out, to try and persuade deviants, as they put it—militants—to renounce violence and to turn their back on it and of course to betray some of the people in their organisation. This has had some success."¹³⁴ Neil Partrick also wrote to us about these policies and the importance of work "pressing the moral case, backed up by pressure on clerics directly and through more willingness to police their ranks and his success in

131 Q 157

132 Q 153

133 International Crisis Group, *Can Saudi Arabia Reform Itself?*, 14 July 2004

134 Q 159

securing fatwas in which mainstream ulema as well as former jihadis explicitly condemn terrorism.”¹³⁵

94. There have also been efforts to reform the education system. Until recently, Saudi religious text books suggested that a good way to show love for God was to treat infidels with contempt. Students learned that communism, secularism and capitalism were forms of apostasy. Such passages have now been purged, albeit with fierce resistance from some of the religious establishment.¹³⁶ Frank Gardner told us about these efforts:

[There are a number of projects underway in Saudi Arabia to try and take the sting out of jihadism to try and make people less suspicious and distrustful of Westerners. I have to say that the state itself has a lot to answer for here, having fostered and allowed an education system for decades that bred this hatred of non-believers, as they call it, particularly of Jews. I have been to every Arab country and have spent much of the last 25 years in the Arab and Islamic world, and it is really only in Saudi Arabia that I have encountered this xenophobia.¹³⁷

95. Shortly after the Committee’s visit to Saudi Arabia, the Kingdom hosted a conference of the Organisation of the Islamic Conference (OIC) in the holy city of Mecca. This was a Saudi initiative to promote a more moderate vision of Islam. During the conference, King Abdallah criticised al Qaeda using “Islamically loaded terminology”.¹³⁸ The conference’s final communiqué stated that “Islam is a religion of moderation which rejects bigotry, extremism and fanaticism.”¹³⁹

96. Professor Robert Springborg, MBI Al Jaber Chair in Middle East Studies and Director of the London Middle East Institute at the School of Oriental and African Studies, University of London, wrote to us about importance of isolating ‘trans-national jihadis’ from mainstream Islam:

Because their views are essentially heretical and because their leadership is not well versed in Islam itself, trans-national jihadis are vulnerable to being isolated from and shunned by other Muslims. This is probably the single area in which facilitation of dialogue about the true nature of Islam and encouragement of Islamic liberals is a useful tool.... [T]rans-national jihadis, the primary target of the war against terrorism, do not enjoy widespread support and what support they do enjoy is in inverse proportion to their distance from any given Muslim population. These jihadis are vulnerable to being isolated from local Muslim populations and the war against terrorism should seek to do just that.¹⁴⁰

This is clearly mainly a task for Muslim states, such as Saudi Arabia, rather than the international community.

135 Ev 189

136 “Keeping the faith”, Survey on Saudi Arabia, *The Economist*, 7 January 2006

137 Q 159

138 “Abdullah emerges as a reformist”, Afshin Molavi, *Bitterlemons*, volume 4, edition 2, 19 January 2006

139 “Saudi Arabia: reality check”, *Le Monde Diplomatique*, February 2006

140 Ev 181

97. During our visit we also heard about the Saudi approach to terrorist suspects and those who have been targeted by terrorist recruiters. While those who have committed crimes are dealt with by the legal system, the authorities seek to ‘convert’ those who have not yet committed crimes with the help of their families, clerics, mosques, schools and universities. If individuals are released, their families are made responsible for them. The approach appears to be having a good degree of success. Frank Gardner told us about this work. He made the point that the majority of the population is staunchly opposed to violence and that the authorities have tried to use this to put pressure on would-be jihadis:

They have employed some quite controversial methods. They have talked to the families of militants, and in some cases pulled the families in for questioning, and said: “You put pressure on young Abdullah; bring him back in and talk to him.” You could see that as a subtle way of applying pressure or as essentially holding the family to ransom, in a way.¹⁴¹

98. The Saudi media is playing a significant role in supporting these counter-terrorism policies. Not only are the devastating and gruesome impact of terrorist attacks broadcast and published, but there is also a high-level of coverage of the issues. Neil Partrick also wrote to us about this: “The messages that are endlessly conveyed on TV adverts, debates, newspaper articles; and in large, often ghoulish, hoardings depicting the after-effects of terror outrages have played their part too in the culture of condemnation of what until recently had seemed to seriously threaten the stability of the country.”¹⁴²

99. We conclude that Saudi Arabia is taking very seriously the causes of terrorism and process of extremist recruitment and has conducted valuable research in this area. We further conclude that Saudi Arabia is pursuing crucial long-term policies to tackle the causes of terrorism. We conclude that the United Kingdom could usefully learn from Saudi Arabia’s experience in this field, highlighting the two-way nature of cooperation with the Kingdom.

Saudi Arabia and reform

Background

100. Former Foreign Secretary Jack Straw explicitly linked efforts to counter international terrorism with the spread of democracy. In October 2005, he told us: “I believe that the only way we are going to get relative peace and security across the Middle East is through democracy... [W]e are seeing the beginnings of a movement for democracy which I believe is the only sure way of eliminating terror and alongside that the lack of progress in the Arab countries, which is another cause or contributor to the environment in which terrorism can breed, is through democracy.”¹⁴³ The FCO’s strategy paper ‘Active Diplomacy for a Changing World’ also links the issues, stating that to make the world safer from global terrorism and weapons of mass destruction, it is important to address “the factors which encourage radicalisation and terrorist recruitment at home. These may

141 Q 152

142 Ev 189

143 Qq 62–63

include social and political alienation, poor governance, conflict and extremist propaganda.”¹⁴⁴ Clearly, the linkage between the absence of democracy and terrorism is far from simple. Nevertheless, it is possible that the absence of political representation could feed into the causes of terrorism. Moreover, as Members of the British Parliament we wholeheartedly endorse the spread of democracy. Nevertheless, we admit that the process of democratisation is problematic, as evidenced by the recent election victory of Hamas, a group that continues to espouse the destruction of Israel, and that speedy moves towards reform could have dangerous destabilising effects in some societies.

101. Saudi Arabia is one of the least democratic states in the region. Political parties are banned, the opposition is organised from outside the country and political activists who publicly broach the subject of reform risk being jailed. The King and senior princes dominate the political system. High-ranking members of the royal family hold positions as the most prominent ministers and governors of the main cities and provinces. The Council of Ministers, which is appointed by and responsible to the King, advises on policy formulation and oversees the bureaucracy.

102. There are various well established methods of consultation. The appointed Consultative (Shura) Council advises the King and Council of Ministers. During our visit to Saudi Arabia we met members of the Consultative Council, including members of the its foreign affairs and security committees. We were greatly impressed by the calibre of the members and their work. As a recent Economist Survey on Saudi Arabia noted “It is easy to dismiss this all-appointed body as window-dressing, but even detractors admit that its legislative record is good, and its membership broadly representative of the kingdom’s diversity (with the huge proviso that it excludes women).”¹⁴⁵ Nevertheless, the Council is unelected, has only limited powers to make recommendations on legislation and question ministers, and has no budgetary oversight.

103. There are also well-established traditions of access to senior officials, usually at a majlis, or public audience, and the right to petition. However, this tradition is marred by the exclusion of women, who for example are unable to participate in the weekly majlis, where senior members of the royal family listen to the complaints and proposals of Saudi citizens.¹⁴⁶ Although this form of consultation is limited, and often focussed on dispensing largesse rather than influencing policy, it does offer an opportunity for exchange between the country’s rulers and their subjects. The King and senior princes are also careful to gain the support of important constituencies for their policies. This has been especially true of the counter-terrorism strategy.

104. Like many countries in the region, Saudi Arabia has come under international pressure to reform. Compared with many of its neighbours, Saudi Arabia has been slow to reform:

144 Foreign & Commonwealth Office, *Active Diplomacy for a Changing World: The UK’s International Priorities*, Cm 6762, March 2006

145 “All in the family”, Survey on Saudi Arabia, *The Economist*, 7 January 2006

146 Human Rights Watch, “Human Rights Watch Memorandum to the Government of Saudi Arabia on Human Rights Priorities in the Kingdom”, 7 February 2005, available at: www.hrw.org

- Oman has a bicameral legislature. Although its 58-seat upper chamber has only advisory powers and is appointed by the Emir, the 83-seat lower chamber is elected by universal suffrage of all Omani men and women over 21 except for members of the military and security forces. It has limited powers to propose legislation. The next elections are scheduled for 2007.¹⁴⁷
- Qatar has a 35-seat appointed unicameral Consultative (Shura) Council. Although no legislative elections have been held since 1970, Qatar held two nationwide elections in 1999 and 2003 for a 29-member Central Municipal Council (CMC), which has consultative powers aimed at improving the provision of municipal services. Under the new constitution, which came into force on 9 June 2005, the public would elect by universal suffrage two-thirds (30 members) of the 45 members of an enlarged Consultative Council and the Emir would appoint the remaining 15 members; preparations are underway for elections in early 2007.
- Bahrain's bicameral Parliament consists of a Shura Council of 40 members appointed by the Emir and a House of Deputies of 40 members directly elected to serve four-year terms by universal suffrage of men and women. The next election is to be held in September 2006.
- Kuwait has a 50-seat unicameral National Assembly. Members are elected by popular vote to serve four-year terms. The electorate consists of adult males who are not in the military forces, and since 16 May 2005, adult females. All voters must have been citizens for 20 years. Elections were last held on 6 July 2003. The new Emir Sheik Sabah Al Ahmed Al Sabah dissolved Parliament on 19 May 2006 and called for elections to be held a year early.
- Although the UAE does not have elected bodies, it is pursuing a serious programme of economic liberalisation.

105. US President George Bush's call for democratisation in the Middle East could not have been more relevant to Saudi Arabia. Indeed, his key speech to the National Endowment for Democracy in November 2003 was largely seen as being directed at the Saudi government.¹⁴⁸ However, there have also been domestic calls for change. In 2003 and 2004, reform issues entered the mainstream of debate and conversation, with petitions calling for an independent judiciary, economic reform, social reform and elections to the Consultative Council.¹⁴⁹

Tentative reform measures

106. The government has responded to calls for reform with a number of political openings. These have included setting up of the National Dialogue and, most recently, holding of municipal elections. In November 2005, Dr Mai Yamani, Associate Fellow of the Middle East Programme at Chatham House, told the Committee about this moves: "In

147 CIA Yearbook, available at: www.cia.gov/cia/publications

148 In this, Bush said that "By giving the Saudi people a greater role in their own society, the Saudi government can demonstrate true leadership in the region."

149 Arab Reform Bulletin, March 2005, volume 3, issue 2

Saudi Arabia they have made some limited, careful steps towards reform, but if you talk about competitive elections, freedom of expression, of assembly, of organisation, reforms of the educational system or the judiciary, they are more serious—and the policy of discrimination, on the basis of religious sect or tribe is still very much visible in the country.”¹⁵⁰ Neil Partrick also wrote to us about these reform steps, making the point that while they have been relatively modest by international standards, they have been “quite dramatic” by Saudi standards.¹⁵¹

National Dialogue

107. Starting in 2003, the National Dialogue is intended to ‘acknowledge’ the country’s diversity and pluralism. For the first time, Saudis from different religious sects and political orientations were brought together to talk about sensitive issues such as religious differences, education and the causes of Islamic extremism. Some of the discussions have been televised. During our visit to the region we met members of the secretariat of the National Dialogue. We heard about the series of meetings that have been organised and efforts to bring together disparate groups, some of which are considered heretical by the Saudi mainstream. We also heard about the impact that these meetings have had on influencing popular debate in the country.

108. Dr Yamani has criticised the National Dialogue as an “intellectual encounter” divorced from domestic reality: “Dialogue meetings resulted in discussions that have not been legitimised by the religious authorities, so nothing changed in the realities of everyday life. Shi’as still cannot practice their religious rituals, be a witness in court and even work as a butcher.”¹⁵² Nevertheless, Dr Yamani also noted that “such gatherings are unprecedented; government and other participants put their relationship to a real test, bringing together groups that have never talked before.”¹⁵³

109. Neil Partrick wrote to us with a similarly mixed analysis of the National Dialogue. While the initiative has “proven to be largely a discussion forum on increasingly less pertinent issues”, it has also “provided a symbolic inclusiveness which, at its early stages, had seen an important expression of Shia ‘acceptability’ in the eyes of the regime, underscored by the sight of radical clerics associated in the early 1990s with a militant assertion of an essentially Sunni chauvinism sitting with representatives of the Shia minority... In essence, the National Dialogue has offered a more inclusive approach to the Shia and other minorities, raising the hope rather than providing the guarantee of fairer treatment for them as fellow Muslims.”¹⁵⁴

Municipal elections

110. In 2005, elections for half the seats on Saudi Arabia’s 178 municipal councils were held for the first time; the government appointed the remainder of the council members.

150 Q 168

151 Ev 185

152 “Democratic façade”, *The World Today*, Dr Mai Yamani, February 2005

153 *ibid*

154 Ev 186

Popular engagement with the elections was mixed; less than half of eligible voters registered, but there was vigorous campaigning in some areas, especially in Riyadh and the Eastern Province.¹⁵⁵

111. There was initial ambiguity over whether women would be able to participate in the elections: the wording of the regulations did not specifically exclude women, but it was subsequently announced that women would not be able to vote or stand for election. The reasons given for this were logistical: an insufficient number of women to run women-only registration centres and polling stations, and a shortfall in the number of women holding the photo identity cards required to vote.¹⁵⁶ Women have since been promised that they will be able to vote in the 2009 municipal elections.

112. While a groundbreaking step in Saudi Arabia, the municipal elections have prompted a fair degree of cynicism. Writing in the *World Today*, Dr Yamani criticised the process: “In accordance with Saudi tradition a prince has been appointed chairman of the general committee overseeing polling. The message here is not one of wider political participation, but rather of continued dominance by the ruling family.”¹⁵⁷ She reiterated this point to the Committee in November 2005: “They have had partial municipal elections that we saw in February to April, which were not inclusive. About one-quarter of the male population participated. Half the members were appointed, and the whole female population was excluded.”¹⁵⁸ The delay in setting up the councils only fuelled such criticism; it took eight months to publish the regulations governing Council proceedings and the councils were not formed until December 2005.¹⁵⁹

113. Nevertheless, other analysts have emphasised the importance of the elections as an initial step in the democratisation process. Writing about popular perceptions of the elections, Saudi journalist Rasheed Abou-Alsamh said:

Many Saudis remain deeply cynical about the powers of the partially elected councils, but this baby step towards democracy has nonetheless given hope to some that they will see elections for the Shura Council, which is currently being expanded from 120 to 150 members, during their lifetimes. They also believe that the municipal elections have opened the door to further reforms, and say it is a door the government will not be able to close again easily.¹⁶⁰

Continued repression

114. Despite these tentative reform steps and what appears to be a general acknowledgement of the need for reform by the Saudi authorities, reformers continue to be subjected to harassment. This has ranged from official impatience and pressure to refrain

155 *Arab Reform Bulletin*, February 2005, volume 3 issue 1; and “Saudi Arabia: reality check”, *Le Monde Diplomatique*, February 2006

156 *Arab Reform Bulletin*, October 2004, volume 2 issue 9

157 “Democratic façade”, *The World Today*, Dr Mai Yamani, February 2005

158 Q 167

159 “Saudi councils finally announced”, *BBC News Online*, 15 December 2005, news.bbc.co.uk; and “Saudi Arabia: reality check”, *Le Monde Diplomatique*, February 2006

160 *Arab Reform Bulletin*, March 2005, volume 3, issue 2

from publicising reform demands and the forced cancellation of meetings to stormy reprimands by ministers, arrests and prison sentences.

115. According to Human Rights Watch, the Saudi security forces have violently dispersed gatherings such as the October 2003 demonstrations in Riyadh and other cities, and arrested individuals attempting to protest peacefully. On 12 January 2005, a court in Jeddah affirmed the unofficial ban on public demonstrations by sentencing 15 individuals to prison sentences and lashes for participating in a demonstration in October 2004.¹⁶¹

116. In May 2005, a court in Riyadh sentenced three reformers to lengthy prison sentences for circulating a petition that called for the establishment of a constitutional monarchy. The charges against the men are reported to have included incitement to unrest, attempting to disturb the peace, rebelling against the ruler, speaking to foreign media and incitement against the Wahhabi school of Islam. The trials were conducted in camera and the defendants' lawyers have faced imprisonment and harassment.¹⁶² In August 2005, King Abdallah pardoned the three men along with their lawyer, who was awaiting trial.

Reform prognosis

117. These mixed signals have prompted varying interpretations of the long-term prospects for reform. A number of members of the royal family have made comments suggesting that they support substantive reform. In 2003, then Crown Prince Abdallah was the first high-ranking official to adopt the expression "expanding political participation". He said that municipal elections would "be the beginning of the Saudi citizens' participation in the political system." For his part, foreign Minister Prince Saud Al-Faisal has said that Saudi Arabia "has reached a stage in our development that requires expanding political participation."¹⁶³ Speaking to the Committee in October 2005, an FCO witness said: "the government there does appear to be committed to what I think is fair to describe as an evolutionary approach to further democratisation in that country."¹⁶⁴

118. Some believe that growing domestic and international pressure compelled the royal family implement reforms, but that it has not made a strategic decision to transform the political system. Dr Yamani told the Committee that the limited reform moves were aimed at mollifying international demands for democratic reform: "[W]hen Abdullah, Crown Prince at the time, now King Abdullah, arrived in May to visit President Bush, he said: "You see, we have had the elections. We had the Islamists, but we are controlling and managing the situation. That was very good for the whole talk about reform and democracy in the Middle East."¹⁶⁵

119. Others attribute the mixed signals to divisions within ruling circles over the desirability and speed of change. The smooth succession of King Abdallah in August 2005 after the death of his half-brother, King Fahd, prompted speculation that the pace of

161 Human Rights Watch, "Human Rights Watch Memorandum to the Government of Saudi Arabia on Human Rights Priorities in the Kingdom", 7 February 2005, available at: www.hrw.org

162 Human Rights Watch, "Saudi Arabia: Political Reformers Sentenced", 16 May 2005, available at: www.hrw.org

163 *Arab Reform Bulletin*, March 2004, volume 2, issue 3

164 Q 127

165 Q 168

reform would accelerate. King Abdallah is widely considered to be a reformer and many believe that his succession will give him more authority to push ahead with reform.¹⁶⁶ However, given the tradition of decision-making by consensus in the royal family, there are likely to remain royal brakes on reform.

120. During our visit to Saudi Arabia, we heard optimism that there may be further reform steps in the near future. These include a possible expansion of the powers of the Consultative Council and reform of the judiciary. We were also assured that the reform process is irreversible. However, we were also warned about the risks of reform and were told that the nature and pace of reform must be appropriate to Saudi circumstances. We were told about fears that change could jeopardise social and political cohesion. We heard many times that western-style elections are not a ‘miracle solution’. We also heard about the strong conservatism of the Saudi population and its resistance to reform and the danger of democratisation in the absence of the crucial underpinnings of democracy. The point was made that Saudi Arabia has advanced tremendously in the last 20 years and that the process is continuing; the country needs to advance gradually and in stages. Much of the Saudi population remains attached to very conservative religious values, which makes reform in areas such as women’s rights and education especially sensitive. From the discussions we had in Saudi Arabia, this factor, more than any other, emerged as the main impediment to reform.

121. Disquiet over the potential consequences of a hurried political opening is not limited to officials, and has also been expressed by members of the business community and reformers. As one journalist put it: “It would be like putting the carriage in front of the horse. There has to be some kind of political opening up, but our society still thinks along tribal and religious lines. Its political consciousness has not developed to the point where it would elect the most efficient... The culture of democracy accepts the pluralism of opinions and relativity in all things. How can you reconcile relativity with a society that is governed by religion?”¹⁶⁷

122. There is some difference of opinion over the obstacle posed to reform by the religious establishment. It is certainly true that the legitimacy of the ruling family rests to a very large extent on its religious credentials. The International Crisis Group has argued that in the context of the ‘war against terrorism’ and the domestic fight against violent Islam “no Saudi ruler can contemplate a significant policy shift without taking into account the likely reaction of the country’s religious establishments.”¹⁶⁸ However, other analysts emphasise the ‘give and take’ between the ruling family and the Ulema. Nevertheless, Government efforts to reform the education system have faced serious opposition from the clerics, who have warned against any dilution of the curriculum’s Islamic content, accusing the regime of bowing to US pressure.

123. In addition to fears over the risks associated with speedy reform, there are dangers in reforming too slowly, especially in the context of socio-economic disparities and popular grievances. There is concern that the slow pace of reform could be creating a fertile

166 “Obituary: King Fahd—A forceful but flawed ruler”, *Financial Times*, 1 August 2005

167 Interview conducted by the International Crisis Group, cited in *Can Saudi Arabia Reform Itself?*, International Crisis Group, 14 July 2004

168 International Crisis Group, *Can Saudi Arabia Reform Itself?*, 14 July 2004

recruiting ground for groups such as al Qaeda. There is anger among some parts of the population over the growing gap between rich and poor as well as over the relationship between the government and the West.

124. Insufficient job creation, an ill-adapted education system and anachronistic economic structures, particularly when coupled with the sight of thousands of Princes enjoying lavish lifestyles, risk popular discontent. Calls for social justice, an end to corruption and wider access to the country's huge natural wealth have long been central to calls for reform. Saudis increasingly point out that the frustration of their youth and resentment of social injustice are fuelling support for violent Islamic militancy.¹⁶⁹ Neil Partrick wrote to us about the problem of unemployment:

Despite the cyclical patronage power of oil revenue windfalls, radical clerics have been able to exploit a relative economic downturn that has seen per capita GDP, although rising again in recent years, remain far below that enjoyed from the late 1970s to early 1980s. With officially admitted unemployment running at 10% among a 26m population rising in excess of 3% a year, and the state unable to provide meaningful jobs for its burgeoning numbers of annual school or college leavers, then economic pressures are likely to continue to cause political frustrations. In this context radicals are easily able to point to corruption and the effective political complicity of the al-Saud leadership in US and UK policies which, at the popular as well as elite level, are judged to be unconscionable, whether in Iraq or Palestine.¹⁷⁰

Educational reform is a critical aspect of tackling the employment situation.

125. Dr Yamani is critical of the failure of the international community to put pressure on Saudi Arabia to pursue meaningful reform.¹⁷¹ However, there is concern that pressure in this area could be counterproductive. Nevertheless, international engagement may have an indirect effect on the pace of reform. In December 2005, Saudi Arabia joined the WTO after 12 years of talks and this could accelerate the pace of reform. The country will need to adopt the entire body of WTO legislation, a process that involves liberalisation of currently restricted sectors. Saudi Arabia will have to open its protected economy to the outside world, including fellow WTO member Israel. The accession should enhance the business environment in Saudi Arabia by improving transparency and predictability.¹⁷²

126. There is also a role for the international community in supporting reform efforts. Dr Peter Gooderham, Director Middle East and North Africa at the Foreign and Commonwealth Office, told the Committee about the Government's efforts in this area: "the fund that we have available in the FCO, the Engagement with the Islamic World Fund, and the £10 million that the Foreign Secretary referred to—we are using a lot of that money for precisely projects designed to bolster rule of law, the participation of women in the political and democratic processes in various countries in the region; so we are doing what we can."¹⁷³ However, Dr Gooderham also cautioned against political interference:

169 International Crisis Group, *Can Saudi Arabia Reform Itself?*, 14 July 2004

170 Ev 189

171 Q 183

172 "Saudi WTO membership approved", *BBC News Online*, 11 November 2005, news.bbc.co.uk

173 Q 128 [Dr Gooderham]

“Obviously, we have been doing what we can to encourage the process of democratisation. We are not alone; there is a G8 process that is active; but we are very careful to put that in the context of encouragement rather than trying to impose or direct, because that would clearly be counterproductive.”¹⁷⁴

127. The Government has supported a number of projects in Saudi Arabia using the Global Opportunities Fund. These have included training journalists on election reporting, promoting the participation of women in civil society and promoting economic reform and liberalisation. The British Council has also been active in supporting the reform process, for example by running women’s self-development and leadership workshops.

128. We conclude that despite a number of reform steps, the political environment remains severely constrained in Saudi Arabia. This raises serious concerns, and in the context of glaring socio-economic disparities, could feed into extremism and the causes of terrorism. Nevertheless, we conclude that the Saudi reform process must be domestically driven; perceived interference by the international community could be counter productive.

Human rights

129. There are numerous human rights concerns in Saudi Arabia. The FCO’s Annual Report on human rights has an extensive section on Saudi Arabia. This says: “There has been a small but significant improvement in the situation in Saudi Arabia since our last Annual Report. However, the Saudi government has continued to violate human rights, including by restricting freedoms of expression and press, assembly, association, religion and movement. The government also continues to discriminate against women, foreigners, non-Muslims and non-Sunnis Muslims and to impose strict limitations on workers’ rights.”¹⁷⁵ In particular, the Report refers to:

- the introduction of a new code for criminal procedure, although torture of detainees is still routine;
- discrimination against non-Muslims and restriction of women’s rights; and
- the slow process of reform.

130. In our latest Human Rights report, published in February 2006, we said:

Human Rights Watch have raised concerns that the Government “may be contemplating a possible Memorandum of Understanding (MOU) with the Saudis, regarding commitments not to torture those who might be deported to Saudi Arabia, along the lines of MOUs which have already been agreed with Jordan and Libya.” Additionally, Kate Allen of Amnesty International told the Committee: “We would recognise that there have been small steps. We are not sure whether those are significant or not. The human rights situation in Saudi Arabia is still absolutely dire in very many ways that we have documented, including appalling use of the death

174 Q 129 [Dr Gooderham]

175 Foreign & Commonwealth Office, *Human Rights Annual Report 2005*, Cm 6606, July 2005, p 78

penalty and the use of torture.” The use of the death penalty for a broad range of crimes such as apostasy, drug offences, witchcraft, adultery and murder, as well as broad crimes such as ‘acts of sabotage and corruption on earth’, raises particular concerns.¹⁷⁶

We also noted concerns about the treatment of British and Commonwealth nationals, including Dr William Sampson, who confessed to a bombing while in Saudi police custody.¹⁷⁷

131. In its response to that Report, the Government told us that it continues to raise its concerns about human rights with the Saudi authorities at all levels, and noted the enhanced bilateral cooperation through the Two Kingdoms Dialogue (we discuss this positive initiative later in this chapter).¹⁷⁸ It also outlined some of the positive steps that have occurred, for example with regard to women’s rights.

132. We pursued these issues during our visit to Saudi Arabia. We were particularly struck by the complete segregation of society, with Saudi women excluded from meetings. This was particularly evident at one meeting, when our female interlocutors observed us via a video link and were unable to participate themselves. In February 2006, Human Rights Watch outlined its concerns about the position of women:

Women in the kingdom continue to suffer from severe discrimination in the workplaces, homes, and courts, and from restrictions on their freedom of movement. Women do not have the right to leave the house without a male relative or written permission from their guardian, which is also required to enrol in school or university, seek medical help, or open a bank account. There are reports that some government institutions have refused to accept women’s new identity cards, insisting on seeing a woman’s family card as well. A recent study of the Saudi-American Bank found that “compensation of Saudi males is on average two times that of Saudi females with the same level of education.” The government has so far also failed to act on a recommendation from the government-appointed National Dialogue calling for the appointment of women judges to family courts.¹⁷⁹

133. During our visit we heard about a number of positive steps on women’s rights. These include changes in the labour law to allow women to work in more fields and measures to improve the training and education available to women. For the first time, women have been allowed to stand for election to the Jeddah Chamber of Commerce; despite a reportedly hostile campaign by several imams, two women were elected (out of 12 representatives) and a further two women were appointed to sit on the board (out of six appointed members).¹⁸⁰ We were also assured that there will be further steps to improve

176 HC (2005–06) 574, paras 167–168

177 Ibid, para 166. See also para 140, below.

178 Foreign & Commonwealth Office, *First Report from the Foreign Affairs Committee; Session 2005–06; Annual Report on Human Rights 2005; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6774, May 2006

179 Human Rights Watch, “Human Rights Watch Memorandum to the Government of Saudi Arabia on Human Rights Priorities in the Kingdom”, 7 February 2005, available at: www.hrw.org

180 “Saudi Arabia: reality check”, *Le Monde Diplomatique*, February 2006

the situation of women. Nevertheless, women's rights in Saudi Arabia remain seriously constrained. As Dr Yamani told the Committee:

[I]t is the only country in the world where women are not legally allowed to drive cars or travel between one city and another without permission of their guardian. Obviously, it is the only country where women are not allowed to vote... Unemployment for women remains at 95 per cent. There is some progress though; King Abdullah is planning to have more jobs created for women, but it is very gender segregated and still has to comply to the definition by the Wahhabi clerics of the nature of women.¹⁸¹

134. During our visit, we were also deeply concerned by what we heard about the rights of foreign workers. We got the impression that this issue is not taken as seriously as it should be by the Saudi authorities. In its memorandum, Human Rights Watch outlined the situation:

Migrant workers continue to suffer from discrimination in practice and in law. Long working hours and round-the-clock confinement put domestic workers at a heightened risk of abuse. Non-payment of wages for several months and confiscation of passports and residency permits, in contravention of the law, are common violations. The public school system remains closed to the dependents of migrant workers. Poor migrant workers have little if any access to the justice system, given their lack of resources, literacy, and Arabic language capabilities. One-half of those judicially executed so far in 2005 have been migrant workers, although they constitute less one third of the population.¹⁸²

135. We conclude that the human rights situation in Saudi Arabia continues to give cause for grave concern. We recommend that the Government continue to make clear that discrimination against women, other human rights abuses which are endemic in Saudi Arabia including discrimination against migrant workers, torture and the shortcomings of the judicial system, breed discontent and fall far short of universal standards. We recommend that the Government set out in its response to this Report what progress was made in this area at the April 2006 meeting of the Two Kingdoms Forum. We further recommend that the Government set out whether it is seeking a memorandum of understanding with Saudi Arabia.

Bilateral relations

136. The bilateral relationship with Saudi Arabia is clearly immensely important to both countries. Saudi Arabia meets nearly all the government's strategic priorities. As Neil Partrick told us: "Saudi Arabia is a pivotal player in the security and stability of the Arabian peninsula".¹⁸³ In recent years, there have been a number of high level visits between the countries, with the Prime Minister visiting Saudi Arabia several times in the last year and Jack Straw visiting in the first half of 2006. The United Kingdom and Saudi Arabia have

181 Q 185

182 Human Rights Watch, "Human Rights Watch Memorandum to the Government of Saudi Arabia on Human Rights Priorities in the Kingdom", 7 February 2005, available at: www.hrw.org

183 Ev 184

particularly strong defence and commercial ties, with growing opportunities as a result of the high oil price.

137. A bilateral forum has been set up to facilitate dialogue. The first meeting of the ‘Two Kingdoms’ forum was held in February 2005 and was joint hosted by the former Foreign Secretary and Saudi Foreign Minister Prince Saud. The meeting discussed reform issues, in particular economic reform, youth and women. The second meeting was convened in April 2006. Jack Straw told us about the importance of this forum: “There was the joint conference on Saudi reform, which I chaired with His Royal Highness Prince Saud Al-Faisal in February. If you had said to me even a year ago that there was going to be this kind of joint conference, one would have been very sceptical; but it indicates an increasing commitment by the Kingdom of Saudi Arabia to its reform programme.”¹⁸⁴

138. Neil Partrick wrote to us about the need for the United Kingdom to take a critical stance towards Saudi Arabia: “It also requires greater UK government frankness about the political and administrative changes needed in the kingdom to enhance accountable and transparent decision-making; a direction that, if anything, appears to be being setback of late.”¹⁸⁵ However, others emphasise the limits to the influence that the international community can have on Saudi Arabia, especially on domestic policy, and the importance of quiet and private diplomacy.

139. We conclude that the United Kingdom’s relationship with Saudi Arabia is of critical and strategic importance. Not only is the Kingdom a crucial ally in the international ‘war against terrorism’, but it is central to many of this country’s national interests and meets most of the Government’s strategic priorities. We further conclude that while the United Kingdom may not see eye to eye with Saudi Arabia on a number of issues, it is critically important that the two countries remain close and communicative allies. We conclude that Saudi Arabia is a country where a significant British diplomatic presence can make a difference. The stability of Saudi Arabia is vital to the United Kingdom’s interests, particularly in the context of the war in Iraq and developments in Iran. We conclude that stability requires significant reform.

140. At the time of concluding the drafting of our Report, the United Kingdom’s courts had just determined that the Saudi Arabian government is immune, in international law, from being pursued in UK courts in relation to the unjustified detention and alleged torture of British citizens. We recommend that the British Government disclose what it knows about this grave incident and what representations it made on behalf of the British nationals.

184 Q 131

185 Ev 189

4 The United Arab Emirates

The United Arab Emirates and the 'war against terrorism'

Background

Links with the Taliban and al Qaeda

141. The UAE was one of only three countries to recognise the Taliban as the legitimate government of Afghanistan (Pakistan and Saudi Arabia were the other two). During Taliban rule, the UAE continued to allow Ariana Afghan airlines to operate services to the UAE. It has been argued that this resulted in "the growth of an organic link between groups in Afghanistan on the one hand and Saudi Arabia and the UAE on the other, as contact, travel and financial flows between them did not encounter the problems faced elsewhere."¹⁸⁶ Many US officials believe that al Qaeda activists might have spent time in the UAE.¹⁸⁷ Notably, two of the hijackers in the 11 September 2001 attacks were UAE nationals.

Financial links with terrorism

142. The UAE had a long-standing reputation as a haven for smuggling and money laundering. Even before 2001, al Qaeda was known to have financial links with the UAE. In 1999, a US delegation travelled to the UAE with evidence that Washington claimed proved that Osama bin Laden was channelling funds through the Dubai Islamic Bank.¹⁸⁸ However, early international pressure on the UAE to clean up money laundering and smuggling met with little success.¹⁸⁹

143. Frank Gardner told the Committee about the situation in the UAE:

Dubai particularly is an international conduit for both good and bad things. It was long a centre for smuggling gold into India. It has often been used as a place for money-laundering, particularly by Russians who were coming out of the CIS states with just wads of cash, and buying up electronics and going back. Nobody ever asked where the money came from. I used to live in Bahrain as well, and Bahrain had a very tight financial system because they had close links with the Bank of England, so the monetary agency worked very closely and was very strict on money-laundering. Dubai did not have those tight, stricter controls. When I used to be a banker, we were always rather wary of doing business in Dubai because we could not be sure of where the money came from. It is very much a home of Hawala transactions, which are paperless, record-less transactions, all done over the phone... There are no auditable records of this; it is all done on trust. It is done very much on trust. It is an ancient

186 Gerd Nonnemann, Anoushiravan Ehteshami, Iris Glosemeyer, *Terrorism, Gulf Security and Palestine: Key issues for an EU-GCC dialogue*, Robert Schuman Centre for Advanced Studies, January 2002

187 "The United Arab Emirates (UAE): Issues for U.S. Policy", *Congressional Research Service Report for Congress*, 9 May 2005

188 "Trail links Bin Laden aide to hijackers", *The Guardian*, 1 October 2001; and "US traces bin Laden funds to UAE bank", *The Times*, 9 July 1999

189 "Hijackers linked to Saudi Arabia and Emirates", *The Guardian*, 14 September 2001

system and it allows people to evade strict financial controls. There has been a lot of concern that this has helped terrorists to get funding.¹⁹⁰

144. Much of the financing for the 11 September attacks is known to have passed through the UAE via the unregulated Hawala money-transfer system. However, the formal banking sector is also believed to have been involved. Frank Gardner told the Committee: “It is known for a fact that some of the funding for the 9/11 attacks did pass through a bank in Dubai, not through the Hawallah system, but through an actual bank.”¹⁹¹

Proliferation

145. The UAE has also been involved in proliferation networks. According to a press report in 2005, an MI5 document entitled ‘Companies and Organisations of Proliferation Concern’ lists the UAE as “the most important” of the countries where front companies may have been used. The list was compiled in an attempt to prevent British companies from inadvertently exporting sensitive goods or expertise to organisations covertly involved in WMD programmes.¹⁹²

146. This is not the first time that there have been concerns over businesses based in the UAE. In 2001, the United Kingdom told the UAE to shut down the air freight businesses of a Russian accused of trafficking weapons to rebel movements in Africa including in Angola, the Democratic Republic of Congo and Sierra Leone.¹⁹³

147. AQ Khan’s proliferation network has also been linked with the UAE: “In connection with recent revelations of illicit sales of nuclear technology to Iran, Libya, and North Korea by Pakistan’s nuclear scientist AQ Khan, Dubai was named as a key transfer point for shipments of nuclear components sold by Khan. Two Dubai-based companies were apparently involved in trans-shipping such components: SMB Computers and Gulf Technical Industries.”¹⁹⁴ The UAE was the main transshipment point for much of the equipment bound for Libya.¹⁹⁵

Terrorist target?

148. The UAE, and especially Dubai, have been seen as prime targets for al Qaeda given the number of highly visible western companies and individuals there. Al Qaeda and affiliated groups have threatened the country. A letter dated 26 May 2002 warned the UAE that continued cooperation with the USA would “bring the country into an arena of conflict, in which it will not be able to endure or escape from its consequences”. The letter noted the UAE’s economic dependence on “impudent tourism”. Another warning listed the

190 Q 164

191 *ibid*

192 “MI5 unmasks covert arms programmes”, *The Guardian*, 8 October 2005

193 “International Economy: Britain tells UAE to close arms dealer’s freight business”, *Financial Times*, 24 January 2001

194 “The United Arab Emirates (UAE): Issues for U.S. Policy”, *Congressional Research Service Report for Congress*, 9 May 2005; and “Nukes ‘R’ US”, *The New York Times*, 4 March 2004

195 “Unravelling the A. Q. Khan and Future Proliferation Networks”, *The Washington Quarterly*, Spring 2005

government's work with the UN and in training and equipping the Iraqi police force as leaving "no room for doubt that the punishment of God will befall your country".¹⁹⁶

149. However, when he appeared as a witness to the Committee, Frank Gardner downplayed this threat:

It has surprised a lot of people that Dubai has not yet been hit by a terrorist attack, but Dubai is a huge melting pot. If al Qaeda hit Dubai, it would be an own goal... I am quite certain that al Qaeda has supporters, possibly even operatives there, but there have been no signs so far that they have chosen to make any big attacks. It would be disastrous for everybody but also for the Makhtoums.¹⁹⁷

Other analysts have speculated that the UAE has been spared attacks due to its usefulness for al Qaeda as a communications and financial hub.¹⁹⁸ However, some others believe that the UAE has not been attacked so far because of the extremely tight security in the country, and that it is inevitable that there will be terrorist attacks in the UAE at some time.

Counter-Terrorism Policy

150. The attack on the twin towers led to a dramatic change in the approach of the UAE authorities. The UAE strongly condemned the September 2001 terrorist attacks and broke off relations with the Taliban. It has since cooperated with the international community in tackling international terrorism. During our visit to the region we were reassured that the UAE is totally 'onside' when it comes to cooperation in counter terrorism. While the level of this cooperation is difficult to gauge in some fields, it is known that the UAE has extradited a number of high-profile jihadi figures. The UAE acknowledged assisting in the 2002 arrest of at least one senior al Qaeda operative in the Gulf (Abd al-Rahim al-Nashiri). The country also arrested Qari Saifullah Akhtar, a senior al Qaeda operative who trained militants for combat in Afghanistan and is believed to have been involved in two attempts to assassinate Pakistani President General Pervez Musharraf; Akhtar was subsequently turned over to Pakistan.¹⁹⁹

151. Although the UAE has so far escaped attack, its government knows that it is a potential target and has taken stringent precautions. Even a failed attack could be disastrous for Dubai's booming tourist industry. In its fight against terrorism, the UAE is aided by the fact that it is a small country with no large cities in which terrorists can disappear. Moreover, it benefits from a high level of wealth which goes some way to mitigate against domestic discontent.

152. During its visit to the region, the Committee heard about bilateral cooperation on aviation security. Secondees from the Department of Transport are working to monitor airport security and are providing invaluable assistance on practical aviation security. This

196 "Declassified Document Outlines History of al-Qaeda Threat to the UAE", *Terrorism Focus*, The Jamestown Foundation, 21 March 2006, volume III, issue 11

197 Q 164

198 "Declassified Document Outlines History of al-Qaeda Threat to the UAE", *Terrorism Focus*, The Jamestown Foundation, 21 March 2006, volume III, issue 11

199 "Terror suspect sent to Pakistan", *BBC News Online*, 8 August 2004, news.bbc.co.uk

work is being funded by the Global Opportunities Fund. Officers from the Metropolitan Police's SO18 division have also visited the region to discuss ways to tackle the threat from Man Portable Air Defence Systems (MANPADS).

153. The UAE has good bilateral relations with the United Kingdom and the USA. This is highlighted by cooperation in the defence field. In 1994, the UAE and USA reached a defence pact; the 1996 defence cooperation agreement is the United Kingdom's largest single commitment to the defence of a single country outside Nato.²⁰⁰

154. The EU has no representation in the UAE. During our visit, we were told that given the absence of regionally administered development programmes, it has been difficult for the EU to secure funds to set up a mission in the UAE. We also heard concern that the lack of an EU presence is contributing to a failure to create a good image for the EU in the region and that the UAE–EU relationship 'lacks substance'.

155. EU relations with the Gulf Cooperation Council (GCC) are channelled through a Cooperation Agreement signed in 1989 between the European Community and the GCC. Negotiations for an EU–GCC Free Trade Agreement were opened in 1990 and re-launched in 2001 after the GCC moved to establish a customs union; there is concern that negotiations have been 'dragging on'. The Commission is also seeking to enhance cooperation activities with the GCC against the framework of the Strategic Partnership for the Mediterranean and the Middle East approved by the European Council in June 2004.

156. In May 2004, the members of the GCC agreed a counter-terrorism accord. This accord focuses on intelligence sharing and efforts to use the media and religious platforms to tackle terrorism.²⁰¹ However, there are doubts over how effective the accord is. The Gulf States Newsletter has commented that the lack of transparency over the accord has given many the impression that its announcement was more "style than substance".²⁰² During our visit to the region, these sentiments were echoed. We were told that there is a need for greater cross-border cooperation on terrorism, but that as is the case internationally, intelligence communities are reluctant to share information.

Financial reform

157. The UAE has taken a number of steps to tighten regulation of the financial system. During our visit we heard about money laundering legislation that has been formulated in line with international Financial Action Task Force (FATF) directives.²⁰³ Steps have also been taken to bring the hawala system under control²⁰⁴. According to the International Monetary Fund's 2005 Article IV Consultation for the UAE:

Major steps have been taken to put in place a strong legal framework to prevent money laundering and financing of terrorist activities. Two laws were passed in 2004,

200 "Gulf states keep lid on extent of defence ties", *Financial Times*, 18 February 2003

201 *Gulf States Newsletter*, volume 28, number 753, 28 May 2004

202 Ibid

203 "Arabia bridles at Americans' insistence on al-Qaeda cash", *Financial Times*, 21 February 2002

204 The hawala system is based on paperless, record-less transactions, conducted by phone. There are no auditable records of transactions, which are based on trust.

one on dealing with financing of terrorism and the other addressing AML/CFT [anti-money laundering/counter-terrorist financing] issues in the financial free zones. A law criminalizing money laundering that was adopted in 2002 has been widely cited as a model of best practices. Hawala dealers continue to voluntarily register and have been certified by the CBU. As of end-February 2005, the CBU has received 156 registration applications and 133 certificates have been issued.²⁰⁵

158. Frank Gardner told the Committee about these measures. He also highlighted the role played by the United Kingdom in assisting these efforts: “If you talk to the Foreign Office you will find that there are a number of people in Customs & Excise who, every now and then, are stationed in the British Embassy in Dubai.”²⁰⁶ During our visit to the region we heard about the success of cross-departmental work in British embassies, notably the posting of a secondee from HM Treasury at the embassy in Abu Dhabi to work with the UAE Central Bank on anti-laundering exercises, and Home Office and HM Revenue & Customs staff working at the embassy in Abu Dhabi.

159. Nevertheless, there are concerns over both the utility of efforts to tackle terrorism through banking reform and the continued exploitation of the hawala system, despite increased regulation. Banks have been forced by compliance rules to spend hundreds of millions of dollars recording details about transactions. However, there are doubts over whether banking systems are likely to spot impending terrorist attacks.²⁰⁷ In large part, this is because terrorist funds are tiny and according to some estimates make up just 1% of the dirty money in the financial system. Terrorist attacks do not require large amounts of money.

160. Many in the sector have come to believe that there is little preventative value in anti-terrorism regulations.

“The only practical use of data about transactions is after an attack, when there might be some chance of tracing links in the networks that sustain terrorist movements... But information to allow this existed before the introduction of today’s massive regulatory system.... There is no risk in scrapping the specific rules relating to terrorist finance. Much information will still be captured, because parallel efforts to combat money laundering will continue (and are anyway more effective).”²⁰⁸ This opinion was strongly expressed to the Committee during its visit to the region. We heard great frustration over the emphasis put on banking reform to tackle terrorist financing. We were told that while the banking sector can work to uncover money laundering, exposing terrorist financing and proliferation is a job for the intelligence agencies and the police.

161. There are also doubts over the impact of reform on the hawala system. This method of money transfer has been used for generations; many immigrants rely on it as a cheap way to send money home. During our visit, we were told that the hawala system is under

205 “United Arab Emirates: 2005 Article IV Consultation—Staff Report”, IMF Country Report No. 05/269, August 2005

206 Q 165

207 “The lost trail”, *The Economist*, 22 October 2005

208 Ibid

control in the UAE and is not extensive; only small amounts are transferred by hawala. However, while the hawala houses have genuine business, it is possible that terrorists could still make use of them.

162. Neil Partrick agreed about the limits to what can be achieved by financial regulation in the ‘war against terrorism’:

[T]here is still a practical, as well as political, limit to what can be done to prevent money transfers in either direction. With the operation for example of the hawala system, which Saudi Arabia and other GCC countries are very keen to stress they monitor very carefully, it is very difficult to prevent monies reaching terrorists. The ease with which this informal transfer system can operate is what defines it; harsh constraints would render it unrecognisable and make the transfer of monies by much foreign labour in the kingdom very difficult.²⁰⁹

Proliferation

163. The UAE has been taking steps to tackle the risk of proliferation. In particular, it has been working with the USA: in December 2003, the USA organised a basic awareness course on WMD for UAE law enforcement agencies. This was followed by a course in May 2004 on Seaport Interdiction and Counter-Proliferation. The course was intended to enhance the ability of UAE law enforcement agencies to analyse, target and examine high-risk commercial shipments that may lead to the interdiction of weapons of mass destruction or their related delivery systems.²¹⁰

164. In December 2004, the USA and Dubai signed a Container Security Initiative (CSI) Statement of Principles aimed at screening US bound containerised cargo transiting Dubai ports.²¹¹ Our predecessor Committee’s last Report in this inquiry outlined the establishment of the CSI by the USA. It noted: “The United Kingdom joined the CSI in December 2002; ports included in the initiative are Felixstowe, Liverpool, Southampton, Thamesport and Tilbury. However, the United Kingdom does not have officials carrying out a similar function in major ports overseas. Without the posting of HM Customs officials overseas, the United Kingdom’s ports may remain under terrorist threat.” The Report concluded that “the Container Security Initiative is a sound means to promote the security of the United States. We recommend that the Government examine the possibilities of enacting a similar initiative to secure the ports of the United Kingdom and its Overseas Territories.”²¹²

Educational and religious reform

165. Similarly to Saudi Arabia, the UAE has been taking steps to reform religious teaching and the education system in order to address the root causes of terrorism. The government

209 Ev 185

210 See: uae.usembassy.gov/uae

211 “The United Arab Emirates (UAE): Issues for U.S. Policy”, *Congressional Research Service Report for Congress*, 9 May 2005

212 HC (2004–05) 36–I, paras 437–439

of the UAE is well aware of the causes of radicalisation and realises that it is necessary to keep track of what imams are preaching and schools are teaching. Crown Prince Sheikh Mohammed bin Zayed al Nahyan (the Crown Prince of the Emirate of Abu Dhabi) has been particularly vocal on the need to address the religious aspects. Following the November 2005 terrorist attacks in Jordan, he said:

“There should be a firm stand by Islamic clerics and scholars who live among us against this terrorism... Personally, I blame the clerics and Islamic scholars who live among us and with us. If they do not declare them apostate, the least they would do is to drive them out of the faith. Terrorism came to us in the name of Islam, so there is no point trying to throw it into other directions. We should be the ones who confront and resist it.”²¹³ During its visit to the region, the Committee heard about some of the work being done to regulate mosques and religious teaching. The Committee was also interested to hear that the President’s religious adviser has forged strong links with a number of British institutions.

166. The Committee also heard about the need to reform the school curriculum, which is “not as robust and complete as it should be”. We heard that one problem has been that the education system relies on foreign teachers and there is concern that some of them have been ‘misrepresenting’ Islam to pupils. We also heard concern over the use of schools and mosques to brainwash people and “convince youth to commit horrific acts”. We were reassured that the UAE authorities are seized of the need to confront this problem. Nevertheless, the Committee also heard concern over the impact of western policies in the region and their role in causing indignation among Muslims, assisting the efforts of errant clerics.

167. We conclude that the UAE is an important ally in the international ‘war against terrorism’. We further conclude that the UAE has taken important steps to improve banking regulation in order to target money laundering; we welcome the role of British personnel in this area. However, we conclude that there are limits to what regulation of the banking sector can achieve with regard to terrorist financing. We further conclude that important work is being done to tackle the risk of proliferation, in large part through work between the UAE and the USA by means of the Container Security Initiative (CSI). We recommend that the Government set out in its response to this Report its current position on placing British officials in major ports overseas to improve security for the United Kingdom and its Overseas Territories.

168. We conclude that the public and Congressional concern in the USA at the prospect of a deal that would have given Dubai Ports World control over a number of US ports is very regrettable, and sends the wrong signals to the Arab and Muslim world. However, we also conclude that the level of regional cooperation is not as high as it could be. We recommend that the Government work to support regional efforts at cooperation where appropriate and that it set out in its response to this Report what steps it is taking in this regard. We conclude that as a Muslim country, the UAE has an important role to play in countering sources of terrorism, such as religious teaching and education system; indeed, the Federation’s leaders have provided bold and courageous leadership

213 The Emirates News Agency, “Mohammad expresses solidarity with Jordan over bombings”, 18 November 2005

in this regard. We further conclude that the UAE's experience in this area could provide useful lessons for the United Kingdom.

The UAE and Reform

Democratisation

169. The UAE is a federation of seven emirates. The style of government has been described as “medieval feudalism... with a veneer of 21st century regulations”.²¹⁴ The UAE has no democratically elected institutions and political parties are banned.

170. During our visit to the region, we were told that the UAE is one country where a traditional form of consultation works effectively. The population are able to express their concerns directly to the leadership through traditional consultative mechanisms, such as the open majlis (council) held by many leaders. This system is made possible by the small size of the population: according to the UN, the population is around 4.5 million, of which 75–80% are believed to be foreign.²¹⁵ There are regular meetings with the ruling sheikhs at which people can raise their concerns.²¹⁶

171. The UAE is politically stable and there are few calls for reform. While there have been demands by a number of intellectuals for elections to the Federal National Council (FNC, a 40-strong consultative body that acts as a parliament but is appointed by the rulers of the seven sheikhdoms and is limited to an advisory role), pressure for political reform is muted by free healthcare and education, a booming economy and domestic stability.²¹⁷ Frank Gardner told the Committee about the lack of interest in politics in the UAE: “The UAE is essentially non-political. I have never met any Emirati who is interested in politics: he wants his plot of land, his villa, his four-wheel drive, and his holidays twice a year to Orlando or Paris. They are not interested in politics there.”²¹⁸ During our visit, we were told that the UAE is a unique case: it is a wealthy, small country with no compelling economic reason for reform.

172. Nonetheless the UAE's leadership knows that things will have to change. We were assured that the UAE's ruler, Sheikh Khalifa bin Zayid al Nahyan, recognises the need for a more democratic system and is likely to act soon. Indeed, shortly after our visit tentative reform measures were announced. In a speech delivered in Abu Dhabi, Sheikh Khalifa said the UAE was to “embark on a march that culminates in more participation and interaction from all the citizens of the country”. This will begin with limited reform of the FNC.²¹⁹ How far this reform will go is unclear. The highest decision-making body remains the Federal Supreme Council, which is made up of the leaders of the Emirates.²²⁰

214 “Off centre: The veil over dirty money in Dubai”, *Financial Times*, 24 February 2001

215 “World Population Prospects”, Population Division of the Department of Economic and Social Affairs of the United Nations Secretariat, available at: esa.un.org/unpp

216 “Few want vote in booming Dubai”, *BBC News Online*, 29 July 2005, news.bbc.co.uk

217 *Ibid*

218 Q 166

219 “UAE to begin electoral reforms”, *Financial Times*, 2 December 2005

220 “The United Arab Emirates (UAE): Issues for U.S. Policy”, *Congressional Research Service Report for Congress*, 9 May 2005

173. We conclude that there is a serious democratic deficit in the UAE, although informal channels of consultation appear to go some way to address the needs of the population. We recommend that the Government work to support moves towards democratisation in the UAE, offering assistance wherever appropriate.

Human rights

174. There are a number of human rights concerns in the UAE. One key area is the rights for foreign workers. As with other countries in the region, the UAE is heavily reliant on migrant workers: an estimated 75–80% of the population is foreign. These workers are often excluded from the rights afforded to nationals and are denied basic rights such as freedom of association and the right to collective bargaining.

175. Construction workers face particular difficulties. Human Rights Watch recently conducted research into the problem. The organisation found that employers routinely deny construction workers their wages. According to official figures, in 2005 alone, nearly 20,000 workers filed complaints about the non-payment of wages and labour conditions. Most construction workers secure work in the UAE by taking loans from recruiting agencies in their home country. A typical construction worker uses a large portion of his wages to repay these loans, and without wages he falls further into debt. The result is “virtual debt bondage”. There are also reports that death and injury at the workplace are on the rise.²²¹

176. In a press release issued in March 2006, Human Rights Watch called on the UAE to take immediate steps to end abusive labour and criticised it for being “unwilling to make a real commitment to stop systematic abuses by employers, including the extended non-payment of wages, the denial of proper medical care, and the squalid conditions in which most migrant workers live.”²²² In particular, Human Rights Watch called on the UAE Government to:

- Expand its staff overseeing migrant labour treatment (according to government sources, the ministry of labour employs only 80 inspectors to oversee the activities of nearly 200,000 businesses that sponsor and employ migrant workers).
- Reform its labour laws to conform to international standards set by the International Labor Organization, and become a party to the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families.

177. Human Rights Watch also called on the international community to take firmer action on the issue. In particular it called on the USA, the United Kingdom and Australia, which are currently negotiating free trade agreements with the UAE, to:

- Require the UAE to improve labour practices and legal standards before signing agreements.

²²¹ Human Rights Watch, *UAE: Address Abuse of Migrant Workers*, 30 March 2006

²²² Ibid

- Include in any free-trade agreement strong, enforceable workers' rights provisions that require parties' labour laws to meet international standards, and the effective enforcement of these laws.

178. Following the criticism by Human Rights Watch, the UAE government announced changes to the regulations governing foreign workers. According to press reports, an amendment to the labour law is awaiting cabinet approval and would pave the way for the establishment of a labour union. New regulations would require companies to pay workers through cash dispensing machines, giving the authorities a quick audit of companies that are delaying payments. Compulsory health insurance is also due to come into effect by the end of 2006.²²³

179. Another issue of international concern is the use of small children as camel jockeys. The FCO's annual human rights report commented on this issue:

There have been significant improvements during the reporting period in the UAE. The ministry of interior has replaced the camel racing federation as the organisation responsible for regulating the sport. Publicity campaigns by Anti-Slavery International and the American TV channel AHBO's Real Sports programme, highlighting the practice of small children being used as camel jockeys, have played a major part in persuading the federal authorities to take such a firm stance on this issue. A prominent advertising campaign by the ministry of interior in February 2005 announced regulations, issued by presidential decree, prohibiting the use of boys under the age of 16 and less than 45 kilograms as camel jockeys. First-time offenders face fines of approximately £3,000. A second offence carries a one-year ban from camel racing and subsequent offences may incur prison sentences. Measures introduced by the ministry of interior to enforce the ban include stringent immigration checks, a requirement that all children entering the UAE must have their own passport, and DNA testing at race meetings of jockeys suspected of breaching the rules. These measures were introduced at the close of the racing season. We await the start of the new season and will seek to ensure that the regulations are being rigorously enforced.²²⁴

180. Limited press freedom is also problematic. During our visit, we were told that there is considerable self censorship by the press and that some subjects are strongly off bounds. The FCO's human rights report also comments on this:

In UAE, the government exercises some restriction in practice and journalists self-censor. UAE law prohibits, under penalty of imprisonment, criticism of the government, ruling families, and friendly governments, as well as other statements that threaten social stability. There has been increased coverage by the print media of some contentious local issues such as poor performance of ministries and labour disputes. The presence of respected international media operators such as the BBC,

223 "UAE pledges to improve plight of migrant workers", *Financial Times*, 31 March 2006

224 Foreign & Commonwealth Office, *Human Rights Annual Report 2005*, Cm 6606, July 2005, pp 233–234

Reuters and CNN at Dubai Media City has led to greater openness in the media, though there remains room for further improvement.²²⁵

181. In recent years, the UAE has made some progress on women's rights. In January 1999, the wife of former ruler Sheikh Zayid said that women would be given a role in the country's political life. Sheikh Zayid subsequently appointed a woman as Under-Secretary of the Ministry of Labour and Social Affairs—the first woman to hold a high-ranking post. Shortly before his death, Sheikh Zayid appointed the first female minister, Sheikha Lubna al Qassimi, to head a combined economy and planning ministry. In 2003, Sharjah appointed five women to its 40-seat consultative council and increased the number to seven in 2004. However, no women have been appointed to the Federal National Council. In 2004, the Ministry of Foreign Affairs increased the number of women in the diplomatic corps to 40, equal to 17% of the service.

182. We conclude that there remain areas of human rights concern in the UAE, notably the treatment of foreign workers. We recommend that the Government work to encourage the UAE to sign up to the remaining ILO rules and improve the status of foreign workers. We further conclude that there have been serious efforts to improve the situation of child jockeys, nevertheless, we recommend that the Government remain seized of this issue and remind the UAE of the need to protect children.

225 Ibid, July 2005, p 224

5 Israel–Palestine

Developments in 2005–06

183. Since the Committee's last Report in this inquiry, events in the Israel–Palestine conflict have continued to move with great speed and sometimes in unexpected directions. However, progress towards peace has been slow and in recent months the prospects for success have receded. In this section of our Report, we chronicle developments since our predecessors last reported on the situation; we evaluate some of the more recent events; and we seek to draw conclusions about how British and international action might yet contribute towards putting the peace process back on course.

184. In previous Reports in this series, the Committee identified the continuing failure to achieve a peace settlement acceptable to both Israel and the Palestinians as a contributory factor in the spread of militancy among sections of Muslim society worldwide. For this reason, we deal with the Israel-Palestine question in the context of a Report on Foreign Policy Aspects of the War against Terrorism.

Political developments in the Palestinian Territories

185. When members of the Committee visited the Palestinian territories just weeks before the January 2006 elections to the legislative assembly, we naturally asked about the likely outcome of those elections. Most of those to whom we spoke suggested that Hamas would win between one fifth and one third of the vote. In the event, in the party list election for half of the 132 seats, Hamas gained 44.45% of the vote, against 41.43% for Fatah, giving them 30 seats to Fatah's 27. In the first-past-the-post constituency elections for the other 66 seats, Hamas candidates won 45 seats and Fatah 17. Thus, in total, Hamas gained 74 seats and Fatah 45.²²⁶

186. Although Hamas won the elections to the Palestinian legislature, and thus fills the ministerial posts in the Palestinian Authority, much of the executive power remains in the hands of the directly elected President, Mahmoud Abbas. President Abbas is a member of Fatah and remains committed to the peace process. He also exercises control over a significant proportion of the Palestinian security forces. Members of the Quartet (the UN, the EU, the USA and Russia) have continued to deal with him since the elections. More recently, Israel has resumed high-level contact with President Abbas, with an initial meeting between him and Vice-Prime Minister Shimon Peres and Foreign Minister Tzipi Livni in Egypt on 21 May. In early June, Prime Minister Ehud Olmert said that he was ready to meet President Abbas to discuss the stalled peace process.²²⁷ Reflecting the tensions between the positions of the President and Hamas-led authority, at the end of May 2006, President Abbas proposed an 18-point peace plan, based on positions agreed by Fatah and Hamas prisoners in Israeli jails, that implicitly recognises Israel and supports the establishment of a Palestinian state in territory occupied by Israel in 1967. President Abbas

226 For the full results, see www.elections.ps and www.fairvote.org/media/pep/Palestine.pdf

227 "Israel's PM seeks Abbas meeting", *BBC News Online*, 4 June 2006, news.bbc.co.uk

has called on Hamas to support the plan, saying that if it fails to do so, he will put the plan to a national referendum.²²⁸

187. We conclude that the recognition given to the state of Israel in President Abbas's proposed 18-point peace plan is welcome but that the recognition should be explicit rather than implicit. We recommend that the FCO state whether or not it favours the holding of a national referendum in the Palestinian territories on President Abbas's 18-point peace plan.

188. Hamas is regarded as a terrorist organisation because of its past attacks on Israeli civilians. The military wing of Hamas is among the organisations proscribed in the United Kingdom and the British Government has no dealings with it.²²⁹ However, Hamas does not operate globally and is not believed to be linked to al Qaeda. Professor Paul Wilkinson told us: "Hamas ... are well aware that if they were seen to be getting into bed with al Qaeda and being seen as part of that network, they would lose an enormous amount of potential leverage in terms of the road to peace, so it would be very unwise for them to do that. They have a totally different agenda."²³⁰ Nomi Bar-Yaacov, an independent analyst and the former Research Fellow for Conflict Management and Head of the Middle East Conflict Management Programme at the International Institute for Strategic Studies agreed with this assessment.²³¹

189. Hamas and some other Palestinian armed groups regard the state of Israel as an illegal entity, in occupation of land which is by rights their homeland. Over time, some groups, including the Palestine Liberation Organisation under the late Yasser Arafat, have moved to a position of recognising the right of the state of Israel to exist within secure borders alongside a Palestinian state. Other groups, such as Hamas and Islamic Jihad, refuse to accept the existence of the state of Israel at all. It is this rejectionist stance, together with a refusal to commit to entirely peaceful means or to engage in the peace process, which make it impossible for most democratic states and international institutions to deal with such groups.

190. On 15 March 2006, the Prime Minister set out the United Kingdom's policy towards Hamas:

One thing should be made very clear again: we totally respect the mandate that Hamas secured in the elections. We supported those democratic elections, we support them still. But if it wants our help—both financially and politically—to make progress, it has to be on an understood basis, which means giving up violence, negotiating peacefully and accepting the existence of Israel.²³²

On the same day, the then Foreign Secretary, Jack Straw, told us:

228 "Palestinian stand-off over Abbas ultimatum", *Financial Times*, 6 June 2006

229 For the complete list, see: security.homeoffice.gov.uk/counter-terrorism-strategy/legislation/tact/proscribed-groups

230 Q 17

231 Q 24

232 HC Deb, 15 March 2006, cols 1448–1449

[T]he more Hamas show themselves willing and able to do what the Quartet has asked, which is to respect existing international agreements and to agree on the non-violent path, the more pressure we can put on the Israelis; the reverse is also true.²³³

On 12 June 2006, the Prime Minister responded to a question whether he advocated talks with Hamas by saying: “You can only negotiate with people who accept your existence and stop violence. A negotiated settlement is easily, manifestly the best thing.”²³⁴

191. We accept that no responsible government can deal directly with groups that engage in acts of terror and that Hamas has been and appears still to be such a group. However, we are also mindful of the way in which progress was eventually made after many years of abortive efforts in Northern Ireland, where mechanisms for dialogue were established, and bore fruit in the 1998 Belfast Agreement. It is possible that such a process might be developed based on informal contact and channels of communication with those who now exercise authority in the Palestinian territories, but at present the prospects for a process leading to a negotiated agreement look bleak.

192. We conclude that the Government is correct to refuse to deal directly with Hamas. We recommend that, until Hamas accepts the existence of Israel and commits itself to both to a two-state solution and exclusively peaceful means of achieving its goals, the Government should continue to refuse to deal with it directly. However, we further recommend that the Government continue to work with President Abbas, work with international organisations and non-governmental organisations in order to assist the Palestinian people, and seek out, where feasible, ‘back channels’ in order to facilitate movement towards negotiations between the Palestinians and Israelis.

Aid to the Palestinians

193. Around one quarter of Palestinian households are directly dependent on a public sector wage-earner and many traders and businesses are indirectly dependent on this income. Thus, Israel’s decision to cut off customs revenues due to the Palestinian Authority and the move by international donors to freeze much of their aid following Hamas’ election victory created an economic crisis in the Palestinian territories.²³⁵ Many public sector employees, including those in the security forces, were unpaid for weeks or even months, fuelling resentment and contributing to tension. It is perhaps ironic that generous financial aid was given to the Fatah administration, which was widely perceived as corrupt, but that aid has been withheld—for entirely understandable reasons—from Hamas, which has a good reputation for financial propriety.

194. The Government was reluctant to suspend its aid programme. In March 2006, Jack Straw told us: “[W]e do not want to be in a position where aid is suspended to the Palestinian Authority. We talk about this continuously inside the European Union and with the Americans and we want to do everything we can to avoid that.”²³⁶ However, the

233 Q 191

234 “Israel puts border plan to Blair”, *BBC News Online*, 12 June 2006, news.bbc.co.uk

235 United Nations, *Assessment of the future humanitarian risks in the occupied Palestinian territory*, 11 April 2006, available at: www.humanitarianinfo.org/opt

236 Q 197

United Kingdom was among those countries that supported the Quartet's January 2006 decision that the continued provision of direct aid to the Palestinian Authority would require it to demonstrate a "commitment to the principles of nonviolence, recognition of Israel, and acceptance of previous agreements and obligations, including the Roadmap."²³⁷

195. Since the formation of the Hamas-led administration, Russia is the only member of the Quartet to continue to provide direct aid to the Palestinian Authority. Declarations by Iran and some Arab countries that they would make good the shortfall have amounted to little, partly because Palestinian banks are wary of their potential legal liability under US anti-terror legislation if they process such funds.²³⁸ Hamas is alleged to be among those groups that have close links with countries hostile to the peace process, notably Iran.²³⁹ In May 2006, a senior Hamas official was intercepted by Palestinian police backed by EU monitors at the Rafah crossing from Egypt, attempting to smuggle €639,000 in cash, apparently donated by Arab supporters of Hamas in Qatar.²⁴⁰

196. Principals of the Quartet met in New York in May to discuss how to maintain their engagement in view of Hamas' victory. In a statement issued after the talks, they announced their "willingness to endorse a temporary international mechanism that is limited in scope and duration, operates with full transparency and accountability, and ensures direct delivery of assistance to the Palestinian people."²⁴¹ On 13 June 2006, we asked Foreign Secretary Margaret Beckett about the progress that has been made on setting up the temporary mechanism. She told us:

[W]ork is proceeding with urgency to try to develop this temporary international mechanism... [T]here is a clear agreement that there should be a relatively small number of areas where we seek to put funding. We in the UK are inclined to the view that it would be best to concentrate on support for health care. Some other Member States do not want to restrict it just to health care. That discussion is ongoing. Also, of course, should such a mechanism be successfully set up there is then the issue of whether or not other players would contribute through it... There is anxiety to get this up and running as soon as possible in order to try to stave off the development of substantial humanitarian problems... I do not recall getting a deadline... but they are moving as fast as they can.²⁴²

On 19 June 2006, the EU External Relations Commissioner, Benita Ferrero-Waldner, announced that emergency aid payments were likely to be released to Palestinians from the beginning of July. Under an agreement reached by the Quartet, the EU will give 100 million euros to provide support for local health services, guarantee fuel supplies and

237 Quartet Statement, London, 30 January 2006, available at: ue.eu.int/ueDocs

238 World Bank, *The Impending Palestinian Fiscal Crisis, Potential Remedies*, 7 May 2006, available at: domino.un.org

239 Ev 181–184

240 "Hamas official caught smuggling cash into Gaza Strip", *Financial Times*, 19 May 2006

241 Quartet Statement, 9 May 2006, available at: domino.un.org

242 Evidence from Foreign Secretary Margaret Beckett to the Inquiry into Developments in the European Union, to be published as HC 768–iv

provide for the basic needs of poor Palestinians. This money will bypass the Hamas-led government.²⁴³

197. We conclude that the Government was right to refuse to channel its aid through a Palestinian administration led by Hamas, and we endorse the Government's support for the policy set out by the Quartet in the London statement of 30 January. However, it is important that the Palestinian people are not punished for exercising their rights as voters and we support the subsequent decision to create a mechanism for channelling aid directly to those who most need it. We recommend that the Government act with all speed to ensure that this mechanism is fully implemented and that it has the desired effect of averting an economic and humanitarian disaster in the Palestinian territories. We further recommend that the Government, in its response to this Report, set out what steps it is taken to avert an economic and humanitarian crisis in the Palestinian Territories.

The Jericho incident

198. In 2002, as part of the Ramallah Agreement which ended the Israeli siege of President Arafat's headquarters in the West Bank, the United Kingdom and the USA agreed to provide a number of unarmed officials to monitor the detention of six Palestinian prisoners, including four convicted of involvement in the murder of an Israeli government minister.²⁴⁴ The prisoners were detained by the Palestinian Authority and held in a prison in Jericho. Palestinian security forces were responsible for the safety of all those involved.

199. As the then Foreign Secretary told the House on 14 March 2006, over a period of a year the Government had become increasingly concerned about the level of security at the prison and the danger that this exposed the monitors to.²⁴⁵ After a series of representations to the highest levels of the Palestinian Authority failed to improve the situation, the British and US governments decided to withdraw their monitors, for their own safety. In compliance with the terms of the Ramallah Agreement, the governments simultaneously informed both the Palestinian and the Israeli authorities that this was happening. Immediately after the withdrawal, Israeli forces seized the prisoners and removed them for trial in Israel.

200. When we questioned the then Foreign Secretary about this incident, he was robust in defending his actions and in apportioning responsibility:

[M]y principal concern was the security of the monitors, but the responsibility for their security rested with the Palestinian Authority, and they knew that. They failed to meet the conditions of the Ramallah Agreement and they placed the monitors in circumstances where their security was being compromised. What has happened is tragic, but I am afraid to say the responsibility has to rest with the Palestinian Authority and with the prisoners themselves, who pushed their luck in terms of wilfully breaking the terms of the Ramallah Agreement. They knew, everybody knew,

243 "EU set to release Palestinian aid", *BBC News Online*, 19 June 2006, news.bbc.co.uk

244 HC Deb, 29 April 2002, col 668

245 HC Deb, 14 March 2006, col 1295

that this arrangement with the prisoners being held in a Jericho prison under international supervision was an alternative to only one thing, namely incarceration in an Israeli jail, and I think they made the wrong choices.²⁴⁶

Notwithstanding the former Foreign Secretary's comments, the fact remains that the Jericho incident and the subsequent unrest in the West Bank and Gaza, during which a British Council library was destroyed by a mob, underline the mistrust of the United Kingdom felt among sections of Palestinian society. This is despite the fact that the United Kingdom is the second highest donor to the Palestinian people and organised the London Meeting to encourage and coordinate assistance to the Palestinian Authority.

Political developments in Israel

201. The dramatic developments of the Palestinian elections overshadowed an equally unforeseen change in Israeli politics, with the incapacitation of Prime Minister Ariel Sharon and the emergence of Ehud Olmert as the new leader of the newly-established Kadima party and, following the elections to the Knesset, as Prime Minister of Israel. Mr Olmert has continued the policies of his predecessor and has announced that, although he is willing to negotiate with a Palestinian administration that recognises Israel's right to exist, he will if necessary implement a solution of his own devising. From his policy speeches, it seems likely that Mr Olmert's vision is for the withdrawal of Israeli settlers from outposts and from outlying settlements in the West Bank, the incorporation of other settlements into Israel behind the separation barrier, the incorporation of the whole of Jerusalem and continued Israeli military control beyond the barrier.²⁴⁷

202. When we visited Israel and the West Bank in November 2005, we saw how in the two years since the Committee's previous visit the barrier had been extended around and even through Jerusalem. A vast programme of building in the area to the East of Jerusalem called Ma'ale Adumim and the adjacent 'E1' zone was creating new facts on the ground, and the Palestinian population's freedom of movement was increasingly restricted, with consequential damage to the economy. The 'trisection' of the West Bank into North, Central and South zones and the isolation of some towns has caused a significant increase in journey times for Palestinians within the West Bank, in some cases by a factor of three.²⁴⁸

Continued violence

203. In mid-June, Hamas resumed rocket fire against Israeli targets for the first time in nearly 18 months. This was in response to an alleged Israeli naval strike on 9 June, in which seven Palestinians were killed on a Gaza beach. Hamas, along with most other Palestinian groupings, had been observing a ceasefire for some time, but other groups such as Islamic Jihad had refused to abandon what they see as their struggle for liberation. Suicide bombings, rocket attacks (many of them launched from the Gaza Strip) and other acts of violence against both the Israeli Defence Forces and Israeli civilians have continued

246 Q 187

247 "Israel 'has to withdraw further'", *BBC News Online*, 24 January 2006, news.bbc.co.uk; and "What Does Olmert Want?", *The New York Review of Books*, June 2006

248 "West Bank closure count and analysis", United Nations Office for the Coordination of Humanitarian Affairs (OCHA), January 2006, available at: www.humanitarianinfo.org/opt

unabated. A suicide bombing in Tel Aviv on 17 April 2006 killed ten; it was swiftly condemned by President Abbas, but the leadership of Hamas referred to the outrage as a “legitimate act of self-defence” and refused to denounce it.²⁴⁹ The Minister for the Middle East, Kim Howells, rightly described this behaviour as “unacceptable and reprehensible.”²⁵⁰

204. In retaliation, Israel has shelled areas of the Gaza Strip from which rockets are believed to have been fired. It has also carried out ‘targeted’ assassinations, and has continued to mount military operations in the West Bank, in the course of which many Palestinians have died.²⁵¹ Palestinians are also subject to violence from extremist groups of Israeli settlers.²⁵² Palestinians have also been the victims of violence between different Palestinian factions. In May 2006, fighting broke out between Palestinian security forces under the authority of President Abbas and militias loyal to Hamas. On 22 May, the victims included a Jordanian official accredited to Jordan’s diplomatic mission in Gaza. The FCO has rightly condemned this violence.²⁵³

205. As we have noted already, Israel has continued with construction of the security barrier, which it sees as the most effective means of defence against violent attack by Palestinians.²⁵⁴ In previous Reports we have made clear our concerns about the security barrier.²⁵⁵ We accept, as does the Government, that Israel has a sovereign right to erect such a barrier along its internationally recognised border if it wishes, but it does not have a right to construct it on Palestinian land; at present, 80% of the barrier lies on Palestinian land.²⁵⁶ The route and form of the barrier, as well as the extensive system of checkpoints throughout the Palestinian territories, severely disrupt the daily life of thousands of Palestinians and impair the viability of a Palestinian state.

206. We reiterate the Committee’s previous conclusions on the illegality of the current route of the separation barrier and underline our concerns about the impact it is having on the lives of ordinary Palestinians. We recommend that the Government continue to make the strongest representations to the Israeli authorities to align the route of the barrier with the 1967 border and that it raise the question of the present alignment of the barrier in international fora such as the new United Nations Council on Human Rights.

The withdrawal from Gaza

207. The most dramatic development in 2005 was Israel’s unilateral withdrawal from the 141 square miles of the Gaza Strip and the return of the whole of that territory to Palestinian administration in August. This move, which was bitterly opposed by some

249 “United States Deplores Hamas’ Defense of Tel Aviv Terror Attack”, US State Department, 17 April 2006

250 HC Deb, 3 May 2006, col 512–513WH

251 Letter to the UN General Assembly from the Permanent Observer of Palestine, dated 5 April 2006

252 “Protection of Civilians”, weekly briefing notes by UN OCHA, available at: domino.un.org

253 “Howells’ reaction to unrest in Gaza”, FCO News Release, 23 May 2006

254 Q 36

255 Foreign Affairs Committee, Second Report of Session 2003–04, *Foreign Policy Aspects of the War against Terrorism*, HC 81, para 157; HC (2003–04) 441–I, para 396; and HC (2004–05) 36–I, para 316

256 HC Deb, 9 May 2006, col 192W

Israelis, marked a significant change in direction by Prime Minister Sharon and led to the break-up of his Likud party. In November 2005, US Secretary of State Condoleezza Rice brokered a deal under which Israel, the Palestinian Authority and the Quartet agreed to work together to put in place a series of measures intended to ensure that the people of Gaza could prosper, while addressing the legitimate security concerns of Israelis. The *Agreement on Movement and Access* (AMA) and the associated *Agreed Principles for Rafah Crossing* were described by Dr Rice thus:

First, for the first time since 1967, Palestinians will gain control over entry and exit from their territory. This will be through an international crossing at Rafah, whose target opening date is November 25th.

Second, Israel and the Palestinians will upgrade and expand other crossings for people and cargo between Israel, Gaza and the West Bank. This is especially important now because Israel has committed itself to allow the urgent export of this season's agricultural produce from Gaza.

Third, Palestinians will be able to move between Gaza and the West Bank; specifically, bus convoys are to begin about a month from now and truck convoys are to start a month after that.

Fourth, the parties will reduce obstacles to movement within the West Bank. It has been agreed that by the end of the year the United States and Israel will complete work to lift these obstacles and develop a plan to reduce them.

Fifth, construction of a Palestinian seaport can begin. The Rafah model will provide a basis for planned operations.

Sixth, the parties agree on the importance of the airport. Israel recognizes that the Palestinian Authority will want to resume construction on the airport. I am encouraging Israel to consider allowing construction to resume as this agreement is successfully implemented—construction that could, for instance, be limited to non-aviation elements.²⁵⁷

This agreement promised much. More than eight months on, what has been delivered?

257 See www.state.gov/secretary/rm/2005/56890.htm

The Gaza Strip After Israeli Disengagement - 2005



Source: PASSIA – Palestinian Academic Society for the Study of International Affairs

208. With the assistance of EU monitors, the Rafah crossing opened for foot passengers only on 25 November 2005. Members of this Committee visited it a few days later and found an efficiently-run, busy border crossing, with Palestinian staff working under the close watch of Italian Carabinieri and other European police officers, including some from Denmark and Romania, the whole operation being monitored remotely by Israeli cameras. Although the crossing has since been the scene of violence and from time to time has been closed—for example, when Fatah gunmen barred access to it in January 2006²⁵⁸—it is generally regarded as a success.

209. The agreement also made provisions for crossings for the movement of people and goods between Gaza and Israel. When some of us visited in November 2005 we saw two of these crossings in action. At the Erez crossing, which is the main point of access for travellers, we spent three hours waiting to get through owing to the ‘loss’ of our entry permission by the Israeli authorities. Once in Gaza, we visited the Palestinian side of the ‘back-to-back’ freight crossing at Karni. There, we saw how trucks unload their cargo on one side of a high concrete wall. The goods are then transferred to a concrete pen and scanned, pallet by pallet or even item by item. The steel doors on one side of the pen are closed, those on the other side are opened and the goods are loaded onto another truck for the next stage of the journey. This process, which is in place primarily to protect Israel from arms or explosives that could otherwise be smuggled with the cargoes, may take several hours. Frequently, the crossing is closed for hours or even days at a time. For example, in 2005 the crossing was closed on 18 percent of days. From 1 January to 26 April 2006, the crossing was closed for 47 percent of days and even when it was open for goods crossing from Israel into Gaza, exports from Gaza to Israel and beyond were severely limited.²⁵⁹

210. According to a report by the United Nations Office for Coordination of Humanitarian Affairs (OCHA) in April 2006:

Between 1 January and 20 April, more than 8,400 tonnes of produce had been harvested in the [Gaza] greenhouses. Of this, only 1,500 tonnes has been exported. The remainder has been distributed to PEDC’s [Palestine Economic Development Council] 4,100 employees, donated to local hospitals and societies or else been destroyed. ‘Dumping’ produce on the local market has not been a serious option for fear of further deflating prices for other producers. Total losses incurred by the PEDC now exceed US\$ 8.5 million.²⁶⁰

This is clearly at variance from both the spirit and the letter of the AMA, which states that:

[B]y December 31 [2005] ... the number of export trucks per day to be processed through Karni will reach 150, and 400 by end-2006. ... In addition to the number of trucks above, Israel will permit export of agricultural produce from Gaza and will

258 “Gaza chaos escalates as Egypt border blocked”, *Agence France-Presse*, 4 January 2006

259 “Gaza Strip Situation Report 26 Apr 2006”, UN Office for Coordination of Humanitarian Affairs

260 *Ibid*

facilitate its speedy exit and onward movement so that quality and freshness can be maintained. Israel will ensure the continued opportunity to export.²⁶¹

211. Israeli concerns about the possibility of weapons or explosives being smuggled from Gaza were underlined when on 26 April 2006 Palestinian police reportedly intercepted a truck carrying explosives heading for Karni; the crossing was closed for four days as a result of this.²⁶² However, those of us who visited Karni in 2005 were told that most closures are unrelated to incidents in the vicinity and that the crossing is frequently shut in response to violence in the West Bank, or for no reason at all.

212. The third element of the AMA referred to by Dr Rice was the institution of vehicle convoys between Gaza and the West Bank. With Israel increasingly inclined to isolate its economy from that of the Palestinians, trade and movement between the two Palestinian territories is essential to their economic survival.²⁶³ Under the AMA, bus convoys should have begun by mid-December 2005, and truck convoys by mid-January 2006. This did not happen. When we raised this issue during our visit to the region, we were told that Israel was insisting that the convoys run in a tunnel or deep ditch. This would obviously involve a huge construction project and would take considerable time. Israel pulled out of discussions on implementation of this aspect of the Agreement on 15 December, following a suicide bombing attack in the coastal town of Natanya. As of June 2006, there had been no convoys, although limited vehicle movements have been permitted by the Israelis. Minister of State for Europe Geoff Hoon wrote to us about this issue.

Secure and reliable links between Gaza and the West Bank are crucial for the success of the Palestinian economy. Dr Howells has taken a close interest in this. Sir John Stanley is right that there is a strong case for constructing a road link between Gaza and the West Bank. The European Commission, USAID and the World Bank are scoping the prospects for doing this, along with the various alternatives, such as a rail link and/or tunnel. A safe and permanent connection between Gaza and the West Bank will make a lasting impact on the prospects for a viable Palestinian state. We are concerned that the United Nations Office for the Co-ordination of Humanitarian Affairs has reported an increase in the number of obstacles to movement in the West Bank and that the deadlines for the introduction of bus convoys by 15 December 2005 and truck convoys by 15 January 2006 were missed.

We continue to urge Israel and President Abbas, bilaterally and through the Quartet, to work on the Gaza–West Bank link and other issues as set out in the 15 November Movement and Access Agreement relating to the Gaza Strip. This includes Gaza/Israel crossing points; freedom of movement in the West Bank; and the construction of an airport and seaport in Gaza.²⁶⁴

213. We conclude that satisfactory road and rail links between Gaza and the West Bank are essential for the creation of a viable Palestinian state. We recommend that the

261 "Agreement on Movement and Access", 15 November 2005, available at: usinfo.state.gov/mena

262 "Gaza Strip Situation Report 3 May 2006", UN Office for Coordination of Humanitarian Affairs

263 Q 30

264 Evidence received in the Inquiry into Developments in the European Union, to be published as HC 768

Government intensify the international efforts being made to achieve progress with these projects and provide the Committee with a full statement of the latest position in its response to this Report.

214. Obstacles to movement within the West Bank remain in place. As those of us who visited the region saw for ourselves, these obstacles include fences, road blocks and earth or rubble mounds. According to the Twelfth Report on the Implementation of the Agreement on Movement and Access, compiled by OCHA in May 2006, the number of obstacles in the West Bank has actually increased since the Agreement: to over 500, from under 400 in November 2005.²⁶⁵

215. There has been no progress on construction of a new seaport for Gaza, or on reconstruction of the airport, which has been closed since 2000. All goods and people wishing to enter or exit Gaza continue to have to pass through an Israeli-controlled crossing, or the Rafah crossing to Egypt.

216. It is clear that the goals of the AMA have not yet been achieved and are unlikely to be achieved for some time to come. Further international engagement, particularly by the USA, will be required if progress is to be made on any of the elements of the Agreement.

International engagement

217. The AMA represented the high point of efforts to move Israel and the Palestinians closer towards peace over the past year. The Agreement was the result of a renewed engagement by the US administration, working closely with the Quartet and its Special Envoy, James Wolfensohn. In previous Reports in this series, the Committee identified US engagement as being among the most critical requirements for progress on the Middle East peace process. In 2004, we called on the Government to “do its utmost to promote greater US engagement in the Israeli–Palestinian conflict”²⁶⁶ and “to seek to convince the US of the importance of sending a high-level emissary to the region.”²⁶⁷ The visits paid to the region by Dr Rice, the appointment of James Wolfensohn as the Quartet’s Special Envoy and the appointment of General William Ward (later replaced by General Keith Dayton) as US Security Coordinator (USSC) were all positive signs of a renewed US interest and determination.

218. Therefore, it is particularly unfortunate that the election of a new Palestinian Assembly dominated by Hamas has caused difficulties for the USA and the rest of the international community in its dealings with the Palestinian Authority. In announcing his decision to resign as the Quartet’s Special Envoy, James Wolfensohn cited the election of a Hamas administration as the main reason he could no longer play a useful role.²⁶⁸ Mr Wolfensohn has not been replaced. The central dilemma for the USA and other countries seeking to play a role in the peace process following the Palestinian elections was succinctly

265 First and Twelfth Reports on the Implementation of the Agreement on Access and Movement, available at: domino.un.org/unispal.nsf

266 HC (2003–04) 81, para 181

267 HC (2003–04) 441, para 399

268 Remarks After Meeting With Special Envoy for Gaza Disengagement James Wolfensohn, 1 May 2006, www.state.gov

described by General Dayton in his March 2006 evidence to the Senate Foreign Relations Committee:

The future is obviously an open question. But a few things are not. First and foremost is ... strict adherence to the US policy of no contact with and no support of any kind for Hamas. Second is the recognition that Palestinian security sector reform and performance is an important element for progress in accordance with the Roadmap, and is essential for a viable two state solution. And third, it remains in America's national interests to stay engaged in the Palestinian–Israeli situation, a fact that has been made even more critical by the Hamas victory. The question, I think, is how.²⁶⁹

General Dayton concluded his remarks as follows:

I want to emphasize one final point. Let's remember why the United States, through the agent of the USSC, is so visibly involved in the region. It is not altruism, and it is not because we have nothing else to do. We are here because it remains profoundly in the US national security interest for us to be involved in the search for peace and progress towards the two-state vision. The Hamas victory has not changed that.²⁷⁰

The future of the Road Map

219. At the time of preparing this Report (June 2006), the prospects for the Road Map—the Quartet's phased plan for a two-state solution—do not look good.²⁷¹ There is no expectation that Hamas will recognise Israel, and thus little prospect of a resumption of negotiations between the Israelis and the Palestinians. Without negotiations based on the Road Map, Israel is likely to seek to impose its own solution. Prime Minister Olmert and his government appear determined to proceed with enclosure of the majority of Israeli settlers behind the separation barrier and with the annexation of the land on which their homes are built, and East Jerusalem. The suicide bombers and terrorist groups show no sign of ceasing their deadly campaigns, and while such indiscriminate attacks continue the Israelis will retaliate and target those whom they believe to be responsible. The effects of this retaliation can often be indiscriminate, killing innocent people and reinforcing the cycle of violence. For as long as this state of affairs prevails, ordinary people on both sides will continue to suffer.

220. Speaking about the seemingly unstoppable construction of new Israeli settlements, the building of the separation barrier and the way this is changing the facts on the ground, Jack Straw said “What do we do? We keep up the pressure and keep talking to international partners, particularly the Americans, as I have done pretty continuously, and to the Israelis.”²⁷² He might have said much the same in respect of the Palestinians. We asked

269 Statement by United States Security Coordinator Lieutenant General Keith W. Dayton before the Senate Foreign Relations Committee, March 15, 2006, available at: www.senate.gov

270 Ibid

271 For a summary of the process that led to the Road Map proposals and the role of the Quartet, see HC (2003–04) 81 and HC (2003–04) 441–I

272 Q 136

Foreign Secretary Margaret Beckett what the Government is doing to impress upon the Israeli government the need for a negotiated settlement. She told us:

We have made it extremely clear to the Israeli Government, and the Prime Minister did to the Israeli Prime Minister yesterday, that we are looking for negotiations and for a negotiated settlement and that we would view any unilateral action by the Israeli Government as—I was going to say very much second best, but we would be reluctant to see such unilateral action because we believe that negotiation is the right way forward.²⁷³

Asked whether this position was too weak, the Foreign Secretary replied

I certainly do not intend the view of the British Government to sound weak... [A]lthough there were strong reservations about moves that were made unilaterally on Gaza there was nevertheless a rather grudging recognition in the end that some of these were moves in the right direction although there was obviously much preference for there to be negotiation... We have made and will continue to make it extremely clear that there has to be a serious attempt to return to the process of negotiation and that that in the long term is the only sound basis for a way forward.²⁷⁴

221. In our view, the USA remains the key to achieving peace in the Middle East; in the absence of a willingness by either of the directly-involved parties to make concessions or even to talk, only the intervention of the USA can facilitate progress. This was true before and it is even more true now.

222. We conclude that there is little prospect of the Israelis and Palestinians reaching any agreement on the way forward without substantial commitment and engagement by the Quartet, by regional players and above all by the USA. We recommend that the Government do everything possible both bilaterally and through international mechanisms to encourage both parties to implement their Road Map obligations.

273 Evidence from Foreign Secretary Margaret Beckett to the Inquiry into Developments in the European Union, to be published as HC 768–iv

274 Evidence from Foreign Secretary Margaret Beckett to the Inquiry into Developments in the European Union, to be published as HC 768–iv

6 Iraq

Security situation

Further deterioration

223. In previous Reports in the inquiry our predecessor Committee outlined the deterioration in the security situation in Iraq.²⁷⁵ The Reports also described the various types of violence in Iraq, ranging from ‘high-profile’ insurgent attacks aimed at the Iraqi security forces as well as individuals connected with the political process to the “tide of rampant criminality” that has emerged in the security vacuum and has affected all sectors of Iraqi society.²⁷⁶ Regrettably, the security situation has deteriorated still further since the last Report. Against a backdrop of continuing and already brutal violence, an attack on the al-Askari shrine in Samarra on 22 February 2006 prompted widespread protests and unleashed a wave of sectarian conflict.²⁷⁷ The shrine is one of the holiest sites in Shia Islam and the attack was almost certainly intended to exacerbate sectarian tension. There has also been renewed concern over the role of foreign forces with reports of the alleged massacre of 24 Iraqi civilians in the town of Haditha by US marines in November 2005.²⁷⁸

224. The upsurge in violence has prompted concern that the country is slipping into civil conflict, despite calls for restraint by religious and political leaders. In an indication of the size of the problem, on 10 May 2006 Iraqi President Jalal Talabani said more than 1,000 people were killed in April 2006 in Baghdad as a result of sectarian violence.²⁷⁹ Following the Samarra bombing, hundreds of Iraqis fled their homes.²⁸⁰ A Red Crescent Society report on the refugee problem in Iraq concluded that more than 100,000 people fled their homes in the two months following the Samarra attack.²⁸¹ According to the report, this number is increasing and could soon reach 180,000; the refugees include both Sunnis and Shias.

225. On 5 March 2006, General Peter Pace, Chairman of the US joint chiefs of staff, said that Iraq was not on the verge of civil war, but added that Iraqis had “walked up to the abyss” with the escalation in violence. This followed comments by US Commander in Iraq General George Casey, who we met during our visit to Iraq in January 2006, who refused to rule out the possibility of civil war, saying that “anything is possible”.²⁸² Meanwhile, former Iraqi Prime Minister Iyad Allawi has gone on the record saying that civil war has already broken out, although this view has been challenged by Iraqi as well as US and British politicians.²⁸³

275 HC (2004–05) 36-I, paras 99–103

276 HC (2004–05) 36-I, paras 100–103

277 “Iraqi blast damages Shia shrine”, *BBC News Online*, 22 February 2006, news.bbc.co.uk

278 “Bush ‘troubled’ by Haditha report”, *BBC News Online*, 31 May 2006, news.bbc.co.uk

279 “Iraq killings top 1,000 in April”, *BBC News Online*, 10 May 2006, news.bbc.co.uk

280 “Iraq edging towards precipice”, *BBC News Online*, 8 March 2006, news.bbc.co.uk

281 “Shia shrine attack blamed for refugee exodus”, *Financial Times*, 4 May 2006

282 “Violence took nation close ‘to abyss’ of civil war”, *Financial Times*, 6 March 2006

283 “Iraqi leaders establish new council in effort to build unity”, *Financial Times*, 20 March 2006

226. Our witnesses were all deeply concerned about the security situation. Zaki Chehab, Political Editor of the Arab daily newspaper al Hayat, told us that although the Samarra bombing was clearly important, “the sectarian killing started in Iraq straight after the fall of the regime.”²⁸⁴ Asked whether Iraq is already in a state of civil war, Yahia Said, Research Fellow of the Centre for the Study of Global Governance at the London School of Economics, told us:

[T]he answer depends on how one defines civil war. If civil war is defined in terms of loss of security, in terms of the fact that there is a myriad of arms factions, militias, armed groups, and that the threat to Iraqi civilian lives and property can come from any of these groups—and in a way the groups are becoming increasingly difficult to distinguish from one another: for example, terrorists dressed as policemen; Shi’a militias working through the police units; Sunni insurgents dressed as military units—a situation like that could be defined as civil war, as a breakdown of the state’s monopoly on legitimate violence and pervasive and systemic violence. However, if one looks at civil war and thinks “Bosnia: a sort of all-out sectarian war” then Iraq is not there yet. However, Iraq is getting very close to that moment because, increasingly, not only are political elites, who have started to define themselves in ethnic terms, confronting each other, but also society is beginning to get polarised along ethnic and sectarian lines.²⁸⁵

227. Describing the level of insecurity in and around the capital, Zaki Chehab told us: “Not a single road which connects the capital with any of the main cities in Iraq is safe.”²⁸⁶ The security arrangements for our visit to Iraq in January 2006 were certainly more rigorous than for visits to Iraq by our predecessor Committee. The last Report in this inquiry noted that despite the poor security situation, the violence had not spread throughout the country.²⁸⁷ In its response to that Report, the Government emphasised the point that “much of Iraq is secure... Ten provinces, including those in the Multi National Division (South East), account for less than 2% of attacks.”²⁸⁸ Although there remain areas that are quieter than others, our witnesses were concerned that the calmer areas are those that are homogenous in terms of ethnic and sectarian groups. We were told: “[T]he violence is concentrated in mixed areas. Everywhere where there is a co-existence of the various components of the Iraqi society there is violence: Mosul, Kirkuk, Hella, Baghdad and the areas around it. Indeed, the western areas, the ethnically homogenous, western areas of Iraq are relatively quiet, apart from insurgency operations against coalition troops and counterinsurgency operations by these troops.”²⁸⁹

228. Indeed, one of the most alarming aspects of the situation has been the sectarian dimension of the violence. Our witnesses told us about some of the factors feeding into the

284 Q 263 [Mr Chehab]

285 Q 264 [Mr Said]

286 Q 265 [Mr Chehab]

287 HC (2004–05) 36–I, paras 102–103

288 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

289 Q 265 [Mr Said]

emergence of sectarian divisions. They told us that Iraq does not have a history of sectarian conflict:

[H]owever we have seen sectarianism grow in Iraq, especially over the last three years. There have been many factors that have played a role in that. The most important among them is of course al Qaeda terrorism, which was always designed to foment sectarian war – always that was the intention of al Qaeda—however, there were other factors. Unfortunately a lot of the actions of Multinational Forces in Iraq have contributed to increasing sectarian polarisation; for example, using Iraqi units comprised mainly of Shi’a and Kurdish militias in Sunni areas or defining Shi’a parties and Kurdish parties as allies and defining Sunni parties as enemies. This has contributed to the polarisation. This policy had been reversed over the last six months as it became evident how counter-productive it is. However, it may be too late to prevent an all-out sectarian polarisation in the country.²⁹⁰

229. We have already discussed the importance of Iraq to al Qaeda, which has made tremendous propaganda and training gains from its experience in Iraq.²⁹¹ Zaki Chehab also told us about the importance that al Qaeda attaches to fomenting sectarian conflict in Iraq: “I believe the bombing of Samarra, the religious site, was carried out by Zarqawi after he felt that Sunnis for the first time in Iraq started having some kind of dialogue with the Americans—especially the influential Sunni tribes and the ones who are close to the insurgency... The only environment where Zarqawi can benefit is from seeing a Sunni–Shi’a sectarian war taking place.”²⁹²

230. Previous Reports in this inquiry have noted the failure of Iraq’s neighbours to take sufficient steps to prevent foreign fighters from entering and leaving Iraq.²⁹³ This remains a concern. During our visit to Iraq we heard that cross-border cooperation with Syria has improved, but that the border remains porous and a number of prominent former Ba’athists continue to live in Syria. While we were in Saudi Arabia, we heard great concern over the movement of militants to and from Iraq and the spur this is providing to terrorism within the Kingdom.²⁹⁴ We also discuss the role that Iran has played in Iraq, and in particular links between Iran and the use of increasingly deadly improvised explosive devices in Iraq.

231. In addition to the violence perpetrated by al Qaeda and Iraqi insurgents, Iraqis continue to endure a pervasive sense of insecurity:

The danger to Iraqi life and limb and property can come from any corner. It can come as collateral damage from counterinsurgency operations; it can come from criminal elements—and criminality is a very important factor in the violence taking place in Iraq today, criminality, either in its own right or dressed up as ethnic sectarian violence or as insurgency operations; it can come from rogue elements in

290 Q 264 [Mr Said]

291 See paras 18–19

292 Q 263 [Mr Chehab]

293 HC (2004–05) 36–I, HC 36–I, paras 130–133

294 See paras 74–77

the security forces; it can come from terrorists affiliated with al Qaeda. So there is a myriad of actors. This is the most frustrating thing for Iraqi civilians today, that they do not feel safe... Today, violence for most Iraqi civilians is inexplicable: they do not understand why they are being targeted and for what reason.²⁹⁵

During the Committee's visit to Iraq, we heard about the problem of endemic crime, with organised crime, smuggling and kidnapping posing particular problems.

232. We conclude that the continued deterioration in the security situation in Iraq is extremely worrying, as are the deepening sectarian and ethnic dimensions of the violence. We further conclude that Iraq's neighbours have yet to take sufficient steps to prevent the movement of insurgents across Iraq's borders, although we note that the length and porous nature of these borders make this task extremely difficult.

Iraqi Security Forces

233. Previous Reports in this inquiry have discussed efforts to build the new Iraqi Security Forces (ISF). Our predecessor Committee noted the growing strength as well as the great bravery of the ISF, which were credited with much of the success of the January 2005 election.²⁹⁶ However, the Committee also noted very serious concerns over both numbers and capability. In its response to the last Report in this inquiry, the Government said: "Helping the Iraqi Security Forces (ISF) to take over security progressively within Iraq is one of the Government's prime objectives. The Government continues to develop training programmes and provide equipment to develop the Iraqi police and military."²⁹⁷ The Government went on to set out the progress that had been made at that point, listing the numbers trained and equipped and outlining international cooperation in this training.

234. In October 2005, the former Foreign Secretary told us:

The other thing that has happened for the good—and this has been, again, a very big change in the last year—is that approximately 170,000 more Iraqi security forces have been trained up. Their ability to operate independently of the US, UK and other coalition forces varies considerably. There are two battalions that can operate entirely independently, but a great many can operate effectively with backing from the coalition. That has been a big change. The progress with the defence forces has been better than progress with the police in some areas where problems remain.²⁹⁸

Despite all this good work, concerns remain over the slow progress of building up the ISF. In a recent article, Anthony Cordesman of the Center for Strategic and International Studies (CSIS) outlined some of the issues. Cordesman notes that Iraq is making real progress in many aspects of its force development, but that there has been "a dangerous tendency to spin analysis and coverage of Iraqi force development" around the status of the

295 Q 266 [Mr Said]

296 HC (2004–05) 36–I, paras 123–129

297 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

298 Q 79 [Mr Straw]

regular army. The police and border police have little effective equipment, major facility problems, weak training and serious manpower quality problems. These forces have also been linked with death squads and poor discipline. In addition, many police units are linked with particular ethnic or sectarian groups. Turning to Iraq's regular forces, only the Army and Special Operations Forces have any real effectiveness and there remain concerns over combat capability.²⁹⁹ We heard about many of these problems during our visit to Iraq.

235. Links between the ISF and death squads have been particularly worrisome. Zaki Chehab told us about this: "Yesterday the American forces have announced that they have arrested more than 40 Iraqi policemen who were involved in death squads. Two weeks ago, the Ministry of the Interior came out to say, 'We managed to arrest 450 people who have joined the police force and they were part of al Qaeda or something, and they were trying to plan to attack the Green Zone.'" ³⁰⁰ The US State Department's annual human rights report, which was published in March 2006, includes a damning critique of the state of human rights in Iraq, describing a weak and corrupt government with little control over its own security forces.³⁰¹ The report highlights the problems of extra-legal killings, arbitrary detention and torture committed by members of the ISF, both police and military.

236. A recent report by the International Crisis Group into the insurgency emphasises the importance the legitimacy of the Iraqi government and Iraqi security forces in the fight against insurgents. It notes: "The harm from excessive use of force, torture, tactics that inflict widespread civilian injury and reliance on sectarian militias outweighs any military gain."³⁰² In particular, the report notes the importance that international allies in Iraq "hold the new government accountable and make clear that long-term relations, economic aid and military cooperation depend on disbanding militias, halting political killings and respecting human rights."

237. Yahia Said links the problem with difficulties establishing national legitimacy: "Security Forces are a matter of nationalism. Security Forces ride not necessarily on equipment and efficiency but on legitimacy, and it is very difficult to built legitimate armed forces and Security Forces under foreign tutelage—especially if the issue of the foreign presence is so contentious in society." ³⁰³ However, he also highlighted the failures of Coalition policy:

As long as the Americans were trying to build the Iraqi Armed Forces in a rigorous way, trying to avoid the incorporation of militias, trying to build an ethnically mixed armed force with loyalty to the state, the process was going very slowly, because very few of Iraqi nationalists or patriots were willing to join the Armed Forces and people were joining them for material gain more than anything else. As soon as the Americans started to accelerate that timetable by trying to incorporate the militias, that process went faster, but these people had an entirely different motivation than

299 "Iraqi Forces: The Other Side of the Development Story", Anthony H. Cordesman, CSIS, 22 March 2006

300 Q 269 [Mr Chehab]

301 "Country Reports on Human Rights Practices—2005", released by the Bureau of Democracy, Human Rights, and Labor, US State Department, 8 March 2006, available at: www.state.gov

302 "In their own words: Reading the Iraqi Insurgency", International Crisis Group, Middle East Report N°50, 15 February 2006

303 Q 268 [Mr Said]

that one would expect from the Armed Forces. They were joining it to pursue their own agenda, their own sectarian and ethnic agenda. As we see today, especially in the recent events in recent days, these Armed Forces are very happy to break ranks with the Americans and the British who have trained them, as long as they perceive any conflict of interest there.³⁰⁴

The last Report in this inquiry noted the danger that relying on Shia and Kurdish communities to build up the ISF risked “sowing the seeds of future ethnic and sectarian conflict”³⁰⁵ In its Response, the Government said: “The UK, along with the Iraqi government and partners from the Multi-National Force, is aware of the dangers of associating particular ethnic groups with branches of the ISF and the UK is working with the Iraqi authorities to minimise this.”³⁰⁶ Nevertheless, there are clear concerns over the hardening of sectarian identity in Iraq. At the end of February 2006, US Ambassador to Iraq Zalmay Khalilzad warned the USA would cut funding for Iraq’s security services unless the new Iraqi government appointed ‘non-sectarian’ ministers of the interior, defence and national intelligence, saying: “We’re not going to invest the resources of the American people to build forces run by people who are sectarian”.³⁰⁷

238. We conclude that despite continued hard work to build up the Iraqi Security Forces, and the dedication and bravery of many of the members of those forces, they remain a long way from being able to take the lead on security across Iraq. We further conclude that relying on Shia and Kurdish communities to build up the Iraqi Security Forces has contributed to the development of sectarian forces and that this is regrettable in the volatile security and political environment in Iraq. We recommend that the Government continue to work with its international partners to address this problem and make clear to the Iraqi authorities the importance of legitimate national Security Forces. We further recommend that the Government set out in its response to this Report what steps it is taking to assist the Iraqi authorities to establish a security infrastructure that respects human rights.

Multi-National Force

239. On 13 March 2006, then Defence Secretary John Reid announced a reduction in the number of British forces in Iraq:

[T]here will be a reduction of British forces in Iraq of about 800 personnel. That reflects the completion of our security sector reform tasks to develop the capability of the Iraqi forces, including training the trainers and those involved in guarding their own institutions. The reduction also reflects improvements in the way we configure our own forces. Our force levels reflect the in-theatre assessments in the south-east of Iraq. Today's announcement marks a reduction from the high point of some 10,000 UK personnel in October 2003 to just over 7,000 from May this year...

304 Ibid

305 HC (2004–05) 36–I, para 129

306 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

307 “Bush calls for restraint as fears of civil war rise”, *Financial Times*, 23 February 2006

Let me stress that the reductions that I have announced today are not part of a handover of security responsibility at operational level. They have not been caused by, nor are they the cause of, changes in troop levels of other coalition allies. In the next few weeks, the joint committee to transfer security responsibility—a body made up of Iraqi ministers, military staff and senior coalition figures—will start the assessment phase to determine whether conditions have been met for some provinces in Iraq to begin the handover process. Today is not that stage of handover. When the committee has reached conclusions, I will of course come back and update the House on the implications of that assessment.³⁰⁸

240. The Prime Minister has consistently refused to set out a timetable for the withdrawal from Iraq. The Government's long-standing policy has been to support the development of the ISF and hand over to them as and when they are able to take the lead on security.³⁰⁹ In its last Report in this inquiry, our predecessor Committee asked the Government to set out its plans to hand over to the ISF. The Government responded by saying:

During 2005 there will be a progressive transition from MNF leading on counter insurgency effort to the Iraqis taking the lead. The Iraqi Security Forces (ISF) have already become increasingly involved in or led in, operations in Fallujah, Najaf, Samarra, North Babil and Baghdad... The Government wants British forces to leave Iraq as soon as possible, but not until the job is done. The UK will stay in Iraq for as long as it takes to ensure Iraqi Security Forces are able to take responsibility for Iraq's security, and as long as the Iraqi Government wants us to stay.³¹⁰

241. On 19 June Iraqi Prime Minister Nouri Maliki announced that the ISF would take over control of security in July in the southern province of Muthana, where 250 British troops are currently based along with Australian and Japanese forces. Prime Minister Maliki was reported as saying that his government plan gradually to take over security for all Iraq's provinces within the next eighteen months. The Defence Secretary, Des Browne, stated that "What it does is begin the process which will eventually lead to our ability to draw down our forces in Iraq. A great deal of work remains to be done and I am under no illusions about the challenges we face. We and our coalition allies remain determined to see the job through."³¹¹ Japan subsequently announced its intention to withdraw its forces from Iraq. The last Japanese troops are expected to leave by late July.³¹²

242. In addition to concerns over the slow progress of building up the ISF, there are fears that the presence of foreign forces is exacerbating the security situation and stoking the insurgency. While in Iraq we were told that in some areas there is no insurgent activity other than that provoked by the presence of foreign forces. This fact supports the case for withdrawal from these areas, as does the argument that by remaining in Iraq, foreign forces

308 HC Deb, 13 March 2006, cols 1151–1152

309 "UK troop numbers to fall by 800", *BBC News Online*, 13 March 2006, news.bbc.co.uk

310 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

311 Ministry of Defence, "Defence Secretary: Security Handover in Muthanna is a 'significant milestone' for all Iraqis", 19 June 2006

312 "Japan to pull troops out of Iraq", *BBC Online*, 20 June 2006, news.bbc.co.uk

are simply making themselves a target for insurgents. Moreover, withdrawal need not be total; for example, a force could remain to protect oil installations. However, there are also concerns that the country could collapse into civil war in the event that foreign forces withdraw too soon. Kenneth Pollack of the Brookings Institution think-tank recently warned that if the US pulled out precipitately the Iraqi state would collapse very quickly. “Civil war has already begun in Iraq. Our presence is simply keeping it simmering at a low level”.³¹³

243. We asked our witnesses whether they thought that it might be possible for the multinational forces to withdraw from relatively quiet areas. Yahia Said was pessimistic about this:

If you had asked me this question about a month or two months ago, I would have definitely answered that it is necessary to get into an accelerated timetable for withdrawal and that a lot of the multinational forces’ actions are causing more harm than good. However, the situation is very dynamic now in Iraq. There have been significant changes over the last few months and especially since the attack on Samarra, and, with an impending threat of sectarian civil war, there is a clear case for a multinational force to protect civilians and to prevent a slide into civil war.³¹⁴

Yahia Said added a stark warning about early withdrawal:

Just to give you a comparison of the situation in Iraq today, think of Iraq today as the early days of the war in Bosnia. Do you really want to leave? That is when everybody was calling for the international community to intervene, to stop the bloodshed. It is a situation similar in other ways. This is sectarian bloodshed that is being heralded through free elections. The war in Yugoslavia started after a set of free elections and referenda that brought nationalists to power. We are facing very similar dilemmas.³¹⁵

Zaki Chehab also opposed the early withdrawal of multilateral forces. He told us: “If you withdraw, you are just handing a victory to al Qaeda and militancy and all these elements.”³¹⁶ Many of the people we met in Iraq were also insistent that any quick withdrawal could be harmful.

244. Nevertheless, there could be some merit in setting out a timetable for withdrawal. Yahia Said told us:

I still think there is a benefit from having a timetable for withdrawal, albeit an extended one. That is because a big part of the violence in Iraq and a big irritant in Iraq is a suspicion that the forces are there to stay, that Iraq will never be free. So the timetable will offer a signal to Iraqis that these forces will leave as soon as the situation stabilises.³¹⁷

313 “Bush calls for restraint as fears of civil war rise”, *Financial Times*, 23 February 2006

314 Q 267 [Mr Said]

315 Q 284 [Mr Said]

316 Q 281 [Mr Chehab]

317 Q 267 [Mr Said]

However, we heard strongly expressed alternative views during our visit to Iraq: we were told by senior Iraqi political figures that setting a timetable for withdrawal would send out all the wrong signals and that withdrawal should be tied to the achievement of various political and security milestones.

245. We recommend that the Government set out in its response to this Report the circumstances under which it would withdraw British forces from Iraq. We further recommend that the Government set out in its response to this Report the findings of the ‘joint committee to transfer security responsibility’.

Detainees

246. Concern remains over the number of detainees held by coalition forces. Jack Straw told us about the detainees:

There is obviously a quantitative difference; the Americans have 14,000 in detention and we have 40 or so... There are discussions taking place at the moment between the Americans and the Iraqis about the future of these detainees but... it should not be assumed that there is unanimity amongst either Iraqi politicians, or amongst the Iraqi public, about whether these people should be released. There are vocal calls always by some groups for the release of some detainees, but alongside that there will be very strong demands by other groups who may have been the victims of terrorism by a particular faction for these people to stay locked up.³¹⁸

247. We conclude that, in the context of the insurgency and the appalling level of violence, detention will continue to be necessary; however, the level of such detentions is a problem for coalition forces too and for the United Kingdom’s image in the region. Wherever and whenever possible such detainees should be handed over to the Iraqi government for trial. We recommend that the Government set out in its response to this Report the current number and status of detainees held by the United Kingdom in Iraq, including the basis for their detention, as well as any plans to transfer them to Iraqi or US custody or to subject them to due judicial process. We also recommend that the Government provide in its response the latest information it has as to the number of detainees being held by the USA in Iraq and the number being held by the Iraqi authorities.

Private military and security companies

248. There also remain concerns about the regulation of private military and security companies in Iraq and elsewhere. It has been estimated that there are now 20,000 private security personnel in Iraq.³¹⁹ Our predecessor Committee noted concerns about the use of such firms.³²⁰ In July 2004, the Committee concluded that “the increase in the use of private military of security companies in Iraq and Afghanistan in the last two years has added to the case for regulation of these companies, where appropriate, by the British Government.

318 Q 224

319 “The enforcer”, *The Guardian*, 20 May 2006

320 HC (2003–04) 441–I, paras 27–31; and Foreign Affairs Committee, Ninth Report of Session 2001–02, *Private Military Companies*, HC 922

We recommend that the Government either bring forward legislation to introduce a regulatory regime for private military companies, or explain in full its reasons for not doing so.³²¹ The Government responded as follows:

The Government agrees with the Committee that the growth in the size and importance of this industry strengthens the case for regulation of UK private military and security companies operating overseas. Developing such regulation is a complex undertaking, as set out in the Government's Green Paper "Private Military Companies", published on 12 February 2002. There are a number of difficult questions of definition in deciding how to approach such regulation. And the cost of regulation is potentially high, for both government and industry. Nonetheless, the Foreign Secretary has asked officials to undertake a further detailed review of options for regulation. The Government will keep the Committee fully informed of its thinking in this area.³²²

249. On 6 December 2005, Minister of State Ian Pearson wrote to the Committee about the status of the FCO's review of policy on Private Military Security Companies:

As announced to parliament in September 2004, the Foreign Secretary commissioned a detailed review of policy options for the regulation of Private Military and Security Companies. This was aimed at following up on the FCO's Green Paper of 2002. The review focused on the complex issues of definition, regulation, and enforcement and was completed in June 2005. The Foreign Secretary is now discussing its recommendations with Ministerial colleagues. Parliament will be informed of any decision.³²³

250. We pursued the issue by writing to the FCO with a number of specific questions. In January 2006, the Government informed us about the rules of engagement for such firms. The operation of private security companies in Iraq is regulated by CPA Memorandum No 17; Annex A to CPA Memorandum No 17 sets out binding rules on the use of force which apply to all private security companies in Iraq.³²⁴ We also asked about the applicability of criminal law to: a) personnel working for companies under contract to provide security services to HMG in Iraq; (b) personnel working for British companies under contract to provide security services to other governments or to international bodies in Iraq; and (c) British citizens working for foreign companies under contract to provide security services to other governments or to international bodies in Iraq. The Government told us:

In general, the criminal law of Iraq applies to crimes committed within the territory of Iraq and the application of this law is not affected by the nationality of the perpetrator or the identity of a person's employer. Personnel employed by private security companies in Iraq may, however, enjoy immunity in some circumstances from the jurisdiction of the Iraqi courts.

321 HC (2003–04) 441–I, para 31

322 Foreign & Commonwealth Office, *Seventh Report from the Foreign Affairs Committee; Session 2003–04; Foreign Policy Aspects of the War against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6340, September 2004

323 HC (2005–06) 574, Ev 67

324 Ev 101

Foreign nationals working in Iraq may in some cases remain subject to the criminal law of their state of nationality. The scope of application of such extra-territorial jurisdiction will depend on the legal system of each state.

Category (a): Personnel employed by Control Risks Group and ArmorGroup in Iraq are notified to the Iraqi Government as members of the Administrative and Technical Staff of the British Embassy. This status means that they are entitled to immunity from the criminal jurisdiction of the Iraqi courts, although such immunity may be waived. The FCO is currently reviewing the conferral of this status on these personnel.

Category (b): By virtue of CPA Order No 17 (Revised) (attached as Annex C), all non-Iraqi personnel working under contract in Iraq for (i) the MNF-I; (ii) a body engaged in humanitarian, development or reconstruction efforts; or (iii) any foreign diplomatic or consular mission are required to respect the laws of Iraq, except that they are not subject to Iraqi laws or regulations in matters relating to the terms and conditions of their contracts. Private Security Companies are however required to comply with any CPA legislation regulating the activities of such companies. Such contractors are immune from the jurisdiction of the Iraqi courts with respect to acts performed pursuant to the terms and conditions of their contract, but this immunity may be waived by the State that has employed the contractor.

Iraqi nationals in categories (a) and (b) have no immunity.

Category (c): The position of British citizens working for foreign companies under contract to provide security services to foreign diplomatic missions in Iraq or to international bodies engaged in humanitarian, development or reconstruction efforts is the same as for other non-Iraqi personnel in category (b).

In addition, if a contractor of British nationality (in any category) were to commit a criminal offence in Iraq it is possible that in some circumstances he could be prosecuted in this country. This would depend on whether extra-territorial jurisdiction exists for the offence under English law. The CPS would assess whether to bring a prosecution in accordance with the normal requirements laid down in the Code for Crown prosecutors, ie whether there was a realistic prospect of a conviction and whether it was in the public interest to bring a prosecution here.³²⁵

251. The Government also provided the Committee with examples of the type of contract reached with companies providing security services to HMG in Iraq. Asked about how compliance by private companies is monitored, the Government told us:

Day to day contract management is carried out by the Overseas Security Manager at Post overseen by the Deputy Head of Mission with support from FCO London (Iraq Policy Unit, Iraq Resource Management Unit, Security Management Directorate and Procurement Strategy Unit).

The Overseas Security Manager ensures that the Private Security Companies have the agreed number of staff on the ground, that they comply with FCO security procedures, that they maintain effectively FCO supplied security equipment, and that, in FCO parlance, they do not bring the FCO into disrepute. Any transgression of terms of contract would be flagged up by the Overseas Security Manager with senior managers of the contracted security companies at post, and if necessary disciplinary measures taken.³²⁶

252. We pursued the issue further with the previous Foreign Secretary in March 2006. He told us:

I am glad you reminded me of this. I will pass on to business managers and others, should the Committee wish it, the concern of your Committee because I, too, wish to see legislation in hand and I have been working on this for the last two weeks. There is a discussion going on about the precise architecture for control. I frankly do not think this is too difficult an issue, because under the Security Industries Act (which I may say was mine when I was Home Secretary) there is the Security Industries Authority which has now got experience of regulating security cameras operating within the UK. Certainly my proposal is to have the same body do the regulation of British companies operating overseas, and indeed some of the ones who operate domestically also operate overseas and that is essentially to determine whether the companies are fit and proper people to operate. Then there is the issue of whether you license individual activities. You can do that, I think, at another adjunct to the arms control arrangements. So I do not think it is a difficult administrative or intellectual challenge, but as ever there is always a queue.³²⁷

253. We conclude that the Government is making slow progress towards resolving the issue of how to regulate private military and security companies. This is regrettable given the increase in the use of such firms in Iraq and elsewhere. We recommend that the Government accelerate its efforts in this area and that it set out in its response to this Report what measures it plans to take.

Political developments

Further political milestones

254. Previous Reports in this inquiry discussed political developments in Iraq. These included the writing of the Transitional Administrative Law (TAL), the formation of the Interim Government, and the holding of free and fair elections in January 2005.³²⁸ Since the last Report, several important political milestones have been passed in Iraq.

255. On 15 October 2005, Iraqis voted in favour of the country's new constitution in a nation-wide referendum. The UN endorsed the voting process: most people were able to vote and there was high voter turnout in many areas. Speaking on 16 October 2005, the former Foreign Secretary welcomed the vote: "The referendum yesterday in Iraq is very

326 Ev 102

327 Q 226

328 HC (2004–05) 36–I, paras 144–149

good news for all Iraqis. Over sixty per cent voted, six thousand three hundred polling stations were opened almost all on time and the whole process took place in remarkable calm given the overall security situation in Iraq. What this referendum shows is the hunger of Iraqis to exercise the same rights that all the rest of us have, democratic rights, and to defy the terrorists.³²⁹

256. On 15 December 2005, Iraqis went to the polling stations once again to vote in parliamentary elections. The results, which were not announced until late January 2006, showed that the Shia-led United Iraqi Alliance took 128 of the 275 seats, ten short of an outright majority. Kurdish parties won 53 seats and the main Sunni Arab bloc 44.³³⁰ However, the elections were followed by four months of political deadlock, which was not broken until 22 April, when President Talabani asked Shia compromise candidate Nouri Maliki to form a new government. It then took a further month before agreement was reached on the composition of that government and its endorsement by Parliament and it was not until the beginning of June that agreement was reached on the posts of Interior and Defence Minister. The new Iraqi government faces a daunting challenge. In addition to security concerns, it will have to work to increase the inclusion of the Sunni community, oversee revisions to the constitution and work to maintain the territorial integrity of the country amid ongoing concerns over its fragmentation.

257. When he met with us in October 2005, the former Foreign Secretary was optimistic about the political process:

You could come up with a catalogue of bad news but what you are omitting in all of this is the most important message of all this year, 2005, which is this: the Iraqis have embraced democracy. People said we did not understand the nature of Iraqi society, meaning that we did not understand that they did not really want to be democrats; that they did not have any interest and they just wanted to be dominated by tyrants. Well, eight and a half million Iraqis proved those people wrong on 30 January, and 10 million proved them wrong again on 15 October. The Iraqis want what we take for granted, which is the right to run their own affairs; and it is called democracy.³³¹

However, speaking to us more recently, Jack Straw was clearly frustrated by the political deadlock in Iraq:

The vast majority of people in the country are showing faith in democracy. The only problem is that they do have this tendency to do things at the last minute and certainly for us in the British system, where we are used to governments being formed in the space of 24 or 48 hours, it is very odd. Anyway, we have got to stick with it. Of course, I agree with you that it is this vacuum in terms of governance which is certainly making much else in the country more difficult.³³²

258. Our witnesses were also deeply frustrated by the political deadlock. Yahia Said told us:

329 Remarks by the Foreign Secretary, 16 October 2005, available at: www.fco.gov.uk

330 "Iraqi Shias win election victory", *BBC News Online*, 21 January 2006, news.bbc.co.uk

331 Q 77 [Mr Straw]

332 Q 223 [Mr Straw]

The Iraqi political process has strayed off the right track quite a while ago. It is impossible to sit back and allow these Iraqis to work at their problems together. I must caveat that. The outbursts of violence do every now and then shock Iraqi politicians into some responsible action but even then, most recently, the events in the so-called mosque where US military forces attacked a certain militia in Baghdad, the response of the Iraqi politicians is to boycott the government forming negotiations. The country is burning and they get upset with the Americans and punish the Iraqi people. Clearly we have a problem with the Iraqi political classes.³³³

259. In the last Report in this inquiry, the Committee concluded:

We conclude that it is essential that the international community, and especially the US and United Kingdom, refrain from interfering in Iraqi politics and decision making. Nevertheless, there is an important role for the international community in Iraq. We recommend that the Government do all it can to facilitate the UN's role in Iraq, both in terms of providing security assistance in Iraq and through support in the Security Council.³³⁴

260. This remains true. It also remains the case that the UN is playing a critical role in Iraq, but that it is hindered by the security situation. We heard both in New York and in Iraq about the problems the UN has encountered trying to obtain dedicated air assets in order to assist its work. On 13 June 2006, the Foreign Secretary told us about the possibility that the EU will increase its level of involvement in Iraq: “[O]ne of the other people who came to the Council in Luxembourg yesterday was indeed the new Iraqi Foreign Minister... He was giving the Council an update on the position in Iraq. He was also seeking an expanding role for the European Union... and support from Member States in the UN in order to assist... economic reforms and security reforms... and there seems to me to be quite a warm response to that.”³³⁵

261. We commend the continued commitment of ordinary Iraqis to the democratic process in Iraq and are impressed by the obvious desire on the part of ordinary Iraqis to achieve a more representative political system. We reiterate the conclusion of our predecessor Committee that it is essential that the international community, and especially the USA and United Kingdom, refrain from interfering in Iraqi politics and decision making. Nevertheless, there is an important continuing role for the international community in support of the democratic government in Iraq. We recommend that the Government do all it can to facilitate the UN's role in Iraq, both in terms of providing security assistance in Iraq and through support in the Security Council. We recommend that the Government set out in its response to this Report what progress has been made on providing security to the UN in Iraq and what plans there are to facilitate a greater UN presence. We further recommend that the Government set out in its response to this Report the progress made in establishing EU assistance to Iraq.

333 Q 280 [Mr Said]

334 HC (2004–05) 36–I, para 168

335 Evidence from Foreign Secretary Margaret Beckett to the Inquiry into Developments in the European Union, to be published as HC 768–iv

Iranian influence

262. We discuss elsewhere Iran's links with the insurgency in Iraq as well as its links with terrorism more broadly.³³⁶ There are also concerns about Iran's political influence over Iraq. Yahia Said told us: "Iran has a very big footprint in Iraq, a big influence. It goes through a variety of channels. It has channels to a variety of the actors in Iraq."³³⁷ We heard about these concerns during our visit to Iraq. For example we were told that some elements of the Iraqi Security Forces and in particular the police in the south are pro-Iranian, but that the extent of this sympathy is unclear.

263. When he gave evidence to us in March 2006, the former Foreign Secretary downplayed these concerns: "First of all, there is bound to be a natural association between the Shia in Iran and the Shia in Iraq, although it does not mean that the Shia in Iraq are in the pocket of the Iranians."³³⁸ Moreover: "It is entirely legitimate for Iran to take an interest in its neighbour Iraq. It is not legitimate for it to interfere with it, but if it was our neighbour we would be taking an interest in it."³³⁹ Mr Straw also reassured the Committee that: "[T]here is not seen to be any particular appetite amongst Iraqis for setting up a structure similar to that in Iran. Although it is true that the majority of Iranians are Shia, and in the south and other parts of Iraq a significant proportion of the Iraqis are Shia, the Iraqis are Arab and the Iranians are not Arab, they are Persian."³⁴⁰

264. Reflecting how seriously the USA is taking this issue, on 17 March 2006 US Ambassador to Iraq Zalmay Khalilzad announced that back-channel discussions were under way with Iran on resuming the direct talks about Iraq that broke off shortly after the 2003 war. Khalilzad described the proposed talks as a chance to express concerns about Iran's policy in Iraq.³⁴¹ However, efforts to initiate talks subsequently stalled with Iraqi progress towards forming a government and the decision by the Iranian president to call off the talks.

265. We conclude that concerns over Iranian involvement in Iraq reinforce the need for dialogue and engagement with Tehran. We recommend that the Government engage with both its Iranian and Iraqi counterparts to ease concerns in this area and that it work to encourage Washington to take a similar approach. We further conclude that serious concerns exist over Iranian involvement in Iraq and that the organisation, weaponry and technology for a number of terrorist incidents in Iraq have emanated from within Iran.

Reconstruction and economic development

266. Previous reports in this inquiry have discussed the importance of improving the socio-economic situation of Iraqis in order to give them a stake in the new Iraq and to

336 See paras 347–351

337 Q 270 [Mr Said]

338 Q 229 [Mr Straw]

339 Q 230 [Mr Straw]

340 Q 81 [Mr Straw]

341 "US, Iran Closer to Talks on Iraq", *The Washington Post*, 18 March, 2006

deprive the insurgents of recruits.³⁴² The last Report concluded that “the slow pace of reconstruction and the failure significantly to improve the quality of life for many Iraqis may have played a role in fuelling the insurgency by providing a pool of willing recruits... [I]t is essential that greater progress is made towards improving basic services in Iraq and increasing employment opportunities so that Iraqis may see a material improvement in the quality of their lives.”³⁴³ In its response to that Report, the Government told us: “The Government agrees that the provision of essential services is not yet satisfactory, and that unemployment remains a significant problem. Realistically, it is likely to take years rather than months to put right two decades of under investment in Iraq’s infrastructure and the damage caused by sabotage and looting.”³⁴⁴

267. Three years after the war in Iraq, there remains broad disappointment at the results of reconstruction efforts. According to local government officials, hundreds of schools, public buildings, hospitals, universities and shops are still in desperate need of repair, with less than 35% of projected reconstruction achieved to date. Meanwhile, Iraqis lament the fact that the country’s essential infrastructure—water and power facilities—remains in tatters. The lack of basic services remains a source of great bitterness.³⁴⁵

268. Coalition officials emphasise the extremely difficult conditions in Iraq. In February 2006, US officials said the reconstruction of Iraq was being undermined by continuing insurgent attacks and was now expected to cost more than the US\$56 billion initially projected. According to some estimates, more than 25% of all reconstruction funds have been diverted to security-related issues.³⁴⁶ During its visit to Iraq in January 2006, the Committee heard that the security situation had considerably increased the cost of reconstruction. However, there is also ample evidence of mismanagement, fraud and incompetence in the reconstruction effort. In February 2006, Robert Stein, who held a senior position in the Coalition Provisional Authority, admitted in a Washington court to stealing more than US\$2 million, as well as taking bribes in return for contracts. Around US\$1 billion is also believed to have been stolen by Iraqi Defence Ministry officials.³⁴⁷ Yahia Said told us about the problem of corruption:

The amount of cash that was pumped into the Iraqi economy after the drought of the sanctions was immense. Tens of billions of dollars poured onto Iraqi streets immediately after the invasion. Of course, that is a great motivation for corruption. It creates great incentives and conditions for corruption and it has contributed to the exacerbation of conditions of corruption. Again, the solution here lies at the political and policy level. You need robust Iraqi institutions to design and decide what projects to follow.³⁴⁸

342 HC (2004–05) 36–I, paras 118–122

343 HC (2004–05) 36–I, para 122

344 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

345 “Iraq: Insecurity, corruption hamper reconstruction effort”, *Reuters*, 20 March 2006

346 *Ibid*

347 *Ibid*

348 Q 287 [Mr Said]

269. While accepting there has been a degree of progress on reconstruction, Iraqi officials also point out that many reconstruction projects have been cancelled. According to Ahmed Kubba, a senior official in the Ministry of Reconstruction and Development: “A list of 6,000 infrastructure projects that needed to be tackled after the war in 2003 was presented and approved by the US government, focussing on health care and education... Of this number, less than 2,000 have been completed so far, with most being cancelled due to financial problems.” Kubba went on to point out that only 300 out of 475 initial electricity projects would be completed due to a lack of investment. This means that only 2,200 megawatts of additional power will be delivered instead of the 3,400 megawatts originally planned for by the US government.³⁴⁹ During its visit to Iraq, the Committee heard that some of the country’s infrastructure is now in worse shape than it was three years ago.

270. International Development Secretary Hilary Benn, who visited Iraq in March 2006 to open a DFID-funded centre to train water engineers, has highlighted the progress made in Iraq: “I think one has to recognise the progress that has been made three years on... Iraq now has a stable currency, it’s reduced its debt, schools and hospitals are functioning and more people have clean water and access to sanitation than was the case, certainly in the 1990s when the system collapsed completely.” The International Development Secretary also highlighted the progress of vaccination programmes, which have led to a decline of measles, mumps, polio and rubella.³⁵⁰

271. In contrast, Oliver Birch, the head of the Christian Aid programme in Iraq, has said that reconstruction has stalled and conditions in the country do not appear to be improving: “Quality of life indicators in most sectors are no higher than, or even below, the sanctions period just before the coalition invaded in 2003”. These indicators included infant mortality, malnutrition and water supply. Birch added that in some areas “local and probably national government were widely affected by corruption... [and this is] probably by a greater extent even than in the Baathist time”.³⁵¹

272. We asked our witnesses about the failure to make more progress on reconstruction. Yahia Said told us:

There were several problems with the drive to invest massively in Iraq from day one. First of all, a lot of the projects that were designed and had money spent on them were long term projects which should have been left to the Iraqis to decide about. There have been some silly decisions made about things. For example, much of the power generating capacity was designed to work on natural gas which is environmentally correct, but it is a fuel that is not available in Iraq. Some of the new power stations now rely on imported fuel. These are the nicest power stations you can have and probably in the future Iraq would have benefited from them but they are not providing immediate relief. Generally, most of the large, big ticket projects did not produce immediate relief to Iraqis... A lot of the aid should be targeted at policy and at helping Iraqis develop policies for the development of their economy, for dealing with immediate needs, rather than investing in large, big ticket projects.

349 “Iraq: Insecurity, corruption hamper reconstruction effort”, *Reuters*, 20 March 2006

350 “Iraq reconstruction ‘has stalled’”, *BBC News Online*, 21 March 2006, news.bbc.co.uk

351 *Ibid*

After all, Iraq has a lot of its own resources. The Central Bank of Iraq has \$10 billion in its coffers. Iraq is not necessarily a capital deficient country. What Iraq needs is a smarter investment and development policy. Again, it brings us back to the political process. It requires a political process that will manage the country's resources in a more efficient, equitable, transparent way.³⁵²

The importance of getting the political side in order was reiterated to us during our visit to Iraq; the key to successful reconstruction is achieving a stable and competent government, with the best people in the key jobs.

273. The former Foreign Secretary wrote to update us on British support for reconstruction efforts in the south of Iraq:

In Southern Iraq more widely the Department for International Development (DfID) has committed £131 million for infrastructure rehabilitation, of which £53 million has been spent on employment creation and improving local administration, along with a £40 million project for improved power and water supplies in southern Iraq. The power and water project will also help central government design an effective long-term infrastructure strategy. A Governance Development Fund provides project funding for work enabling Iraqi capacity building to take place. We also co-chair, with the United Nations, the Southern Iraq Donor Group, which aims to bring all the major civilian and military agencies together to better co-ordinate and deliver our response to reconstruction and development in Southern Iraq.³⁵³

274. During our visit to Iraq we heard about the progress that has been made on reconstruction in the south of the country. The power supply in the south is better than that in much of the country, and living standards in the region are among the best in Iraq. Basra remains the main problem in the region, but it is slowly moving into a post-conflict phase and expectations are starting to rise. We heard that there is little sabotage of the power infrastructure in the south compared with other areas, but corruption and smuggling are huge problems. We also heard that the USA is considering introducing Provincial Reconstruction Teams (PRTs) to Iraq based on the model in Afghanistan and of the possibility that the United Kingdom might take the lead in several of these. The conflation of security and reconstruction in PRTs in Afghanistan has caused concern, not least among aid agencies.

275. We conclude that the reconstruction process has been made extremely difficult by the insurgency, both by sabotage and by the level of violence to personnel involved; however, the lack of progress risks dissatisfaction with the political process. We recommend that the Government set out in its response to this Report its plans to make reconstruction efforts more effective as well as its plans, if any, to take part in setting up Provincial Reconstruction Teams in Iraq.

352 Q 286 [Mr Said]

353 Ev 36

Diplomatic representation

276. In the last Report in this inquiry, our predecessor Committee outlined the status of British diplomatic representation in Iraq and the great difficulties endured by personnel serving in the country. In that Report, the Committee concluded that: “the effectiveness of the United Kingdom’s Embassy and Consulates-General is hindered by the limits on movement imposed by security considerations, but that the security of personnel is paramount. There are also issues of continuity given the short postings of many of those in Iraq.”³⁵⁴ In its response, the Government told us:

Travel outside the International Zone in Baghdad remains dangerous and is subject to tight security constraints. Nonetheless, staff are able to travel outside the Zone to meet Iraqi contacts and carry out diplomatic work. Staff in the two Consulates-General are also able to travel within their respective regions in order to deliver HMG policy objectives. The maximum length of postings to Iraq is one year. This reflects the particular stresses of operating with high levels of security. This inevitably leads to a higher turnover of staff than in normal posts, but the Government aims to maintain continuity of policy and approach by ensuring that staff are thoroughly briefed before taking up their posts, and that arrivals and departures are well coordinated. A number of staff have returned to London to work on Iraq, contributing to continuity in the broader sense. As the security of our staff is paramount, the Government keeps staff numbers under constant review in order to ensure that only essential staff are kept in country. The Government also reviews and changes the structure of our staffing to reflect the evolving political situation and the character and objectives of our diplomatic presence in Iraq. Such changes are necessary to ensure that our diplomatic representation is appropriate and effective.³⁵⁵

277. Since that report, there has been no improvement in the difficult operating environment for British staff. During our visit to Iraq, we witnessed the current conditions. Baghdad is now the biggest UK diplomatic mission in the Middle East; there are 300 personnel in Baghdad and 250 in Basra. All these personnel are volunteers, many are unmarried and ‘first-posters’. We also heard that there is a strong team-spirit and high levels of motivation. The longest tour is 12 months and the minimum is 6 months, so there is a high turnover of people; the minimum gap between tours is 6 months. Personnel officially work a 5½-day week, but most also work on their days off. After 6 weeks in post staff receive ten days’ special leave.

278. Facilities have improved greatly over the past year and further improvements are planned. This is very important, as most staff are unable to leave the international zone for weeks at a time. The international zone receives less incoming fire than in the past, but there are incidents each week. Hardened accommodation has now been provided for all staff. The Basra compound is smaller and personnel are more restricted in their movements. It is hoped that the number of personnel in Basra will increase with the opening of a trade office.

354 HC (2004–05) 36–I, para 172

355 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

279. We conclude that conditions remain extremely difficult for British personnel in Iraq and commend the good work they are doing in testing circumstances. We recommend that the Government update us in its response to this Report on the number of British personnel in Iraq, their location and its plans to improve facilities further.

Relations in Basra

280. For a long time the situation in Basra, where the United Kingdom has responsibility, was enviably calm. However, since the last Report in this inquiry, the security situation in Basra has become much more challenging and relations with the local authorities have come under strain. This deterioration has taken place amid rising sectarian divisions, growing tensions among different Shia groups vying for political power and the proliferation of criminal gangs, which have been blamed for a wave of kidnappings and murders.³⁵⁶

281. In 2005, the use by insurgents of new, more lethal roadside bombs forced British troops to scale down their patrols and alter their mode of transport, with journeys undertaken by helicopter rather than road if possible.³⁵⁷ We discuss suspicions of Iranian links with the increased threat in Chapter 7. A number of incidents have also sparked tension with local communities. In September 2005, two undercover British soldiers were detained by the Iraqis. On 19 September, a British force freed the two men from prison in central Basra, damaging the police station and injuring several Iraqis. The incident led to a serious deterioration in relations between British forces and the local authorities, with local police commanders and provincial council members refusing to work with the British.³⁵⁸

282. On 22 November 2005, the former Foreign Secretary wrote to us about the situation:

During my visit to Basra, on 11 November, I was able to meet the Deputy Governor and to see first hand that relations with the local authorities have improved since the events of 19 September. The joint UK/Iraq statement of 11 October, expressing regret that the incident took place and for the casualties on both sides and damage to public facilities, forms part of the wider efforts to restore good working relations with the Iraqi authorities in Basra.

Present at my meetings in order to continue support for the Iraqi political process in Basra—were senior members of Basra Provincial Council, and a cross-section of local civil society (including Shi'i and Sunni tribal leaders). All my interlocutors emphasised the need for greater consultation with the UK presence in Basra. During my visit, I called on the Basra Provincial Council to condemn those groups mounting attacks on MND(SE) and to ensure local security forces took effective action against them. This will help remove the major obstacle to an acceleration of reconstruction and the strengthening of co-operation...

356 "Iraq imposes emergency in Basra", *BBC News Online*, 31 May 2006, news.bbc.co.uk

357 "Shaped bombs magnify Iraq attacks", *BBC News Online*, 10 October 2005, news.bbc.co.uk

358 "UK agrees to pay for Basra damage", *BBC News Online*, 11 October 2005, news.bbc.co.uk

Our staff—at the British Consulate General in Basra—have been hard at work ensuring greater Council involvement in reconstruction projects, security issues, and assistance for education and culture in Basra. We are, therefore, now currently on much better terms with the Governor and Council, and co-operation in all areas is proceeding as well as expected given the continuing fragile security situation. Our Consul General, James Tansley, now addresses weekly meetings of the Council and regularly discusses security issues with the Governor. We aim to continue this engagement to ensure that the legacy of our presence in Basra will create further renewal of the region.³⁵⁹

283. Regrettably, relations have continued to come under strain in 2006, with a series of flare-ups. The arrest of several Iraqi security officials suspected of conspiring with militia led to a boycott by the Basra authorities of cooperation with the British army. During our visit to Basra in January 2006, Members of this Committee found that the situation was again going through a difficult period and contacts with the British authorities had been broken off by the Governor and some Members of the Provincial Council.

284. The visit by Foreign Office Minister Kim Howells to Basra in March 2006 went some way to improve relations, as David Richmond CMG, Director-General, Defence and Intelligence at the FCO told us: “the visit of Dr Howells has helped considerably, and I think there are signs that we are now getting back to normal in terms of the relationship with the Provincial Council and some signs of getting back to normal with the Governor as well, though he is more difficult.”³⁶⁰

285. However, on 6 May, the crash of a British military helicopter in which five British personnel were killed, led to clashes between British troops and Iraqi youths.³⁶¹ More positively, Iraqi police supported British soldiers during the unrest that followed the crash and the Iraqi authorities agreed to formally resume cooperation with the British Army in the aftermath.³⁶² On 17 May 2006, Foreign Secretary Margaret Beckett told the House that the Chairman of the Basra Provincial Council had announced a formal end to the boycott. She added “This welcome development opens the way to restoration of full co-operation between us and the Basra local authorities.”³⁶³ The situation in Basra remains tense; at the end of May, Prime Minister Maliki declared a month-long state of emergency in an effort to tackle the rise in sectarian clashes and factional rivalry.³⁶⁴

286. We conclude that the deterioration in the security situation and the continuing difficulties in relations with the local communities in Basra are deeply worrying. We commend efforts that have been made to build bridges and repair relations. We recommend that the Government set out in its response to this Report what further steps it is taking to improve the situation in the four south-eastern provinces of Iraq and to bring about a resolution of the differences between Shia groups.

359 Ev 36

360 Q 228 [Mr Richmond]

361 “Basra assault compounds PM’s problems”, *Financial Times*, 8 May 2006

362 “Iraqis resume ties with British”, *BBC News Online*, 7 May 2006, news.bbc.co.uk

363 HC Deb, 17 May 2006, col 995W

364 “Iraq imposes emergency in Basra”, *BBC News Online*, 31 May 2006, news.bbc.co.uk

The decision to go to war in Iraq

287. In April 2006, we heard from several witnesses about the Government's decision to go to war in Iraq. Asked when he believed the Prime Minister made a commitment to go to war in Iraq, Professor Philippe Sands QC told the Committee:

My personal view is that the Prime Minister took a decision very early on, in March/April 2002, to provide unambiguous support to President Bush and that President Bush had decided at that time to remove Saddam Hussein from office, irrespective of what did or did not emerge. In terms of proof—and as a lawyer, as an English barrister obviously one is very careful in answering your question—I would say that certainly by 31 January 2003 the Prime Minister had taken his personal decision to support President Bush's decision to remove Saddam Hussein from office. I refer to that date because that is a date from a memorandum that I have referred to later in the book, at pages 272 and 273, relating to a private conversation between the President and the Prime Minister at the White House, accompanied by a small number of other individuals, at which President Bush unequivocally states that he has decided to use force, and the Prime Minister unequivocally states, "I am solidly with you." And in my view everything that happened thereafter, including the UN process, the views of the weapons inspectors, did not really matter what it turned up because the decision had been taken and the start date for war had already been pencilled in.³⁶⁵

288. If true, this would raise questions about the Prime Minister's comments to Parliament on 18 March 2003.³⁶⁶ Asked directly whether he thought the Prime Minister deliberately misled the House in his speech on 18 March 2003, Sir Christopher Meyer, who was British Ambassador to Washington from 1997 until the Spring of 2003, said: "Absolutely not."³⁶⁷

289. Sir Christopher did not attend the meeting that produced the minute cited by Philippe Sands.³⁶⁸ Asked to comment on the minute of that meeting, Sir Christopher told us:

By the time that Tony Blair came to the meeting on 31 January I was saying that, absent a coup in Iraq or Saddam suddenly deciding to go off into exile in some hospitable place like Minsk, the die was cast for war and therefore the Prime Minister's main objective for that meeting should be to ensure that in the coming war we went into battle, if you like, in the best company possible, which is another way of saying, "Let us get a second resolution."³⁶⁹

Sir Christopher expanded on the Prime Minister's commitment to stand with the USA in any war against Iraq:

I think Tony Blair had made a decision to support George Bush, however the cards fell, from the Crawford Summit of April 2002. This is a distinction I make in my

365 Q 289

366 HC Deb, 18 March 2003, cols 760–764

367 Q 337

368 Q 328

369 Q 329

book. This was not a decision in April 2002 at Crawford to go to war on such-and-such a date. It was not an operational decision, but Blair had decided that the right thing to do, given his own view of Saddam Hussein, was to be with the President of the United States whatever decision he chose to take. That was a decision by Blair, I think, taken to try to ensure that he had the maximum influence possible over the President. This is a very important distinction because the criticism has been levelled at both President Bush and Prime Minister Blair that from a very early stage in 2002 they had decided, come what may, that they were going to go to war against Saddam Hussein in the spring of 2003. I do not think that is true because the consequence of that is that everything that then followed in 2002, including the efforts of the United Nations, would have been simply a smokescreen for a devious plan, if you like. I do not believe that to be true. I do not believe the two leaders lied to their respective public opinions. I do believe though that they were very doubtful that Saddam would ever do the right thing and that probably it would come to war, but we did not get to the moment of truth until early 2003.³⁷⁰

290. Sir Christopher went on to say: “I do not know exactly what transpired between President and Prime Minister, but the speech that the Prime Minister made the next day at College Station, which was one of the best speeches he made on Iraq, sounded to me like a statement of very strong support for the President, whatever he chose to do.”³⁷¹

291. We conclude that there remain significant disagreements about the timing of the decision to go to war with Iraq. We recommend that the Government set out in its response to this Report the chronology of when decisions were made with regard to the Iraq war, including publication of the memorandum of the conversation between the Prime Minister and President Bush on 31 January 2004.

370 Q 330

371 Q 331

7 Iran

Background

292. Iran is a country of major geo-strategic significance and political, economic and energy importance. It poses a serious foreign policy challenge to the United Kingdom and its allies. In addition to the question of how to deter Iran from developing nuclear weapons, there is Iran's mixed record of involvement in the 'war against terrorism' and its poor human rights record. Iran's role is made more complicated by the interplay of rhetoric and pragmatism and the complex interplay of political and clerical systems of governance. In our many discussions about the situation in Iran, we met with British officials, members of the IAEA secretariat, including Director General Dr Mohammed ElBaradei, members of the US Administration and with Iranian politicians.

293. On the nuclear issue, former Foreign Secretary Jack Straw told us about the effort that has been put into negotiations with Iran: "I would not have spent more time and effort on the Iran dossier than any other since the Iraq war were I not deeply concerned about this threat and the threat that it poses to international peace and security."³⁷² Explaining why the prospect of an Iranian nuclear weapon is so undesirable, the Foreign Secretary told us:

[T]he worst way of achieving peace and security in the Middle East is to have Iran developing a nuclear weapon, or leading to that suspicion, because that will then lead to other states in the region almost certainly developing their own nuclear weapons. I cannot speak for them but I offer this speculation: some of the larger Arab states would not stand idly by for a second if they thought that Iran was developing a nuclear weapon.³⁷³

294. Expanding on the regional impact of an Iranian nuclear weapon, Dr John Chipman, director of the International Institute for Strategic Studies, warned:

Were Iran to acquire a nuclear weapon, the status quo and the balance of power in the Gulf region would be altered. Israel has had nuclear weapons for decades. Yet this has not invited any strategic response in the region. Whatever their public pronouncements, Arab states privately recognise that Israel's nuclear capacity is intended to preserve its existence and is not aimed at changing the regional balance of power. No regional state has sought nuclear weapons in response. Israel's nuclear strength is seen as diplomatically offensive to the non-proliferation regime, and the west's implicit tolerance of it as a sign of double standards, but no one sees it as a strategic threat.

In contrast, possession by Iran of nuclear weapons would change the balance of power and could threaten the regional status quo. The small Gulf Arab states would seek nuclear guarantees from the west, perhaps even closer affiliation to Nato. Saudi Arabia might reconsider its position and seek some kind of nuclear accord with Pakistan. Further afield, Egypt and Turkey might also think of going nuclear. Even if

372 Ev 195, Q 3 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

373 Ibid, Ev 195, Q 2

all this took decades to play out, a nuclear-armed Iran would cause a strategic earthquake leading to all sorts of diplomatic and security realignments.³⁷⁴

295. In addition to broad concerns over regional nuclear proliferation, the nature of the regime in Tehran makes an Iranian nuclear weapon an alarming prospect. As Jack Straw told us: “If you were identifying countries who fitted the category of being undesirable candidates to hold nuclear weapons, Iran would be quite near the top of the list.”³⁷⁵ This is abundantly clear from Iran’s political support for and continued funding of terrorism as well as its call for the destruction of the state of Israel.

296. Iran provides a particularly difficult diplomatic challenge for the United Kingdom. There is a historic legacy of mistrust between the two countries, which have had only sporadic diplomatic relations since the 1979 Islamic Revolution. The United Kingdom’s criticism of the human rights situation in Iran as well as its leading role in the negotiations on the nuclear file put further strain on the relationship. Reflecting the poor state of relations, on 16 October 2005, Iranian officials accused the United Kingdom of involvement in two explosions in Ahvaz near the Iraqi border (this was not the first time such claims had been made); the British Embassy in Tehran condemned the attacks and rejected allegations of British involvement.³⁷⁶ Reflecting these tensions, as well as the strength of anti-British sentiment among the Iranian population, the British embassy has been the target of attacks and protests in recent years.³⁷⁷

Nuclear standoff

297. In the last Report in this inquiry, our predecessor Committee outlined the non-proliferation situation in Iran. The Report noted the reasons for international concern over Iran’s nuclear ambitions, progress of the International Atomic Energy Agency’s (IAEA) investigations into the Iranian nuclear programme as well as the negotiations between Iran and the EU3 (France, Germany and the United Kingdom).³⁷⁸

Iran’s nuclear programme

298. Iran has consistently denied that it is developing nuclear weapons, insisting that the goal of its nuclear programme is to produce electricity. Tehran vigorously defends its right to a civil nuclear programme, and this has become a potent national rallying point. Asked about the Iranian nuclear weapons programme, former Foreign Secretary Jack Straw told us:

The evidence is circumstantial. I have never said that it is categorical and I will not unless and until it is categorical, but let me just summarise the evidence. First of all, it is 20 years of basic deception of the IAEA in breach of their treaty obligations, saying that they were not doing anything significant in respect of the fuel cycle when they

374 “An effective way to deal with Iran”, *Financial Times*, 15 March 2006

375 Ev 196, Q 10 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

376 “Britain denies bomb claim”, *BBC News Online*, 16 October 2005, news.bbc.co.uk

377 “Tehran students attack UK embassy”, *BBC News Online*, 28 September 2006, news.bbc.co.uk

378 HC (2004–05) 36-I, paras 363–373

were building these very large plants at Natanz and Isfahan. Then the fact that, as it emerged, they have been experimenting with plutonium and polonium, which are not really of much use when it comes to generating electricity by nuclear means. There is the discovery by the IAEA inspectors, which they have yet properly to explain, of a significant manual from AQ Khan, the nuclear proliferator, about the design and manufacture of depleted uranium hemispheres, which have a purpose only in nuclear bombs and not in nuclear power stations. And the fact that they are developing the Shehab-3 missile system and analysts suggest that this could be used with a nuclear warhead.³⁷⁹

299. Dr ElBaradei's report for the March 2006 meeting of the IAEA Governing Board included an assessment of the situation:

Although the Agency has not seen any diversion of nuclear material to nuclear weapons or other nuclear explosive devices, the Agency is not at this point in time in a position to conclude that there are no undeclared nuclear materials or activities in Iran. The process of drawing such a conclusion, under normal circumstances, is a time consuming process even with an Additional Protocol in force. In the case of Iran, this conclusion can be expected to take even longer in light of the undeclared nature of Iran's past nuclear programme, and in particular because of the inadequacy of information available on its centrifuge enrichment programme, the existence of a generic document related to the fabrication of nuclear weapon components, and the lack of clarification about the role of the military in Iran's nuclear programme.³⁸⁰

300. Under the Non-Proliferation Treaty (NPT), Iran has the right to pursue elements of the nuclear fuel cycle for civilian purposes, as long as this is declared and subject to international monitoring. As the former Foreign Secretary told us:

Iran has signed up solemnly to the Non-Proliferation Treaty and as a non-nuclear weapons state they have rights to develop nuclear power under Article IV but they have obligations not to do anything in the way in which they develop a nuclear power capability which could lead to the development of a nuclear weapons capability. Let me make this clear—I have made it clear time and time again—Iran has every right to nuclear power stations.³⁸¹

301. The fear is that Iran will 'break out' of the NPT once it is capable of building nuclear weapons: the NPT allows signatories to withdraw as long as they give the IAEA 90 days notice. There are diverse estimates of how long it would take Iran to acquire a nuclear weapon. According to an assessment by the International Institute for Strategic Studies, Iran is still five to ten years from producing a nuclear weapon. However, "if it continues its research activities on uranium enrichment it may be able within months to master the techniques for operating a cascade of centrifuges. Once it has this capability it could install cascades at clandestine facilities and work to produce fissile material for a weapon."³⁸² On 2

379 Q 199

380 "Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran", Report by the Director General, 27 February 2006, GOV/2006/15

381 Ev 195, Q 2 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

382 "An effective way to deal with Iran", John Chipman, Director of the International Institute for Strategic Studies, *Financial Times*, 15 March 2006

June 2006, John Negroponte, director of US national intelligence, said that Iran could have nuclear weapons by 2010.³⁸³

302. Concerns about the pace of the Iranian programme increased recently with the announcement by President Mahmoud Ahmadinejad on 11 April 2006 that Iran had joined “the nuclear countries of the world”. This followed news that Iran had enriched uranium.³⁸⁴ On 13 April, Iran declared to the IAEA that it had achieved an enrichment level of 3.6%; on 18 April, the IAEA took samples which confirmed this.³⁸⁵ The publication of satellite photographs of Iran’s Isfahan and Natanz plants showing evidence of new tunnels and underground facilities have added to concern, as has Tehran’s recent flexing of its missile technology.³⁸⁶ In April 2006, Iran unveiled new missile capabilities during a week of highly publicised military exercises in the Strait of Hormuz.³⁸⁷ A nuclear-armed Iran, equipped with long-range missiles, could be a dangerous force for instability in the region.

303. We conclude that there is clear cause for international concern over Iranian nuclear intentions and a number of substantive issues have yet to be resolved, as spelled out in successive IAEA reports. We further conclude that the Government is correct to take extremely seriously the possibility that Iran is seeking to acquire nuclear weapons. A nuclear armed Iran would radically alter the security geography of the region and would lead other countries to seek nuclear weapons or guarantees themselves.

Diplomatic process

304. In the last Report in this inquiry, our predecessor Committee welcomed the deal reached in November 2004, whereby Iran agreed to suspend uranium enrichment in exchange for negotiation of a Trade and Co-operation Agreement with the EU.³⁸⁸ Since that Report, there has been a serious deterioration in the situation, with the breakdown of talks between the EU3 and Tehran, and Iran’s resumption of enrichment activities.

305. In August 2005, Iran re-opened its uranium conversion facility in Isfahan and resumed production of uranium hexafluoride, the feedstock for the enrichment process.³⁸⁹ In January 2006, Iran wrote to inform the IAEA that it had decided to resume research and development “on the peaceful nuclear energy programme.”³⁹⁰ Iran subsequently resumed enrichment activities.

306. The increasing seriousness of the situation is clear from deliberations at the IAEA. In September 2005, the IAEA Governing Board passed a resolution condemning Iran for

383 “World powers agree deal on Iran nuclear package”, *Financial Times*, 2 June 2006

384 “Iran nuclear move draws UN ire *Moscow warns against use of force to deal with Tehran”, *Financial Times*, 13 April 2006; and “Iran says it has mastered uranium enrichment”, *Financial Times*, 12 April 2006

385 “Nuclear report on Iran: Excerpts”, *BBC News Online*, 29 April 2006, news.bbc.co.uk

386 “US refuses to discuss Iran’s nuclear plans in face-to-face talks on Iraq”, *The Guardian*, 18 April 2006

387 “Iran nuclear move draws UN ire”, *Financial Times*, 13 April 2006

388 HC (2004–05) 36–I, paras 363–373

389 “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran and related Board resolutions”, IAEA Resolution adopted on 11 August 2005, GOV/2005/64

390 “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran”, Report by the Director General, 27 February 2006, GOV/2006/15

“non-compliance” with the NPT. The resolution stated: “the history of concealment of Iran’s nuclear activities... [has] given rise to questions that are within the competence of the Security Council, as the organ bearing the main responsibility for the maintenance of international peace and security”.³⁹¹ The Governing Board met again in November 2005 and considered a further report on Iran, but held back from reporting the country to the UN Security Council. This was in the context of a Russian compromise proposal and warnings to Iran that international patience was wearing thin.³⁹² However, an extraordinary meeting of the IAEA Governing Board on 2–3 February 2006 agreed to report Iran to the UN Security Council, but delayed action until after its scheduled March meeting. This delay reflected an effort to maintain international consensus in the face of Chinese and Russian concerns over the potential for escalation.³⁹³ In March 2006, after months of speculation, the IAEA Governing Board reported Iran to the Security Council. Although this step had long been anticipated, it was far from clear how the Security Council would handle the Iran file. Indeed, we visited the UN in February 2006 and were concerned at the lack of clarity over what would happen next.

307. Reflecting this uncertainty, it took some weeks for the Security Council to issue a presidential statement on Iran—usually a formality, but in this case fraught with diplomatic complications. The statement, issued on 29 March 2006, reiterated the IAEA’s concerns about Iran and called on Tehran to take the steps required by the IAEA, namely to:

- Re-establish full and sustained suspension of all enrichment-related and reprocessing activities, including research and development;
- Reconsider the construction of a research reactor moderated by heavy water;
- Ratify promptly and implement in full the Additional Protocol; and
- Implement transparency measures, which extend beyond the formal requirements of the Safeguards Agreement and Additional Protocol.

The statement also requested a report from the IAEA Director General on Iran’s compliance in 30 days.³⁹⁴

308. On 28 April 2006, Dr ElBaradei submitted his report to the IAEA Governing Board and the Security Council. The report noted that Iran had failed to cooperate with the IAEA with regard to requests for additional information on its enrichment programme. In addition, Iran’s decision to cease implementing the provisions of the Additional Protocol will limit further the IAEA’s ability to clarify issues and confirm the absence of undeclared nuclear material and activities.³⁹⁵

391 “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran”, Resolution adopted on 24 September 2005, IAEA Board of Governors, GOV/2005/77

392 “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran”, Report by the Director General, GOV/2005/87, 18 November 2005

393 “Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran”, Resolution adopted on 4 February 2006, IAEA Governing Board, GOV/2006/14

394 UN Security Council Presidential Statement, SC/8679, 29 March 2006

395 “Nuclear report on Iran: Excerpts”, *BBC News Online*, 29 April 2006, news.bbc.co.uk

309. Following the release of this report, on 3 May 2006, the United Kingdom and France proposed an unexpectedly tough Security Council Resolution ordering Iran to suspend immediately “all enrichment-related and reprocessing activities”, including research and development, as well as the construction of a heavy water reactor or face the possibility of “further measures”. China and Russia immediately rejected the draft, saying it was too aggressive and needed to be reworked.³⁹⁶ Subsequent meetings of the Permanent Five (P5) made little progress on agreeing a Resolution. However, agreement was reached that the EU3 would launch a new diplomatic initiative concurrent with ongoing efforts to agree a Resolution.

310. On 15 May, EU foreign ministers endorsed a twin-track approach setting out both incentives and restrictive measures to convince Iran to end enrichment and reprocessing activities. In part, this decision reflected the hope that spelling out the incentives offered to Iran would address Russian and Chinese concerns and overcome the deadlock over a Security Council Resolution.³⁹⁷ On 6 June, EU Foreign Policy Chief Javier Solana presented the package of incentives to Iranian Foreign Minister Manouchehr Mottaki and Ali Larijani, Iran’s chief nuclear negotiator. The package, which has not been made public, offers various incentives in exchange for Iran’s suspension of enrichment and reprocessing activities. These incentives are reported to include: assistance for Iran’s civilian nuclear energy programme, including help building light-water nuclear reactors and a guaranteed fuel supply; trade concessions; the lifting of the US ban on the sale of spare parts for Iran’s ageing civilian aircraft, which could include components from Boeing and Airbus; the waiver of trade sanctions against Iran to allow the purchase of US agricultural technology; support for Iran’s membership of the World Trade Organization; and an offer by the USA to end its policy against direct talks with Iran and to join in the nuclear negotiations.³⁹⁸ The ‘disincentives’ are believed to include a travel ban against Iran’s religious leaders and government officials involved in the nuclear programme and a freeze of Iranian financial assets abroad.

311. The initial Iranian response to the package has been positive, especially compared with the package proposed by the EU3 in the Summer of 2005, which Iran immediately rejected. Following his meeting with Javier Solana, Mr Larijani said “The proposals contain positive steps and also some ambiguities, which must be removed... We hope we will have negotiations and deliberations again after we have carefully studied the proposals to reach a balanced and logical result.” For his part, Mr Solana described the meeting as “very, very constructive.” However, Iran subsequently reacted badly to suggestions of an ultimatum when President Bush said that Iran had “weeks not months” to respond to the package. There have also been suggestions that Iran will make a ‘counter-proposal’³⁹⁹

312. We conclude that despite achieving a high degree of international agreement about the need to address Iran’s nuclear ambitions, there has been a worrying lack of consensus among the Permanent Members of the UNSC on how best to tackle this

396 “UN powers split over tough Iran resolution”, *Financial Times*, 4 May 2006

397 “EU offers Iran nuclear deal to end uranium enrichment”, *Financial Times*, 16 May 2006

398 “Iran to study EU incentive plan on nuclear issue”, *Financial Times*, 7 June 2006; and “US offering deals on trade to entice Iran”, *The New York Times*, 6 June 2006

399 “Iran sees ‘problems’ in offer to lure it off the nuclear path”, *Financial Times*, 12 June 2006

problem. We commend the Government's commitment to diplomatic efforts to resolve the nuclear standoff with Iran. We sincerely regret the breakdown of negotiations in 2005 and Iran's resumption of enrichment activities. We commend the international consensus achieved among members of the IAEA Governing Board and the efforts taken to maintain this consensus in the decision to report Iran to the UN Security Council. We also commend renewed efforts by the EU3 to resolve the crisis by diplomatic means and we recommend that the Government keep us informed of the progress of these negotiations.

Options for the international community

313. Despite international consensus at the IAEA over Iran ahead of its referral to the UN Security Council, and broad consensus over the importance of preventing Iran from acquiring nuclear weapons, there has been uncertainty over how best to make Iran meet its international obligations. Over the past year, we asked the former Foreign Secretary on numerous occasions about the options available to the international community.

314. In February 2006, we asked him about what would happen when the Iran file reached the Security Council, but Mr Straw was reluctant to speak specifically about the steps that could be taken, speaking instead about the impact of being reported to the Security Council:

I do not think anybody should underestimate the effect the authority of the Security Council can have. The question I ask is if the Security Council means nothing at all, why did the Iranian Government go to huge lengths, astonishing lengths, to lobby every single member of the Board of Governors they could find against this resolution? Why did they imply to many of these states that they would lose contracts in terms of oil? There were all sorts of insinuations made in order that this matter could not get before the Security Council. My answer to that is they are worried about being isolated and being before the court of world opinion.⁴⁰⁰

315. Speaking to the International Institute for Strategic Studies in London in March 2006, the then Foreign Secretary said that "diplomatic discretion" required that he reveal little of the plans for what happened next.⁴⁰¹ Nevertheless, he set out the four principles according to which the United Kingdom is proceeding:

First, our objective is to exert the pressure needed so that Iran restores a full verifiable suspension of all enrichment-related and reprocessing activity and cooperates in full with the Agency.

Second, action taken by the Security Council should be incremental, one step at a time, and it should also be reversible so that we can respond to Iranian actions and reactions. We should leave the door open for negotiations with Iran to resume at any stage so that they can then come into compliance.

400 Ev 197, Q 12 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

401 "Iran: the path ahead", remarks by the Foreign Secretary, at the International Institute for Strategic Studies, 13 March 2006

Third, we want to maintain the strongest possible international consensus.

And fourth and finally, the Security Council will be invited to act to reinforce the authority of the IAEA which will continue to play the central role in monitoring, verifying and resolving outstanding issues.⁴⁰²

The former Foreign Secretary emphasised the point that referral to the Security Council does not signal the end of diplomatic efforts: “If Iran is prepared to respect the requests of the IAEA in full, then the door to a negotiated solution will reopen.”⁴⁰³

Renewed engagement

316. On 7 June 2006, Foreign Secretary Margaret Beckett was upbeat about the prospects of the renewed efforts at diplomatic engagement with Iran. She told us:

I know you will understand and I think the Committee will understand if I approach this at this moment in time with considerable caution because it was only yesterday that the meeting took place in Iran where proposals were put before the Government of Iran and they still have to consider them. What I would say is that there is actually a very strong coherence of understanding about the benefits of dealing with the issues which arise in Iran through diplomatic means and of the potential disadvantages of all of that going wrong... There is a very considerable amount of common ground, agreement, understanding and basic concern among the participants in that dialogue, the P5 and Germany. That is the first thing I would say. Second, coming from that common analysis and concern, there is a passionate desire to find a way out of this through diplomatic means and a way out which can be to everybody’s benefit. The reason that we did not make any statements in New York was because people wanted to do more work on being able to put something of greater substance to the Iranian Government and that work has proceeded in the interim and that then led to the discussions that we had in Vienna. In Vienna, again there was acceptance from all of the countries there that we should be offering to the Iranian people and the Iranian Government something which was mutually beneficial, that we should make plain our shared concern and our shared wish to resolve this problem as an international community but our shared understanding that the concerns of the IAEA Board were concerns that everyone shared. I do not really want to go any further than that but it was a deliberate choice and decision that we made—and I chaired the meeting, as you perhaps know—a united statement that I as the chair read out. It was a very short statement that we would not explain the content to anybody before it had been shared with the Government of Iran and we had given them a breathing space to think about it, to consider it, and to think about their response, and that we would do everything that we could to avoid jeopardising the prospects of agreement because of that absolutely shared basis of concern and interest.⁴⁰⁴

402 “Iran: the path ahead”, remarks by the Foreign Secretary, at the International Institute for Strategic Studies, 13 March 2006

403 *ibid*

404 Evidence from Foreign Secretary Margaret Beckett to the East Asia Inquiry, to be published in July as HC 860–v

317. It has been argued that one of the reasons for the failure of previous diplomatic efforts was the absence of US involvement. Although European players could offer a range of economic and political incentives, they could not offer the security guarantees that many believe could achieve an agreement. Indeed, the negotiations between the EU3 and Iran have been criticised for failing to address Iran's security needs.⁴⁰⁵ Explaining Iran's sense of international and regional insecurity, the former Foreign Secretary told us:

[Y]ou have got to understand how isolated Iran feels in that Iran is not an Arab state... Iran feels over the last 100 years it has been humiliated by great powers, by the United Kingdom. There was this constitutional revolution in 1906 and in 1908 we came along backing the Anglo-Iranian Oil Company and ensured that we got the lion's share of oil revenues and that went on for decades. We supported the Shah in what amounted to a takeover of that country and did not do anything when he implemented very crude anti-Islamic policies, including making it a criminal offence for women to wear even the hijab, the headscarf, on the street. We and the Soviet Union occupied the country for five years in the north from 1941–46 and then elements of British intelligence and the CIA stopped a perfectly democratic prime minister, Mossadeq, from office and failed to see the signs of the decadence of the Shah's regime and many Western countries, actually less so the United Kingdom and some continental countries, actively supported Iran in the Iran–Iraq war. You have got to see it from their point of view and if we do not see it from their point of view as well we will make mistakes in the way we handle this.⁴⁰⁶

318. On top of this sense of 'humiliation', Iran is highly conscious of its encirclement: "It has nuclear-armed states to the east (Pakistan and India), north (Russia) and west (Israel). It was forced into a devastating eight-year war with Iraq that cost hundreds of thousands of lives. Above all it feels threatened by America. "What is the only country in the world, apart from Canada, that has the US on every border?" they like to ask in Tehran. "Iran," comes the wry reply.⁴⁰⁷ Indeed, in the last Report in this Inquiry, our predecessor Committee noted: "Iran's logic for developing a nuclear deterrent revolves around its isolation and the growing number of US clients in its neighbourhood. US troops are in Iraq and Afghanistan, Turkey is a member of NATO and Pakistan is a close ally of the US in the 'war against terrorism'. Iran's designation as part of the 'axis of evil' and Washington's long standing hostility to the Islamist regime provide serious cause for concern in Tehran."⁴⁰⁸

319. The former Foreign Secretary told us about the success of European cooperation on the Iran dossier: "[I]t is a very good illustration of operational European foreign policy. The fact that it has been led by the three largest countries in the EU has been an essential part of that. I should also say, however, that Javier Solana, the High Representative on foreign policy, has played an increasingly important role in this and so has his staff."⁴⁰⁹ Asked about Washington's attitude towards this process, the former Foreign Secretary told us:

405 See for example: "It is time to put security issues on the table with Iran", *Financial Times*, 18 January 2006; and "Security holds the key to the Tehran tangle", *Financial Times*, 2 February 2006

406 Ev 199, Q 18 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

407 "Security holds the key to the Tehran tangle", *Financial Times*, 2 February 2006

408 HC (2004–05) 36–I, para 364

409 Ev 199, Q 18 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

[I]t is fair to say the United States initially were sceptical about this E3 process. They understood that in the aftermath of the Iraq war the architecture of diplomacy of the E3 made sense but there was worry in the United States—to go back to a previous point—that the Iranians would pick off France and Germany from the United Kingdom... Since then, I think it is fair to say, the United States Government's confidence in the E3 process has increased. There has been more and more active co-operation between the E3 and the Government of the United States. This led to some key confidence building measures being offered by the United States Government.⁴¹⁰

320. Nevertheless, the former Foreign Secretary also told us: “It would be much better if there were diplomatic relations and just closer relations altogether between the United States and Iran.... I have to say there is a lot of institutional hostility to the United States in Iran, as you may have noticed.”⁴¹¹ Explaining this hostility, the Foreign Secretary said: “Their history with Iran is much more fractured than is Europe's... None of us have had the equivalent of the 444 day siege which humiliated an American President, some say that led to his demise, and all that has gone on since then. Nor do we in Europe have the same kind of very vocal and vociferous Iranian Diaspora that the American Government has to cope with.”⁴¹²

321. Sir Christopher Meyer, former Ambassador in Washington, reiterated the importance of US engagement to us: “The one peaceful thing, if you like, the one non-military thing that has not been tried yet in dealing with Iran is intensive diplomatic negotiations between the United States and Iran. That is one piece that has not been put into the jigsaw.”⁴¹³ Moves to initiate talks between the USA and Iran on Iraq have prompted optimism that there could scope for diplomatic engagement between the two countries. However, Washington has been insistent that any talks would be limited to the situation in Iraq, and has continued to resist both international and domestic calls to engage Iran directly on the nuclear issue.

322. Therefore, it is extremely positive that the USA appears to be engaging with the current diplomatic initiative. The USA has taken a truly significant step in offering to: lift the ban on the sale of spare parts for Iran's civilian aircraft and to waive trade sanctions to allow the purchase of US agricultural technology; support Iran's membership of the World Trade Organization; and possibly end its policy against direct talks with Iran and to join in the negotiations over Iran's nuclear programme.

323. We asked Foreign Secretary Margaret Beckett about this positive development and whether it reflects a strategic shift rather than a tactical move. She told us:

[A]lthough you are right in saying that the present process of engagement has been contributed to massively by this very substantial shift in the position of the United States of America, actually there would not have been anything to shift on, there would have been no foundations laid, had it not been for those three EU Foreign

410 Ev 198, Q 17 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

411 Q 218

412 Ev 199, Q 18 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

413 Q 358

Ministers and their initiative and I think that the credit belongs to them in starting that process, but then, of course, all credit is due to those in the United States for making a substantial shift... [I]t is a huge encouragement to the Government of Iran... that there is a choice of open to them and that one of those paths is one of real opportunity for a better future for the Iranian people. Obviously, the move by the United States is one of the major contributory factors in fleshing out... the sheer scale of that opportunity because it is now an opportunity that does not just relate to their wish to have access to civil nuclear power but also much more widely to their relationships with the whole international community... I say to you, hand on heart, no, I do not believe it is a matter of tactics by the United States. I think it signals a willingness by the United States to have a changed relationship with Iran if that is what Iran wants.⁴¹⁴

324. We commend the high-level cooperation between the United Kingdom, France and Germany in their negotiations with Iran. We conclude that US engagement will be an essential component of any lasting agreement and commend US involvement in the current EU3 diplomatic initiative. We recommend that the Government use its close relationship with the USA to encourage it to engage further with Iran and that it set out in its response to this Report what steps it is taking to do this.

Sanctions

325. Pressed on the likelihood that the Security Council would impose sanctions on Iran, the former Foreign Secretary told us:

There are available to the Security Council, as you will be aware, non-military sanctions under Article 41 and everybody knows what those are and how they have been used in the past. I do not want to anticipate decisions that the Security Council might or might not make in respect of sanctions except to say that it does not follow at all that just because the matter is considered subject to a resolution in the Security Council there have to be sanctions as well.⁴¹⁵

326. Deep scepticism over the likelihood of Security Council consensus on imposing sanctions has been borne out by the persistent failure to agree a Security Council Resolution. Doubts have centred on the positions of Russia and China, both of which are permanent members of the Security Council with a veto and both of which have close economic, military or trade relationships with Iran. Asked about the positions of these two countries, the former Foreign Secretary reiterated his belief in the strength of the consensus:

What we have seen is Russia and China make some very important strategic decisions. Yes, in the case of China they rely to a significant degree on Iranian oil and gas and in the case of Russia their direct interests are different but very close because they are a neighbour and Iran has potentially very significant influence in the Caucasus to stir up trouble. I think that Russia and China judged against those direct

414 Evidence from Foreign Secretary Margaret Beckett to the Inquiry into Developments in the European Union, to be published as HC 768–iv

415 Ev 197, Q 15 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

and immediate interests it was very important to make clear to the Iranians that the patience of the international community was being exhausted and if the Iranians were demanding of Russia and China that they choose between Iran or the international community and international solidarity then they would do the latter and not the former.⁴¹⁶

327. Nevertheless, both China and Russia have repeatedly stated their commitment to a negotiated solution and resisted any reference to Chapter 7 of the UN Charter in relation to Iran; Russian Foreign Minister Sergei Lavrov has specifically said that Russia opposes imposing sanctions against Iran and that the “sole solution” will come through the IAEA.⁴¹⁷

328. Speaking in May 2006, the Foreign Secretary Margaret Beckett said this about sanctions: “everybody believes that Iran should and must move into compliance with the view and the recommendation and the requirements of the IAEA Board. Everybody wants to find a way to achieve that. It may be that sanctions have to be applied. No one wants to apply sanctions if it’s not necessary.”⁴¹⁸

329. The likelihood that the Security Council will fail to agree to impose sanctions on Iran has prompted speculation that steps could be taken by other bodies or a new ‘coalition of the willing’. A meeting of EU foreign ministers on 10 April 2006 considered the issue; EU Foreign Policy Chief Javier Solana said that the EU “should prepare itself for other punitive action against Tehran” in the event that there is deadlock in the Security Council. Such sanctions could include a visa ban on key figures, a block on the transfer of civilian nuclear technology, an arms embargo and suspension of negotiations with Iran on a free-trade deal.⁴¹⁹

330. In addition to speculation over whether the international will for sanctions exists, there is doubt over what sort of sanctions might cause Iran to take the desired steps. Indeed, Iranians play down the effect of US sanctions, which were imposed after the 1979 revolution.⁴²⁰ Dr Ali Ansari, an Iran expert at St Andrews University and Chatham House, and a previous witness to this Inquiry, has warned about Iranian calculations of being able to withstand sanctions and the danger that sanctions will ‘whip up’ Iranian nationalism:

Iran’s leaders calculate they can weather any sanctions (or, indeed, worse); but to achieve that they must whip up nationalistic fervour—further precluding any accommodation. This, of course, has the added benefit of consolidating a hardline government that would otherwise rest on precarious foundations... Persian nationalism is a powerful tool of mobilisation. The West should avoid fuelling it

416 Ev 200, Q 23 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

417 “Sanctions against Iran ‘bad idea’”, *BBC News Online*, 30 March 2006, news.bbc.co.uk

418 Remarks by the Foreign Secretary, New York, 9 May 2006, available at: www.fco.gov.uk

419 “Europe proposes limited sanctions to halt Tehran’s nuclear ambitions”, *The Guardian*, 11 April 2006; and “EU considers Iran sanctions”, *EUObserver*, 11 April 2006

420 “Survival skills honed by embargo”, *Financial Times*, 2 February 2006

through reckless generalisations and hyperbole, which will simply alienate all Iranians.⁴²¹

Asked whether imposing sanctions on Iran might work to reinforce the position of the current government, the former Foreign Secretary told us: “If they were ill-judged and ill-thought through, yes, and that is one of the reasons why I do not want to speculate particularly on what Article 41 measures might be available to the Security Council.”⁴²²

331. Analysts argue that any disruption of oil exports would have serious consequences for Iran, which exports more than 2.7 million barrels per day (equal to around 60% of its overall production). Oil receipts make up 80% of Iran’s foreign exchange and 60% of government revenue.⁴²³ However, any oil-industry related sanctions would have dire consequences for the international community. Iran is OPEC’s second largest oil producer and holds 10% of the world’s proven oil reserves. It also has the world’s second largest natural gas reserves (after Russia). Reflecting this, the former Foreign Secretary said: “On the oil market, no-one that I have seen is talking about sanctions which will impact on the oil market. The purpose of any measures taken under Article 41 would be to put pressure on the Iranian regime, not on the international community.”⁴²⁴ One sanction that could have the desired effect without damaging the international economy would be an embargo on the export of refined petroleum to Iran. Iran lacks refining capacity and is highly dependent on petrol imports (during his visit to Indonesia in May 2006, President Ahmadinejad signed a deal to build a refinery in Indonesia for Iranian oil).⁴²⁵ We have already noted the ‘disincentives’ reported to be included in the EU3 package (a travel ban against Iran’s religious leaders and government officials involved in the nuclear programme and a freeze of Iranian financial assets abroad).

332. We conclude that a broad range of options are available to the international community with regard to Iran, but that that some are fraught with difficulty. We further conclude that in the interest of legitimacy as well as effectiveness it is highly desirable that maximum international consensus is maintained on any action taken against Iran.

Military action

333. Doubts over the impact and likelihood of sanctions have inevitably led to speculation over the possibility of military action against Iran. Such speculation has been heightened by press reports that the USA is preparing for possible major air attacks, including a tactical nuclear strike, to destroy suspected Iranian weapons sites.⁴²⁶ Although the White House has dismissed these reports, calling them “wild speculation”,⁴²⁷ President Bush has said that

421 “They are marching as to war”, Ali Ansari, *The Independent on Sunday*, 15 January 2006

422 Ev 201, Q 31 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

423 “Survival skills honed by embargo”, *Financial Times*, 2 February 2006

424 “Iran: the path ahead”, remarks by the Foreign Secretary, at the International Institute for Strategic Studies, 13 March 2006

425 “Survival skills honed by embargo”, *Financial Times*, 2 February 2006; and “Tehran searches for allies in Muslim world”, *Financial Times*, 10 May 2006

426 “The Iran Plans”, *The New Yorker*, 17 April 2006

427 “Bush dismisses report of military strike on Iran”, *The Independent*, 11 April 2006

all options, including the use of force, are “on the table” to prevent Iran from developing nuclear weapons.⁴²⁸

334. The former Foreign Secretary was firm in his rejection of the military option, saying on numerous occasions that it was not on the agenda. In October 2005, Jack Straw told the Committee:

[P]eople need to chill a bit on this. Military action is not on anybody’s agenda with respect to Iran, and that has been made clear repeatedly by the American Government and clearly by Condoleezza Rice yesterday at the joint interview I did with her from Birmingham, Alabama. It is simply not on the agenda. There is always a caveat entered on behalf of the President of the United States, who is also Commander in Chief, which I understand; but it is not on the agenda of the American Government and it is not on our agenda or anybody’s agenda on the board of governors.⁴²⁹

In March 2006, he commented on the international position towards military action:

What I know is that if we were more belligerent the international consensus would weaken very quickly, and I happen to believe that the most likely way of resolving this satisfactorily, and with Iran coming into compliance, is by maintaining a strong international consensus, and that is my judgment, it is the judgment of my European colleagues and we have been supported in that by American colleagues as well.⁴³⁰

335. However, there is concern over a possible difference of view between the Foreign Office and Downing Street on this issue. Unlike the former Foreign Secretary, the Prime Minister has never categorically ruled out military action against Iran. Asked whether he would give an absolute assurance that he would not support an attack on Iran, the Prime Minister told the House: “[W]hen the President of Iran is talking about wiping Israel off the face of the earth and when young people are signing up to be suicide bombers directed at US, UK and Israeli targets with at least the tacit acceptance of and possibly at the instigation of the Iranian regime, this is not the time to send a message of weakness.”⁴³¹ The new Foreign Secretary has also held back from explicitly ruling out military action; at a press conference on 8 May 2006, Margaret Beckett said: “The way that I choose to express it is that it’s not the intention, it is not anybody’s intention to take the course of military action and that I think is... simple and straight forward and clear.”⁴³²

336. Turning to the effectiveness of any potential military action against Iran, there are doubts whether the military option offers a long-term solution to preventing Iran from acquiring nuclear weapons.⁴³³ In February 2006, the Oxford Research Group published a report on the consequences of war against Iran. This report found that although attacks

428 “Bush keeps Iran military option”, *BBC News Online*, 18 April 2006, news.bbc.co.uk

429 Q 91

430 “Iran: the path ahead”, remarks by the Foreign Secretary, at the International Institute for Strategic Studies, 13 March 2006

431 HC Deb, 18 April 2006, col 117

432 Remarks by the Foreign Secretary, New York, 9 May 2006, available at: www.fco.gov.uk

433 “America must use a wide lens for its strategy on Iran”, *Financial Times*, 8 May 2006

would severely damage Iranian nuclear and missile programmes, Iran would have many methods of responding in the months and years that followed. Moreover:

However badly Iran's nuclear infrastructure was damaged in an attack, an immediate response would be to reconstitute the infrastructure and work rapidly and in secret towards a clear nuclear weapons capability. This would probably involve giving formal notice of withdrawal from the Non-Proliferation Treaty, followed by the immediate reconstitution of the nuclear infrastructure, developing it wherever possible in a more survivable manner. This would include systems redundancy, dispersal of research, development and production capabilities and the use of deep underground facilities for future work wherever feasible.

Furthermore, there may already be elements of redundancy built in to the current Iranian civil nuclear programme and there may be elements of which the United States is unaware. If so, this would aid the reconstitution of capabilities. More generally, any hope of negotiating away Iran's suspected nuclear weapons programme in the years after a US attack would vanish, undermining global non-proliferation efforts. Rather than living with an Iran that had the potential to produce nuclear weapons, the US action would almost certainly guarantee an overtly nuclear-armed Iran for decades to come or, alternatively, further instances of military action.⁴³⁴

337. In addition, there could be far reaching and serious consequences for the international community. In May 2006, Lt Gen Victor Renuart, the director of planning for the US Joint Chiefs of Staff, warned that military action against Iran would be "fraught with risk and would have repercussions across the region".⁴³⁵ Not only could military action rally the Iranian public around what is seen as a national right to a nuclear programme, but it would also inflame Muslim opinion across the world. There is well founded concern that: "An attack on Iran would proliferate further the lethal hybrid of Islamism and nationalism incubated by the invasion of Iraq, fusing an irreducible identity into an undeterrable ideology."⁴³⁶ In addition to dramatically increasing the international cost of oil, a military attack could unleash a much more malign Iranian approach in neighbouring Iraq. Iran could also use its allies and proxies across the region to retaliate, including the Lebanese Hezbollah and the Palestinian Islamic Jihad.

338. We asked Professor Philippe Sands QC about the legality of any future military action against Iran. He told us:

Classically there are two grounds to use force in international relations under international law: one, in self-defence, Articles 2(4) and 51 of the United Nations Charter; and, two, where authorised by the Security Council. In classic international law there is no third ground, but the United Nations Charter, when it was adopted in

434 "Iran: Consequences of a war ", Oxford Research Group, February 2006

435 "Strikes on Iran too risky, says US general", *The Daily Telegraph*, 2 May 2006

436 "A grand bargain still only solution on Iran It is time to surmount hysteria and hyperbole on both sides", *Financial Times*, 15 May 2006

1945, put into its preamble into Article 2 a commitment to protect fundamental human rights.⁴³⁷

Applying this to Iran, Professor Sands said:

If you look at the situation in Iran... the allegation is that it is engaged in the production of nuclear material for the purposes of producing an atomic bomb. If that is the case – and facts obviously are central – it would be in violation of its obligations under the 1968 Treaty on Non-Proliferation of Nuclear Weapons.⁴³⁸

Assuming those facts are correct and assuming that Iran persists in its actions what is to happen? At the first stage we are in discussion right now of moving the debate to the Security Council and the Security Council has adopted a first declaration urging Iran to bring itself into compliance with its international obligations... Let us assume that after the declaration Iran does not bring itself into compliance what happens next? It goes back to the Security Council, the Security Council adopts, one assumes, a resolution, negotiations go on and ultimately a point may be reached in which there is a stalemate and in which the Security Council tells Iran what to do and Iran refuses... I think it is premature to reach a firm view on what ought to happen in those circumstances but one can see two arguments. One argument is that when a State which is a party to the Treaty on Non-Proliferation of Nuclear Weapons violates its obligations and is found to be in violation by the Security Council, States are entitled to use force in self defence. That might be one view that could be put by the Bush Administration, adopting a particular interpretation of pre-emption. Another view would be that in those circumstances it is only for the international organisations concerned to act and that anything that falls short of a threatened use of force against an individual State or a group of States will not justify the use of force until it has been authorised by the Security Council, perhaps in association with the International Atomic Energy Agency.⁴³⁹

339. Spelling out the situation regarding weapons of mass destruction, Professor Sands told us: “My own view is that the existing rules of international law justifying the use of force where an attack is threatened are sufficient to allow a State, including the United Kingdom, to act where there is credible evidence that a weapon of mass destruction is being assembled with the intent of using it in relation to, in this case, the United Kingdom.”⁴⁴⁰ However, the situation would change in the event that Iran withdrew from the NPT: “[S]tates as sovereign entities are free to ratify treaties and, in accordance with the relevant rules, to opt out of them... [T]hat, of course, would leave them in a circumstance in which they would not be open to the criticism that they are not complying with their international legal obligations and would transform, I think, the nature of the legal debate as to what can be done to respond to that situation.”⁴⁴¹

437 Q 315

438 Q 304

439 Q 311

440 Q 298

441 Q 317

340. We conclude that military action against Iran would be likely to unleash a host of extremely serious consequences both in the Middle East and elsewhere and would not be guaranteed to prevent Iran from developing nuclear weapons in the long term. We further conclude that the Government should not undertake or support military action against Iran until all other options have been exhausted or without broad agreement among its international allies. We also conclude that the lack of international consensus for sanctions against Iran combined with the extremely worrying prospect of military action mean that all possible diplomatic efforts must be applied to reaching a negotiated agreement with Iran; we recommend that the Government make this point absolutely clear to the administration in Washington.

Iran and the 'War against Terrorism'

Links with terrorism

341. In previous Reports in this inquiry, our predecessor Committee noted both Iran's links with terrorist groups and its unhelpful role in neighbouring Iraq. In its Report of January 2004, our predecessor Committee noted that Iran retains links to Palestinian and Lebanese terrorist groups and has the ability to diminish the capacity of terrorists to derail the political process in Israel and Palestine.⁴⁴² These concerns remain and have been exacerbated by the confrontational stance adopted by Iran's new President.

342. The former Foreign Secretary told us about Iran's links with terrorist groups: "We have a well-founded belief that Iran is funding Hezbollah and the Palestinian Islamic Jihad and has strong connections with them. We believe they are also funding Hamas as well although it appears that a good deal of the funds for Hamas comes from around the Arab world."⁴⁴³ The Foreign Secretary subsequently wrote to us about evidence that Iran has brought terrorism into Western Europe: "The Iranian authorities are believed to have been directly involved in the murder of Iranian dissidents and opposition figures in Europe during the 1980s and 1990s."⁴⁴⁴ The former Foreign Secretary also told us: "Iran's intelligence services were significantly reformed during the Presidency of Mohammad Khatami from 1997 to 2005, although a number of senior figures who left the Ministry of Intelligence during that time have returned to frontline politics in Ahmadinejad's government."⁴⁴⁵

343. The USA has been especially vocal in its criticism of Iran in this area: in March 2006, US Secretary of State Condoleezza Rice referred to Iran as "a kind of central banker for terrorism in important regions like Lebanon through Hezbollah in the Middle East."⁴⁴⁶ Images of Iranian volunteers signing up as would-be suicide bombers for attacks against "oppressors of the Muslim world" have done little to assuage such concerns.⁴⁴⁷

442 HC (2004–05) 36–I, paras 23–24; and HC (2003–04) 81, paras 192–203

443 Ev 195, Q 4 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

444 Ev 68

445 Ev 68

446 Remarks by US Secretary of State Condoleezza Rice, Roundtable With Australian, Indonesian and Latin American Journalists, Washington, DC, 9 March 2006

447 "Iran tension", *Financial Times*, 18 April 2006

Position towards Israel

344. Since his election, President Ahmadinejad has made a number of inflammatory comments that have further alarmed the international community. His remarks about Israel have been particularly unpalatable. On 26 October 2005, President Ahmadinejad addressed a conference in Tehran on “A World Without Zionism”. In his speech, he called for “Israel to be wiped from the map”, and said that “the Islamic world will not let its historic enemy live in its heartland... the new wave of (attacks) in Palestine... will erase this stigma from the Islamic world” and that “anybody who recognises Israel will burn in the fire of the Islamic nation’s fury”.⁴⁴⁸

On 27 October 2005, the Prime Minister responded to these comments:

These sentiments are completely and totally unacceptable... This is unacceptable... when we hear statements like that made about Israel, it makes us feel very angry. It is just completely wrong, this, and it indicates and underlines I am afraid how much some of those places need reform themselves. Because how are we going to build a more secure world with that type of attitude? It is a disgrace I am afraid.⁴⁴⁹

345. Then in December 2005, President Ahmadinejad said that the Nazi Holocaust was ‘a myth’. He said that he did not believe that six million Jews had died at the hands of the Nazis last century and that “they have created a myth today that they call the massacre of Jews and they consider it a principle above God, religions and the prophets”. He called for Europe or North America—even Alaska—to host a Jewish state, not the Middle East.⁴⁵⁰

346. Initially, some analysts dismissed such comments as rhetoric employed by a new and inexperienced president seeking to rally the Iranian population behind him. However, the repeated use of such inflammatory and unacceptable rhetoric is not new or confined to the President. The former Foreign Secretary told us about this:

Can I just say that one of the problems of dealing with Iran is that this position which President Ahmadinejad articulated in such a dreadful way is a longstanding one of the post-revolutionary republic. At one of my meetings with President Khatami, who genuinely was a moderate, I said to him when he was talking about Israel that it would help if, number one, they recognised the rest of the world thought a two-state solution was appropriate and, number two, if he as president of this republic ordered that the Shahab 2 missiles should not have painted on their side in English “Death to Israel” when they were paraded in the national parade each year. I was received with a shrug.⁴⁵¹

Involvement in neighbouring states

347. There is strong evidence of malign Iranian involvement in neighbouring Iraq. On 6 October 2005, at a joint press conference with Iraqi President Jalal Talabani, the Prime

448 “Iranian leader sparks alarm by saying Israel ‘must be wiped off the map’”, *Financial Times*, 27 October 2005

449 Press conference at EU informal summit Hampton Court, 27 October 2005

450 “Holocaust comments spark outrage”, *BBC News Online*, 14 December 2005, news.bbc.co.uk

451 Ev 195, Q 5 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

Minister said that information linked Iran to recent bomb attacks against British troops in Iraq: “What is clear is that there have been new explosive devices used, not just against British troops but elsewhere in Iraq. The particular nature of those devices lead us either to Iranian elements or to Hezbollah, because they are similar to the devices used by Hezbollah that is funded and supported by Iran. However we cannot be sure of this at the present time.”⁴⁵²

348. The former Foreign Secretary repeated this assessment, telling a press conference that explosives that killed at least eight British soldiers originated from either Hezbollah or Iran. “There were improvised explosive devices used against a number of British convoys which killed, probably at least eight British soldiers and soldiers from other parts of the coalition... The forensic examination of those devices linked their design to Hezbollah and to Iran. That’s the evidence we’ve put to the Iranians.”⁴⁵³ More recently, President Bush in March 2006 accused Iran of supplying components for some of the most powerful improvised explosive devices (IEDs) used in Iraq.⁴⁵⁴

349. There is also long-standing concern over political interference by Iran in Iraq given its close link with a number of Shia individuals and groups there. Yahia Said, Research Fellow of the Centre for the Study of Global Governance at the LSE, commented:

Iran has a very big footprint in Iraq, a big influence. It goes through a variety of channels. It has channels to a variety of the actors in Iraq. Certain groups that enjoy Iranian support have been instrumental in fomenting sectarian violence in Iraq. Specifically I would mention the Supreme Council of Islamic Revolution in Iraq and the associated Badr Brigade. These are two organisations that have been established in Iran and have benefited from direct Iranian material and moral support for many years. However, the Iranian involvement in Iraq is more complex than that. They have been supporting nationalist group, insurgents group and so on. Iran, I believe, views Iraq as an insurance policy, as a card that it could use should it be subjected to a form of perceived or expected aggression from the United States, and therefore, what Iranian influence in Iraq has been over the three years is to try to keep the situation at a certain level of instability, so that it could use it as leverage in relation with the United States.⁴⁵⁵

Zaki Chehab, Political Editor of Arabic daily newspaper Al Hayat, also told us about the strength of Iranian influence in Iraq.⁴⁵⁶

350. Within Iraq’s borders there are Iranian exiles based at Ashraf city. They have protected persons status under the fourth Geneva Convention. At a time of increasing dialogue with the regime in Tehran it is important for governments of the coalition in Iraq, and the Iraqi government, to reiterate their recognition of these exiles’ protected persons status.

452 Joint press conference with Iraqi President Jalal Talabani, Downing Street, 6 October, available at: www.number-10.gov.uk

453 “Britain denies Iran bomb claims”, *BBC News Online*, 16 October 2005, news.bbc.co.uk

454 “Bush accuses Iran of supplying Iraqi rebels”, *Financial Times*, 14 March 2006

455 Q 270 [Mr Said]

456 Q 270 [Mr Chehab]

351. The importance of Iran's position in Iraq is indicated by recent moves to initiate talks between Washington and Tehran over the situation there. This move followed Washington's authorisation of its ambassador in Iraq, Zalmay Khalilzad, to talk to Iranian officials about Iraq. Iran and the USA have had no official relations since the 1979 Islamic revolution.⁴⁵⁷

352. In contrast, Iran is viewed to have taken a cooperative approach to the situation in Afghanistan, seeing a shared goal in removing the Taliban and tackling the drug problem. As the former Foreign Secretary told us: "Iran has been constructive in dealings with Afghanistan and with the international community in Afghanistan. It is perhaps an illustration of some ambiguity of Iranian policy, but it has been. They have, too, an identity of interest with Western Europe and with the United Kingdom over the issue of drugs because almost all the heroin from Afghanistan goes through Iran and I am told that there are up to two million Iranians who are heroin addicts, so it is a really serious problem."⁴⁵⁸

353. We conclude that Iran's position towards the 'war against terrorism' has been contradictory, and extremely unhelpful in a number of key areas. Iran continues to have links with terrorist groups, while statements by the Iranian president about Israel and denial of the Holocaust are deplorable and cannot be dismissed as empty rhetoric. We commend the Prime Minister's robust response to these comments and recommend that the Government continue to make clear to the Iranian Government that such behaviour and comments are unacceptable.

Iran and Reform

354. There are also serious human rights concerns in Iran. Our recent Report on the FCO's annual human rights report included a section on Iran. In particular, we noted concerns about: the punishment of juveniles; freedom of expression; pressure on NGOs and civil society groups; detention of Christians and other issues related to freedom of worship including repression of the Baha'is; detention of political opponents; use of the death penalty and public executions; and women's rights.⁴⁵⁹ We took evidence from key international human rights groups, who raised their concerns about Iran. Dr Nazila Ghanea-Hercock also wrote to us about the situation:

Increasingly the evidence has shown that Iran has a constitutional system that has the veneer of democracy and balance of powers, but that in reality its framework makes the very notion of the independence of the judiciary and a society built on equality of opportunity and respect for rights impossible. The Iranian legal system is inherently gender-biased, racist, and has built within it a hierarchy of discrimination based on religion or belief... I therefore fear that any encouragement by the UK and EU for Iran to commit to human rights and dialogue will, at present, prove futile.⁴⁶⁰

457 "Tehran prepared to hold talks with Washington on Iraq", *Financial Times*, 17 March 2006

458 Q 246

459 HC (2005–06) 574, para 148

460 HC (2005–06) 574, para 153

The National Spiritual Assembly of the Baha'is of the United Kingdom also expressed concern about the continued persecution of Baha'is in Iran.⁴⁶¹ We further noted that the deterioration in relations with Iran over the nuclear issue was making dialogue increasingly difficult.⁴⁶²

355. In its response to that Report, the Government said:

We continue to use our diplomatic contacts with the Iranian government to promote respect for human rights and political freedoms, and actively encourage the EU to do likewise. In the absence of an effective EU/Iran Human Rights Dialogue, these efforts are even more important. We will continue to draw public attention to human rights violations in Iran and to press the Iranian authorities to address them. We will also continue to support debate in United Nations for the work of United National mechanisms. All EU countries co-sponsored a resolution on human rights in Iran adopted by the United Nations General Assembly in December 2005.⁴⁶³

356. There are also concerns over the shortcomings of the democratic process in Iran. Elections to the Majlis (parliament) in 2004 were deeply flawed. The Guardian Council, an unelected body that constitutionally 'interprets' Islamic orthodoxy, barred around 2,500 of the 8,200 prospective candidates, including 87 existing members, from standing. After a request by Supreme Leader Ayatollah Ali Khamenei that it review the bans, the Council made minimal changes and warned that any further challenge to its ruling would be "making war on God". Nearly 1,200 more candidates withdrew in protest.⁴⁶⁴

357. The former Foreign Secretary told us about his concerns in this area:

Iran is not free and democratic by customary norms and... their human rights record is lamentable... Iran is a very complicated society. It is replete with ambiguity... Aspects of it appear to be democratic and certainly responsive to public opinion, aspects of it are very autocratic. One of our officials, who knows Iran very well, described it as a pluralist theocracy with some pressure towards democracy but some pressure away from it, and I think that is probably the best way of describing it. Essentially what you have got is a series of democratic institutions, including the presidency and Majlis, the parliament, paralleled by a series of undemocratic institutions which are appointed, which are the guardian council, council of ecclesiastical experts, the supreme leader and this expediency council which is there to negotiate in-between.⁴⁶⁵

Speaking about the role of the international community in encouraging reform in Iran, the former Foreign Secretary told the International Institute for Strategic Studies:

461 HC (2005–06) 574, Ev 85–86

462 HC (2005–06) 574, para 155

463 Foreign & Commonwealth Office, *First Report from the Foreign Affairs Committee; Session 2005–06; Annual Report on Human Rights 2005; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6774, May 2006

464 "Iran theocrats' coup: President Khatami's reformist project lies in ruins", *Financial Times*, 23 February 2004

465 Ev 199, Q 18 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

[W]e in the rest of the international community should not look the other way when the regime fails to abide by international standards in the way in which it treats its own people. We are not going to take sides in respect of Iran's internal political debates, these are for the Iranians to resolve and they are perfectly capable of doing so themselves. Given their history, Iranians are understandably sensitive about any hint of outside interference, but this doesn't mean that we should stop standing up for principles of human rights and fundamental freedoms which we hold dear ourselves, and to which the Iranian government have continually signed up themselves, and to which the Iranians aspire: freedom of speech; transparent, genuinely democratic and accountable government; respect for the right of minorities and women; an independent judiciary.⁴⁶⁶

358. Asked what the United Kingdom is doing about the human rights situation, Mr Straw said: "Well there is the human rights dialogue which the European Union operate, and it is better to operate than not operate. I am not suggesting that it has a huge effect day by day, it doesn't, but it is very important that we should make clear to the Iranian regime that we expect them to abide by the human rights standards to which they themselves have signed up."⁴⁶⁷ Speaking more generally about how the international community can influence that domestic Iranian reform debate, Mr Straw commented:

[W]e should help the Iranians to make informed choices for themselves by helping to improve the flow of information into that country. Iranians are highly educated, broad-minded, and eager to form their own opinions on matters of vital interest. The young in particular instinctively grasp the potential of globalisation and want Iran to emerge from behind its self-imposed isolation. Iran has more web journals per capita than any other country in the world, but at the moment the regime tries to maintain control on information flows into Iran through its monopoly of state-controlled broadcasting, and for example by blocking independent sources of information, as it did recently with the BBC Persian Services website.⁴⁶⁸

359. Asked about the feasibility of a BBC Farsi television service, the former Foreign Secretary told us: "The BBC is doing some work for us at the moment on scoping this. I am sympathetic to funding it, in fact I would be delighted to fund it. The only difficulty is I do not have the cheque book, which is held in the Treasury under arrangements which we have in the British Government."⁴⁶⁹

360. Whilst we recognise the need for continuing dialogue with the Iranian regime, both in relation to its involvement in Iraq and the wider international scene, we are concerned that the United Kingdom's criticisms and concerns should be robustly and unambiguously articulated.

361. We conclude that the human rights situation in Iran remains extremely unsatisfactory. We recommend that the Government continue to use its diplomatic

466 "Iran: the path ahead", remarks by the Foreign Secretary, at the International Institute for Strategic Studies, 13 March 2006

467 Ibid

468 Ibid

469 Q 219

contacts with the Iranian government to promote respect for human rights and political and religious freedoms, and actively encourage the EU to do likewise. We further conclude that the democratic process in Iran is deeply flawed, and that although this issue must be handled with care, there is a role for the United Kingdom and the international community more broadly in supporting reform efforts. We recommend that the Government seriously consider funding a Farsi BBC television service.

8 Afghanistan

Background

362. Previous Reports in this inquiry have described events in Afghanistan following the 11 September 2001 terrorist attacks in the USA and the fall of the Taliban in November 2001. In June 2002, our predecessor Committee noted the importance of stabilising Afghanistan as well as the great challenges ahead.⁴⁷⁰ Four and a half years after the fall of the Taliban, Afghanistan has completed the institution-creating process outlined in the 2001 Bonn agreement, the post-Taliban plan for the country's political transition: Afghanistan now has an elected National Assembly and President. However, the extent of government authority remains limited, there are concerns over the lack of progress tackling the country's powerful military commanders, opium poppy cultivation remains endemic and the level of violence is increasing. Highlighting these concerns, the US Ambassador to Afghanistan in February 2006 warned that the country risks "sliding back into chaos if western countries do not step up efforts to bolster government control outside the capital."⁴⁷¹

363. In January 2006, while making a statement about the deployment of British forces to Afghanistan, the then Secretary of State for Defence Dr John Reid, explained why Afghanistan is so important to the United Kingdom and the international community:

Just over four years ago, on 11 September 2001, we were given a brutal lesson in the consequences of leaving Afghanistan in the hands of the Taliban and the terrorists. Since then, we in this country have been at the forefront of the international effort, under the auspices of the United Nations, to defeat international terrorism, to free Afghanistan from the ruthless grip of the Taliban and to rid the country of the menace of the terrorists and the greed of the drug traffickers...

We cannot risk Afghanistan again becoming a sanctuary for terrorists. We have seen where that leads, be it in New York or in London. We cannot ignore the opportunity to bring security to a fragile but vital part of the world, and we cannot go on accepting Afghan opium being the source of 90 per cent. of the heroin that is applied to the veins of the young people of this country. For all those reasons, it is in our interests, as the United Kingdom and as a responsible member of the international community, to act.⁴⁷²

364. On 31 January–1 February 2006, the United Kingdom co-chaired the London Conference on Afghanistan. Foreign Office Minister Dr Kim Howells told the House that the Conference aimed:

⁴⁷⁰ Foreign Affairs Committee, Seventh Report of Session 2001–02, *Foreign Policy Aspects of the War Against Terrorism*, HC 384, paras 101–117

⁴⁷¹ "US envoy warns on efforts to build Afghanistan", *Financial Times*, 3 February 2006

⁴⁷² HC Deb, 26 January 2006, col 1529

To launch the Afghanistan Compact, the successor to the Bonn Agreement. The Compact provides the framework for international community engagement in Afghanistan for the next five years.

To provide an opportunity for the Government of Afghanistan to present its Interim National Development Strategy to the international community. The strategy sets out the Government's priorities for accelerating development, increasing security, tackling the drugs trade, and strengthening governance.

To ensure that the Government of Afghanistan has adequate resources to meet its domestic ambitions and international commitments.⁴⁷³

The Conference resulted in pledges of over US\$10.5 billion over the next five years; the United Kingdom pledged £500 million over the next three years.

365. Speaking at the opening of the Conference, the Prime Minister committed the United Kingdom to the task of stabilising Afghanistan:

This is a struggle that of course primarily concerns the Afghan people, but it is also a struggle that concerns all of us, and it is why we are here today and it is why we are determined to see this through. It is why, whatever your challenges, we will be there with you, at your side, helping you. It is in your interest to do so, it is in our interest to do so, it is in the interest of the whole of the international community. This is a struggle for freedom, and for moderation, and for democracy and we are with you in it.⁴⁷⁴

366. We conclude that bringing stability to Afghanistan remains a key British interest. We commend the Government for its role in hosting and co-chairing the London Conference and welcome the Prime Minister's comments that the United Kingdom will remain by the side of the Afghan people in their struggle for freedom, moderation and democracy.

The Security Situation

367. In its last Report in this inquiry, our predecessor Committee described the military operations in Afghanistan. The Report noted that overall the security situation had improved, but that there remained a continuing threat to foreign nationals in the country.⁴⁷⁵ Since that Report there have been worrying signs of a deterioration in the security environment.

368. More than 1,600 people were killed in 2005, and the violence is on the rise. In May, Afghanistan saw some of the fiercest fighting since the overthrow of the Taliban in 2001.⁴⁷⁶ Moreover, similarities between the violence in Afghanistan and Iraq have prompted concern that the Taliban is learning from the insurgency in Iraq. There has been an

473 HC Deb, 17 January 2006, cols 27–28WS

474 Remarks by the Prime Minister, opening of the London Conference on Afghanistan, 31 January 2006, available at: www.fco.gov.uk

475 HC (2004–05) 36–I, para 338

476 "Scores killed in Afghan violence", *BBC News Online*, 18 May 2006, news.bbc.co.uk

increase in the number of kidnappings and roadside and suicide attacks.⁴⁷⁷ There have already been more suicide attacks in 2006 than in the whole of 2005 (17) and 2004 (five).⁴⁷⁸ There are also fears that the violence is spreading to previously safe provinces.

369. A field report by the Senlis Council, a drug policy advisory body, on the situation in the three southern provinces of Helmand, Kandahar and Nangarhar reveals a worrying picture. The report notes that the Afghan government has never established full control over the three provinces, but even its limited control is “rapidly diminishing, with political volatility now reaching urban areas.”⁴⁷⁹ There are reports that insurgent groups are operating more freely in the area and there has been an increase in the number of kidnappings and suicide attacks. Some of these strategies “point to an ‘Iraqisation’ of the Afghan insurgency tactics.”⁴⁸⁰ Taliban groups are using political violence and illegal economic activities to strengthen their powerbase.

370. We asked the former Foreign Secretary about this. In October 2005, Mr Straw told us: “I do not have the precise figures about Taliban activity. It is certainly the case that they are not completely defeated, and there remains quite a serious challenge.”⁴⁸¹ In March 2006, he painted a bleaker picture; asked about the Taliban resurgence, he told us:

The Taliban threat is certainly at least as severe as at any stage since the original removal of the Taliban four years ago. I cannot say exactly whether it is worse than at any other period... Let me say that it is serious and that is understood, and it is serious down in the Helmand province. It is one of the reasons we are going down there, because if we want to try and establish the writ of the elected government and deal with the drugs problem, we have to deal with the Taliban.⁴⁸²

371. We conclude that there has been a worrying deterioration in the security situation in Afghanistan, and that there are signs that the tactics that have brought such devastation to Iraq are being replicated in Afghanistan. We recommend that in its response to this Report the Government indicate what steps it is taking to prevent further deterioration.

Counter-Narcotics Strategy

372. Previous reports in this inquiry have outlined the problem of opium poppy cultivation and drug trafficking. Our predecessor Committee noted that this is not only a problem for Afghanistan, but also for the United Kingdom and Europe; 95% of heroin in the United Kingdom originates from Afghanistan.⁴⁸³ The United Kingdom is in the lead on an ambitious programme to reduce opium poppy cultivation. The last Report in this inquiry

477 “Taliban Shift Tactics in Afghanistan”, *Terrorism Focus*, The Jamestown Foundation, 18 April 2006, volume III, issue 15

478 “Scores killed in Afghan violence”, *BBC News Online*, 18 May 2006, news.bbc.co.uk; and “Remember Afghanistan? Insurgents bring suicide terror to country”, *The Independent*, 17 January 2006

479 “Field Notes: Afghanistan Insurgency Assessment, The Signs of an Escalating Crisis”, The Senlis Council, 7 April 2006

480 *Ibid*

481 Q 114 [Mr Straw]

482 Q 222 [Mr Straw]

483 HC (2004–05) 36–I, paras 332–337

concluded: “the United Kingdom’s lead role in co-ordinating the UN’s counter-narcotics strategy in Afghanistan is one of the Government’s most important responsibilities overseas.”⁴⁸⁴

373. On 14 February 2006, Foreign Office Minister Dr Kim Howells set out to Parliament Afghanistan’s revised National Drug Control Strategy. The Strategy has four main priorities:

- disrupting the drugs trade by targeting traffickers and their backers;
- strengthening and diversifying legal rural livelihoods;
- reducing the demand for illicit drugs and treatment of problem drug users; and
- developing state institutions at the central and provincial level.⁴⁸⁵

Previous Reports in this inquiry have noted the importance of using mosques to spread the anti-drugs message and the need to divert the entrepreneurial energies of profiteering warlord commanders into less harmful activities. The last Report in this inquiry noted that both of these approaches must be “essential parts of a successful strategy.”⁴⁸⁶

374. The United Kingdom has helped set up Afghan counter-narcotics institutions and provided mentoring and training as well as equipment. On 14 February 2006, Dr Howells told Parliament about this:

[T]he UK has helped to establish and provide training for the Counter Narcotics Police of Afghanistan—the lead drug law enforcement agency, headquartered in Kabul, with 7 provincial offices. The UK is also providing training for the Afghan Special Narcotics Force, an elite and highly trained force equipped to tackle high value targets across the country. We are also working with the international community to recruit and train a counter narcotics Criminal Justice Task Force of Afghan investigators, prosecutors and judges to work with the Counter Narcotics Police, to be able to push through successful drugs investigations and prosecutions.

The UK has funded the development of five drug treatment centres and is working with the Ministry of Counter Narcotics to determine how best to support activity in this area following the completion of UNODC’s survey on drug use within Afghanistan late last year. We are also supporting the US led Poppy Elimination Programme (PEP) by funding the salaries of Afghan staff charged with raising awareness of the illegality of the opium industry and monitoring Governor-led eradication in priority poppy growing provinces.⁴⁸⁷

375. When our predecessor Committee visited Afghanistan in 2004, it heard that the absence of secure prisons hindered the development of the criminal justice system. In April 2006, the former Foreign Secretary wrote to us about this issue. The United Kingdom is a

484 HC (2004–05) 36–I, para 337

485 HC Deb, 14 February 2006, cols 82–85WS

486 HC (2004–05) 36–I, para 336

487 HC Deb, 14 February 2006, cols 82–85WS

major donor to a UN Office for Drugs and Crime (UNODC) project to build a secure prison facility just outside Kabul. This facility will be used to house those convicted of serious drug trafficking offences and will be in operation from the beginning of August. Her Majesty's Prison Service has been advising the UNODC during the design of the facility and a team of UK prison officers has been involved in training Afghan prison officers in high security prison techniques. In addition, the USA is planning to build a secure detention facility near Kabul airport as part of a Counter-Narcotics Justice Centre. "These two facilities will enable the Afghan authorities to hold the most dangerous drug offenders. The Afghan authorities are also currently considering their infrastructure and training needs for the remainder of their prison estate and we will consider what further assistance we can provide to them, particularly in respect of increasing their capacity to house drug offenders at provincial level."⁴⁸⁸

376. Overall spending by the United Kingdom on counter-narcotics work in Afghanistan increased from £1.6 million in 2002–03 to around £20 million in 2004–05. In June 2005 that figure was more than doubled to around £50 million for 2005–06, which included £30 million for the development of alternative livelihoods for farmers and rural labourers.⁴⁸⁹ A further increase was announced in September 2005, with a revised budget for 2005–06 of £50 million for alternative livelihoods and £6 million for eradication activity. Over the following three years, the United Kingdom plans to spend more than £270 million; £130 million will be provided by the Department for International Development, with the remainder coming from the FCO, the Ministry of Defence and other departments.⁴⁹⁰

377. We commend the Government's work assisting the Afghan authorities to establish secure prison facilities and in providing training in prison techniques. We recommend that the Government set out in its response to this Report what further assistance it could give in this area, particularly in respect of increasing the Afghan capacity to house drug offenders at the provincial level.

378. Cultivation of opium poppy increased dramatically following the overthrow of the Taliban in 2001. However, there are signs that counter-narcotics strategies may be beginning to have an impact. According to the UNODC Afghanistan Opium Survey 2005, opium cultivation decreased by 21% year on year from a record high of 131,000 hectares in 2004 to 104,000 hectares.⁴⁹¹ The report attributes this decline to several factors: the farmers' choice to refrain from poppy cultivation, the government's eradication programme, the ban on opium, and law enforcement activities. Nevertheless, Afghanistan remains the world's largest supplier of opium (87%). Moreover, production in 2005 was just 2.4% lower than in 2004; favourable weather conditions resulted in a 22% higher yield. Cultivation also increased in some provinces. Explaining this trend, UNODC Executive Director Antonio Maria Costa has said that opium is the only commercially viable crop in many parts of

488 Ev 69

489 HC Deb, 15 June 2005, cols 467–8W

490 HC Deb 24 October 2005, col 73W; and FCO press release, 5 September 2005, available at: www.fco.gov.uk

491 "Afghanistan Opium Survey 2005", UNODC, November 2005

Afghanistan: “Assistance to farmers is needed until the legal economy takes over as the mainstay of growth in Afghanistan.”⁴⁹²

379. The UNODC released its Opium Rapid Assessment Survey in February 2006. This survey provides an assessment of the situation at the middle of the cultivation cycle and collates information on the geographical distribution and dynamics of opium poppy cultivation and anticipated harvest times. The survey found that there was “an increasing trend in opium poppy cultivation in 13 provinces, a decreasing trend in three provinces and no change in 16 provinces as compared to the results of the Annual Opium Poppy Survey 2005.”⁴⁹³

380. There are reports that friction has emerged between the USA on the one hand and the British and Afghan governments on the other over the pace and extent of eradication.⁴⁹⁴ The United Kingdom approach has been to pursue eradication only where there is access to alternative livelihoods. We asked Jack Straw about this, and whether British forces would be involved in eradication in Helmand, which is one the main opium-producing provinces. He told us:

We have been careful on the issue of forced eradication. We have certainly opposed aerial eradication because of its indiscriminate nature and the fact that it can eradicate other crops as well. I think it will be for the commanders on the ground, in consultation with the local authorities, to make judgments about any particular case if they come across a field full of poppies, what efforts are made to deal with that immediate problem.⁴⁹⁵

David Richmond, Director-General, Defence and Intelligence at the FCO, added:

[T]here is a distinction to be made between eradication and interdiction. There is some eradication going on at this very moment in the Helmand province, but it is being carried out by the Afghan authorities themselves and I think the judgment is that eradication is best done by the Afghans, and that is indeed what is happening at the moment, but the interdiction of the actual trade in narcotics production of the opium, and so on, that is an area where I think British forces could play a role.⁴⁹⁶

This point was reiterated in a letter to us from the former Foreign Secretary in April 2006. This said: “ISAF forces will not take part in the eradication of opium poppy or in pre-planned and direct military action against the drugs trade. As President Karzai has pointed out, this is a job for the Government of Afghanistan.”⁴⁹⁷

381. Another problem is the limited range of alternative livelihoods for Afghan farmers. We asked Jack Straw about this. He told us:

492 *ibid*

493 “Afghanistan Opium Rapid Assessment Survey”, UNODC, February 2006, available at: www.unodc.org

494 “US memo faults Afghan leader on heroin fight”, *The New York Times*, 22 May 2005

495 Q 253 [Mr Straw]

496 Q 253 [Mr Richmond]

497 Ev 69

A great deal of thought and money is going into the creation of alternative livelihoods in Afghanistan and it is something which we are leading on for the UK, an awful lot of work and money, and there is no doubt that the long-term solution to drugs is the general raising of living standards and the creation of alternative livelihoods, as well as creating a secure environment.⁴⁹⁸

Nevertheless, there remain few options that offer anything close to the income derived from opium poppy. This fact lies behind a controversial proposal by the Senlis Council. The Senlis Council is critical of what it describes as “aggressive strategies”, including eradication, which it says “primarily affect the most vulnerable actors of the opium economy—the farmers—destroying their livelihoods.”⁴⁹⁹ The Council argues that counter narcotics efforts have “proven largely ineffective in addressing this all-encompassing crisis—the illegal opium trade remains an impediment to sustainable development.”⁵⁰⁰ The Council’s proposal is that in the context of the global shortage of opium-based medicines, Afghanistan could license opium production:

[B]y re-directing the opium poppy into the formal rural economy through the implementation of a strictly controlled opium licensing system, opium could become a major driver for a sustainable and diversified Afghan rural economy. In view of the world shortage of essential medicines, the development of an Afghan brand of morphine and codeine could also be endorsed.⁵⁰¹

382. The Government has expressed doubts about such an approach. On 2 March 2006, Secretary of State for International Development Hilary Benn told the House:

The Afghan Government has expressed its opposition to licit cultivation of opium. The Afghan Minister for Counter Narcotics, Habibullah Qaderi has said recently: “The poor security situation in the country means there can simply be no guarantee that opium will not be smuggled out of the country for the illicit narcotics trade abroad. Without an effective control mechanism, a lot of opium will still be refined into heroin for illicit markets in the west and elsewhere. We could not accept this.” The UK agrees that licensing opium cultivation in Afghanistan for medical use is not a realistic solution to its drug problem, not least because it risks a high level of diversion of licit opium into illegal channels. The production of opium is also contrary to the Constitution of the Islamic Republic of Afghanistan.⁵⁰²

383. We reiterate our predecessor’s Committee’s conclusion that “the United Kingdom’s lead role in co-ordinating the UN’s counter-narcotics strategy in Afghanistan is one of the Government’s most important responsibilities overseas”. We conclude that negligible progress has been made reducing opium poppy cultivation in Afghanistan. We recommend that the Government set out in its response to this Report how it intends to make better progress in tackling this problem. We further

498 Q 251 [Mr Straw]

499 Defence Committee, Fifth Report of Session 2004-05, *The UK deployment to Afghanistan*, HC 558, Ev 53.

500 Ibid, Ev 54.

501 Ibid

502 HC Deb 2 March 2006, cols 874–5W

recommend that the Government clarify its position towards eradication and that it set out what progress has been made on developing alternative livelihoods for Afghan farmers.

Role of the United Kingdom

384. In May 2006, the United Kingdom deployed the Headquarters Group of NATO's Allied Rapid Reaction Corps (HQ ARRC Group) to Kabul to command the NATO-led International Security Assistance Force (ISAF) for nine months. This period coincides with the expansion of the ISAF mission to Afghanistan's Western and Southern provinces (ISAF stage 3). As part of this expansion, the United Kingdom will deploy personnel to Helmand Province in the south of the country.⁵⁰³ The deployment will set up a new British-led PRT at Lashkar Gar, the capital of Helmand Province.

385. The former Foreign Secretary wrote to us about the role of British troops in Afghanistan:

They will work to counter insurgency and help the appropriate authorities build security and government institutions to continue the progress of recent years. Above all, their presence will help the Afghans create the environment in which economic development and institutional reform—both essential to the elimination of the opium industry—can take place. ISAF will be able to help with the provision of training to Afghan counter-narcotics forces and will, within means and capabilities, provide support to their operations. They will also help the Afghan Government explain their policies to the Afghan people. ISAF forces will not take part in the eradication of opium poppy or in pre-planned and direct military action against the drugs trade. As President Karzai has pointed out, this is a job for the Government of Afghanistan.⁵⁰⁴

386. Nevertheless, there is concern over both the dangers that British personnel will face and the possible blurring of their role. The former Defence Secretary admitted the size of the challenge to the House: "Southern Afghanistan is undeniably a more demanding area in which to operate than either the north or the west. The Taliban remains active. The authority of the Afghan Government—and the reach of their security forces—is still weak. The influence of the drugs traffickers, by contrast, is strong."⁵⁰⁵ The Senlis Council has also outlined a number of concerns:

British forces in southern Afghanistan are faced with the twin mission of counter insurgency and support to counter narcotics. However, in a region where opium cultivation is deeply entrenched, the war against opium could make the war against insurgency a much more difficult, probably impossible, task. It is important that the fundamental stabilisation mission of British troops is not compromised by the war against opium... The mission of the British forces in southern Afghanistan with regards to opium should be clearly defined in order to avoid any clash with the

503 www.fco.gov.uk

504 Ev 69

505 HC Deb, 26 Jan 2006, cols 1530

primary mission of counter insurgency. The terms “support” to eradication activities can take many shapes on the ground and should therefore be defined in more specific detail beforehand. In a province which is increasingly falling into the grip of Taliban and other insurgent groups, it is vital British forces win the trust of local communities by avoiding to undermine their livelihoods.⁵⁰⁶

387. In March 2006, the Defence Committee published a report on the United Kingdom’s deployment to Afghanistan. This report flagged up a number of concerns. Principal among these was the role of the deployment to Helmand: “There is a fundamental tension between the UK’s objective of promoting stability and security and its aim of implementing an effective counter-narcotics strategy. It is likely the more successful the deployment is at impeding the drugs trade, the more it will come under attack from those involved in it. In the short term at least, the security situation is likely to deteriorate.”⁵⁰⁷ Reflecting the difficult security environment in which British forces are operating, a British soldier was killed and two wounded in action against suspected Taliban forces in mid-June.⁵⁰⁸

388. The Defence Committee’s report also highlighted the relationship between ISAF and Operation Enduring Freedom. The Stage 3 expansion of ISAF takes it to areas that are the responsibility of the OEF counter-terrorism mission (ISAF’s role is explicitly aimed at stabilisation and not counter-terrorism). “It is possible that after stage 3 is completed, ISAF and OEF Forces will, on occasion, operate in the same geographical areas. Certain assets—notably air support—are shared. Effective coordination is therefore essential.”⁵⁰⁹

389. The last Report in this inquiry described plans to “increase synergy and better integrate the two operations”.⁵¹⁰ Our predecessor Committee concluded that: “the proposal for increased synergy between and better integration of NATO’s operations in Afghanistan and those of the US-led coalition is a potentially positive move, which if correctly implemented should enhance the effectiveness of security, reconstruction and counter-terrorist activities alike. However, we would not support such a process being used as cover for a significant withdrawal of US forces from the country or for a material reduction in the US commitment, unless there was a corresponding threat reduction.”⁵¹¹

390. In its response to this Report the Government agreed that “It will be important that achieving single mission status leads to no reduction in capability to undertake the tasks currently performed by OEF.”⁵¹² The response also welcomed the conclusion at the February 2005 meeting of NATO Defence Ministers that NATO military authorities should produce a “detailed plan, with timelines, to implement greater synergy between the NATO-led International Security Assistance Force (ISAF) and US/coalition-led Operation

506 Defence Committee, Fifth Report of Session 2004-05, *The UK deployment to Afghanistan*, HC 558, Ev 53

507 Ibid, para 90

508 “UK soldier dies in Taleban clash”, *BBC Online*, 12 June 2006, news.bbc.co.uk

509 Defence Committee, Fifth Report of Session 2004-05, *The UK deployment to Afghanistan*, HC 558, para 35

510 HC (2004-05) 36-I, para 345

511 Ibid, para 346

512 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004-05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

Enduring Freedom (OEF).”⁵¹³ The Government also told us that the plan would be circulated to NATO allies and discussed prior to and at the NATO Defence Ministers meeting in June 2005.

391. We conclude that there is potential for a blurring of the United Kingdom’s counter-insurgency and counter-narcotics objectives in Afghanistan. We recommend that the Government clarify the role of British personnel, including with regard to the policy of eradication and support to eradication activities. We further conclude that the expansion of ISAF’s area of operation requires careful consideration of how best to coordinate with the US-led Operation Enduring Freedom. We reiterate our predecessor Committee’s conclusion that “increased synergy between and better integration of NATO’s operations in Afghanistan and those of the US-led coalition is a potentially positive move, which if correctly implemented should enhance the effectiveness of security, reconstruction and counter-terrorist activities alike”. We recommend that the Government update us in its response to this Report on NATO planning to achieve this greater synergy.

513 Ibid

9 Non-proliferation

392. The FCO has made non-proliferation of weapons of mass destruction one of its strategic priorities. In its strategy paper “Active Diplomacy for a Changing World” the FCO wrote:

Preventing terrorist groups and states of concern from acquiring WMD will remain a high priority. Regional stability and the strength of the global nuclear non-proliferation regime will depend on preventing and containing destabilising military nuclear programmes. We will use the full range of non-proliferation and counter-proliferation tools to do so. This includes continuing to support effective international agreements, taking part in practical multilateral action and implementing our own legal obligations.⁵¹⁴

393. Professor Paul Wilkinson agrees about the importance of non-proliferation efforts: “In view of al Qaeda’s serious efforts to acquire [Chemical, Biological, Radiological or Nuclear] weapons much more intensive efforts are required to tighten and police the international arms control and counter-proliferation regimes to enable them to encompass prevention of proliferation to non-state groups. Far more than changes in international treaties is required. We urgently need powerful international agencies to police such regimes. The IAEA is an encouraging, though far from perfect model. We need to build similar mechanisms to deal with chemical and biological weapons.”⁵¹⁵

The Non-Proliferation Treaty (NPT)

394. The chief safeguard against the proliferation of nuclear weapons is the Non-Proliferation Treaty (NPT). Signed in 1968, the NPT permits the possession of nuclear weapons by the USA, the United Kingdom, France, Russia and China—the Nuclear Weapons States (NWS)—and forbids other states from joining the nuclear club. In exchange, the NWS will reduce their arsenals towards eventual disarmament under Article VI of the NPT, which states: “Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a Treaty on general and complete disarmament under strict and effective international control.”⁵¹⁶

395. The NPT enshrines states’ rights to pursue a peaceful nuclear energy programme. At present, 188 states are members of the NPT. Three states with nuclear weapons—India, Pakistan and Israel—remain outside the Treaty regime⁵¹⁷ and North Korea has withdrawn from the NPT.

396. We asked Jack Straw about the NPT. He told us:

514 Foreign & Commonwealth Office, *Active Diplomacy for a Changing World: The UK’s International Priorities*, Cm 6762, March 2006

515 Ev 4

516 The Non-Proliferation Treaty, available at: www.fas.org

517 Ibid

[T]he more states that have nuclear weapons and the less the behaviour of those states is constrained by international laws and obligations, the greater the likelihood is that there will be either by accident or by design a nuclear war... While it is easy to make points that the Permanent 5 have got nuclear weapons, the Permanent 5 have nuclear weapons in historical circumstances we all know about but by international agreement, and that was the purpose of the Non-Proliferation Treaty. President Kennedy and others said in the early 1960s that if the world carried on this arms race it could by the turn of the century just gone end up with 20–30 countries with nuclear weapons and who knows what would be the consequences. That was the political origin of what became the Non-Proliferation Treaty. It was a deal between the so-called nuclear weapon states, the P5, and all others by which everybody agreed that there would be no more nuclear weapon states. In return for that, the non-nuclear weapon states would have this very clear right — it is not an unqualified right — to develop nuclear power and in certain circumstances nuclear weapon states would be able to ensure the availability of civil nuclear technology to the non-nuclear weapon states. Meanwhile, the nuclear weapon states were under an obligation to reduce their reliance on nuclear weapons.⁵¹⁸

397. Last year, our predecessor Committee expressed the hope that the May 2005 Review Conference would strengthen the NPT, and called on the Government to encourage the USA to take steps towards disarmament.⁵¹⁹ The Government agreed and wrote in its response to our Report:

The Government is making every effort at this May's NPT Review Conference to ensure that all three pillars of the Treaty, namely non-proliferation, peaceful uses and disarmament, are strengthened. The Government believes that strengthening each element of the NPT is in the interest of all States Parties to the Treaty. However, the Government recognises that many Non Nuclear Weapon States will need to be convinced that Nuclear Weapon states have demonstrated their ongoing commitment to their NPT Article VI obligations concerning nuclear disarmament if there is to be a constructive dialogue in other areas, in particular on non-compliance issues.⁵²⁰

398. Non-proliferation measures were high on the agenda at the May 2005 meeting, and included proposals limiting the production of weapons-usable material, developing nuclear energy systems that do not generate weapons-grade material, promoting multinational approaches to management of material, including the potential establishment of an international nuclear fuel bank, and the ratification of the Comprehensive Test Ban Treaty (CTBT) and the adoption of a Fissile Material Cut-off Treaty (FMCT).⁵²¹ However, differing visions of the NPT regime crippled the May Review Conference. While the NWS contended that control of the nuclear fuel cycle was essential to prevent the proliferation of

518 Ev 196, Q 10 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

519 HC (2004–05) 36–I, para 362

520 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

521 Centre for Non-proliferation Studies, "The 2005 Review Conference: Understanding the Challenges and Devising Response", 30 October 2004

nuclear weapons, the non-nuclear weapon states (NNWS) demanded disarmament in line with Article VI, arguing that a two-tier international system of nuclear haves and have-nots was emerging.⁵²²

399. Assessing why the Conference failed, Arms Control Today wrote:

The nuclear-weapon states were probably pleased to avoid any new disarmament obligations, some [Non-Aligned Members] could take satisfaction in preserving the 2000 NPT Review Conference package rather than having it supplanted by a weaker set of commitments, and Iran had to be relieved to escape without an official rebuke of its nuclear activities.⁵²³

However, the failure of the Review Conference casts serious doubt on the willingness of the five NWS to pursue disarmament measures, on the implementation of other controls over the nuclear fuel cycle put in place under the framework of the NPT, and perhaps most importantly on the future of the NPT regime itself.

400. Part of the responsibility for that failure lies with the NWS, which continue to maintain their nuclear weapons. However, the former Foreign Secretary was quick to defend the United Kingdom's record on disarmament. Jack Straw told us: "We, in this country, have got a better record than any of the other nuclear weapon states. We have reduced the number of weapon systems from three to one. We were in the forefront of trying to secure a constructive outcome to the revision conference which took place in May of last year. I regret that no such outcome was possible but it was not for the want of trying by us."⁵²⁴ However, the question of the renewal of the United Kingdom's nuclear deterrent raises doubts about the Government's commitment to disarmament and is the subject of a current inquiry by the Defence Committee.⁵²⁵

401. We conclude that the failure of the May 2005 NPT Review Conference is a matter of serious concern. We recommend that the Government do all in its power to sustain the NPT, as the most effective tool for the prevention of the proliferation of nuclear weapons.

The International Atomic Energy Agency (IAEA)

402. The adoption of the Additional Protocol on Safeguards to the NPT in 1997 gave the IAEA a crucial role in monitoring compliance with the NPT, formalising an informal process that began in 1993. The Additional Protocol established four main provisions: a much expanded provision of information to the IAEA; an expansion of the number of facilities open to IAEA inspections; improved short notice inspection thanks to speedier visa processing for inspectors; and provision for the right to use environmental sampling.

522 "Politics and Protection: Why the NPT Review Conference failed", Disarmament Diplomacy, Acronym Institute, issue 80, Autumn 2005

523 "Nuclear non-proliferation treaty sputters", *Arms Control Today*, August 2005

524 Ev 196, Q 10 (Oral evidence taken before the Foreign Affairs Committee on 8 February 2006, HC (2005–06) 904–i)

525 "The Future of the Strategic Nuclear Deterrent: the Strategic Context", Defence Committee Press Release, January 2006

As of January 2005, 62 states had adopted Additional Protocols which were in force, while 28 had them pending.⁵²⁶

403. At present, the IAEA has 138 member states, whose representatives meet annually for the General Conference to elect the 35 members of the Board of Governors. The Board of Governors meets five times a year and is a consensual body which prepares decisions to be made by the General Conference. General Conference sessions are held annually in Vienna. Additionally, the IAEA supports a research centre in Trieste (Italy) that is administered by the UN Educational, Scientific and Cultural Organization (UNESCO).

404. The IAEA and its Director General were jointly awarded the Nobel Peace Prize on 10 December 2005.⁵²⁷ At the time, Dr ElBaradei said that the award would strengthen his resolve, and in a speech to the International Institute for Strategic Studies (IISS) he pointed to three particular challenges facing the IAEA. These were the proliferation of nuclear material and technology, the emergence of clandestine procurement networks such as the AQ Khan network (which ran an international nuclear material and know how supply network), and progress on disarmament.⁵²⁸ He then outlined a six-pronged strategy to resolve the problem, calling for:

- Improved control on access to the nuclear fuel cycle, since the fuel cycle is a recognised 'choke point', perhaps by establishing an international system of supply for nuclear fuel.
- Enhanced verification measures, by expanding the membership of the Additional Protocol to the NPT Safeguards agreement, and by extending the IAEA's authority to investigate weaponisation programmes that do not directly relate to the nuclear material. At present, the IAEA funds its verification with a budget of US\$120 million, with which it oversees 900 facilities in 71 states.
- Strengthened enforcement mechanisms, by introducing a prohibition on withdrawal for states parties.
- Greater protection of nuclear material, in line with legal obligations under UNSCR 1540 and the new International Convention on the Suppression of Acts of Nuclear Terrorism. Reducing the number of reactors that enrich uranium to 90% or higher, the standard necessary for nuclear weapons.
- Accelerated disarmament efforts, by finalising the ratification of the Comprehensive Test Ban Treaty (CTBT) and starting negotiations on a Fissile Material (Cut Off) Treaty.
- An alternative security strategy providing for increased sustainable development, building social, political and economic links.⁵²⁹

526 "The 1997 Additional Protocol at a glance", Arms Control Association, January 2005

527 "UN watchdog receives Nobel prize", *BBC News Online*, 10 December 2005, news.bbc.co.uk

528 Remarks by Mohammed ElBaradei, IISS Alistair Buchan Lecture, 6 December 2005

529 Ibid

405. We met Dr ElBaradei and other IAEA officials in Vienna in January 2006. During these meetings we heard that the IAEA may not have the tools to tackle the threat of nuclear terrorism, as it is geared towards working with states. In addition, we heard that the IAEA's funding for dealing with non-state actors comes from ad hoc contributions, and although these are generous, this system makes it difficult to plan a budget and programme of work. We fear that without measures to improve work on non-state actors, the IAEA may be unable to limit the spread of nuclear technology or materials as effectively in the future as it has in the past.

406. We recommend that the Government set out in its response to this Report what it is doing to strengthen the non-proliferation tools available to the International Atomic Energy Agency (IAEA), and set out its views on the proposals for strengthening the IAEA put forward by Director General Dr Mohammed ElBaradei. We further recommend that the Government work with its IAEA partners to establish a permanent section of the IAEA dealing with nuclear proliferation by non-state actors, with adequate and sustainable funding arrangements.

India

407. In September 2005, the USA agreed a deal with India on nuclear co-operation; President Bush and Prime Minister Singh signed the deal in February 2006. The essence of the agreement is that in exchange for civilian nuclear support from the USA, India, which remains outside the NPT regime, will divide its nuclear programmes into civilian and military sectors, sign the Additional Protocol on Safeguards, and allow IAEA inspections of its civilian sector.⁵³⁰ The Nuclear Suppliers Group (NSG), a group of states that seeks to control nuclear proliferation through lists of controlled goods, and the US Congress, could then adopt the legislative changes required to permit civil nuclear trade (nuclear co-operation with India is currently illegal in the USA). However, the agreement faces opposition in both New Delhi and Washington, particularly from within the US Congress.⁵³¹ The NSG has also cast doubt on the deal, by refusing to approve the changes necessary to permit the export of items on trigger lists to India, despite applications by the USA.⁵³² This agreement has enormous implications for the non-proliferation regime and we intend to consider it further in our forthcoming Inquiry into the Sub-Continent.

408. Previous efforts to reform the NSG have not succeeded fully. The FCO wrote to the Quadripartite Committee in December 2005, saying: "The UK, as G8 Presidency, played a leading role in using the G8 to try and leverage changes to the Nuclear Suppliers Group (NSG) Guidelines. Revised proposals were put forward to establish objective criteria that a state must meet in order to receive transfers of sensitive nuclear technology, together with agreed factors that suppliers should take into account before allowing such transfers to take place. But, because of reservations on the part of a number of key suppliers, attempts to

530 "Bush promises India nuclear co-operation", *Arms Control Today*, September 2005

531 "Complexity of N-deal with US throws India in a bind", *The News (Pakistan)*, 9 December 2005

532 "Doubts raised on US-India deal", *Financial Times*, 28 March 2006

strengthen the guidelines were only partially successful. We remain committed to taking this work forward.”⁵³³

409. We recommend that the Government set out in its response to this Report what impact the agreement between New Delhi and Washington on nuclear co-operation might have on the existing non-proliferation framework. We also recommend that in its response to this Report the Government set out what progress has been made on introducing revisions to the guidelines of the Nuclear Suppliers Group.

The Comprehensive Test Ban Treaty (CTBT)

410. Following the end of the Cold War, and spurred on by nuclear testing moratoria introduced by Russia, France, and the USA, multilateral negotiations on a Comprehensive Test Ban Treaty (CTBT) took place, concluding in August 1996. The treaty, which “prohibits any nuclear weapon test explosion or any other nuclear explosion” aims to constrain the qualitative improvement of nuclear weapons, curb proliferation, and advance disarmament. The primary purpose of the CTBT is to prevent the development of a new generation of nuclear weapons.⁵³⁴

411. To date, 176 states have signed and 120 have ratified the treaty. However, the CTBT will only enter into force after 44 designated ‘nuclear-capable states’ have ratified it; of the 44 states, India, Pakistan and North Korea have not signed the treaty, and only 33 have ratified the treaty. The United Kingdom has ratified the CTBT.⁵³⁵

412. The CTBT verification system, managed by the CTBT Organization (CTBTO), includes the International Monitoring System (IMS), the International Data Centre, and the On-Site Inspection regime. The IMS comprises 321 monitoring stations worldwide with sensors that can detect possible nuclear explosions using four technologies—seismic, hydroacoustic, radionuclide, and infrasound. The International Data Centre collects information from the IMS and disseminates data for feedback. In the event of a suspected nuclear explosion, states can request inspection of an alleged violator under the On-Site Inspection regime, and the CTBT allows states-parties to pursue strong measures to tackle non-compliance.⁵³⁶ The CTBTO Preparatory Committee completed its 25th Session in

533 Evidence received by the Quadripartite Committee (Defence, Foreign Affairs, International Development, Trade and Industry), to be published as HC 873

534 “Subject resources: The Comprehensive Test Ban Treaty”, Arms Control Association

535 In total 176 States have signed the CTBT. The following 126 states have deposited their instruments of ratification of the CTBT (states with an asterisk have also ratified the CTBT): Afghanistan, Albania, Algeria*, Argentina*, Australia*, Austria*, Azerbaijan, Bahrain, Bangladesh*, Belarus, Belgium*, Belize, Benin, Bolivia, Botswana, Brazil*, Bulgaria*, Burkina Faso, Cambodia, Canada*, Chile*, Cook Islands, Costa Rica, Cote d'Ivoire, Croatia, Cyprus, Czech Republic, Democratic Republic of the Congo*, Denmark, Djibouti, Ecuador, El Salvador, Eritrea, Estonia, Fiji, Finland*, France*, Gabon, Georgia, Germany*, Greece, Grenada, Guyana, Haiti, Holy See, Honduras, Hungary*, Iceland, Ireland, Italy*, Jamaica, Japan*, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Latvia, Lao People's Democratic Republic, Lesotho, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Madagascar, Maldives, Mali, Malta, Mauritania, Mexico*, Micronesia (Federated States of), Monaco, Mongolia, Morocco, Namibia, Nauru, Netherlands*, New Zealand, Nicaragua, Niger, Nigeria, Norway*, Oman, Panama, Paraguay, Peru*, Philippines, Poland*, Portugal, Qatar, Republic of Korea*, Romania*, Russian Federation*, Rwanda, Saint Kitts and Nevis, Saint Lucia, Samoa, San Marino, Senegal, Serbia and Montenegro, Seychelles, Sierra Leone, Singapore, Slovakia*, Slovenia, South Africa*, Spain*, Sudan, Sweden*, Switzerland*, Tajikistan, the former Yugoslav Republic of Macedonia, Togo, Tunisia, Turkey*, Turkmenistan, Uganda, Ukraine*, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland*, United Republic of Tanzania, Uruguay, Uzbekistan, Vanuatu and Venezuela. Israel has signed but not ratified the CTBT.

536 “The international security value of the nuclear test ban treaty”, Arms Control Today, 2 November 2002

November 2005, at which Tibor Toth, the Executive Secretary of the CTBTO Preparatory Committee, outlined the CTBTO's work to establish an effective system of monitoring.⁵³⁷

413. On a visit to the CTBTO in January 2006, we saw first hand the progress which the Organisation has made towards establishing an effective and global monitoring system, and were most impressed by the confidence of the CTBTO staff that they would be able to detect almost any nuclear test worldwide. However, we also heard about the need for more states to ratify the treaty before it enters into force. Three states in particular have not ratified the treaty for technical reasons—Colombia, Indonesia, and Vietnam—but other influential states, such as the USA, are also a concern.

414. We conclude that the Comprehensive Test Ban Treaty (CTBT) is a crucial tool for the control of the spread of nuclear weapons, and the work of the Comprehensive Test Ban Treaty Organisation (CTBTO) is both technically impressive and of great worth. We recommend that the Government urge those states that have not yet ratified the CTBT to do so, concentrating its efforts on the states which have not ratified for technical reasons, such as Colombia, Indonesia and Vietnam.

Biological and Toxin Weapons Convention

415. Last year, our predecessor Committee commented that the lack of a verification mechanism for the Biological Weapons Convention was an extremely serious gap in the international non-proliferation regime, and recommended that the Government work to garner support for a verification regime, particularly from the USA. The Committee also recommended that the Government outline the most important developments relating to the BWC, in areas such as the implementation of a code of conduct for biological weapons scientists.⁵³⁸

416. In its response, the Government said that the United Kingdom “has always played a leading role in the negotiations and implementation of the Convention and has strongly supported all measures that would strengthen the BWC, including attempts to establish an effective verification regime.”⁵³⁹ However, it rejected the Committee's calls for the establishment of a “coalition of the virtuous” which would establish a verification mechanism for the BWC, since an “optional arrangement would inevitably mean that those States about which the UK had most concerns could opt out of a protocol leaving those inside any such coalition with more onerous obligations than others, without providing us with any more security.”⁵⁴⁰ Nonetheless, we remain concerned about the lack of a verification regime.

417. Another concern is the forthcoming BWC Review Conference. The Government described current work on the BWC in its response to the last Report:

537 Press Release, Comprehensive Test Ban Treaty Organization, 2 December 2005

538 HC (2004–05) 36–I, para 391

539 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

540 Ibid

Following the 5th Review Conference in 2002 States Party agreed a three-year programme of work leading up to the 6th Review Conference in 2006. This programme consists of annual meetings of technical experts and representatives of the States Party to “discuss and promote common understanding and effective action” on a number of specific issues. Meetings in 2003 and 2004 were successful. The UK (John Freeman, Ambassador to the Conference on Disarmament, Geneva) is chairing the international meetings during 2005. The topic in 2005 is “the content, promulgation, and adoption of codes of conduct for scientists”. It is too early to know what can be achieved in 2005, but the Government hopes to ensure the fullest possible exchange of views between States Party and science stakeholders in the expert session in June, so that the discussion by States Party later in the year can lead to a successful outcome.⁵⁴¹

418. Daniel Feakes from the University of Sussex and other academics raised concerns about the BWC Review Conference. He wrote to us saying: “It is essential that states parties carry out a comprehensive and effective review of the treaty at the 2006 Review Conference, as this has not been achieved since the 3rd Review conference in 1991 (the 5th review conference (2001) could not even adopt a final declaration, while the 4th Review Conference focused on the negotiations for the compliance protocol, which subsequently failed)...A successful outcome is vital to avoid the risk that the BWC may be seriously undermined at a time when biological weapons are recognised as a growing threat to international security. It is therefore imperative that constructive preparations and consultations for this year’s review conference begin as early as possible.”⁵⁴² We agree that a successful review conference is crucial to maintain international confidence both in the BWC and—after the failure of the NPT review conference—in the existing non-proliferation framework in general.

419. We conclude that a successful outcome of the Biological and Toxin Weapons Convention (BWC) Review Conference is essential in order to preserve confidence in the global non-proliferation regime. We recommend that the Government outline what progress has been made by the various meetings of experts and state parties since the middle of 2005, and set out what it hopes to achieve at the Review Conference. We also recommend that the Government explain how it proposes to ensure compliance with the BWC without the existence of a verification mechanism.

Chemical Weapons Convention

420. Our predecessor Committee concluded that the United Kingdom’s continued support for the Chemical Weapons Convention (CWC) is essential, and recommended that the Government continue to proceed with its chemical weapons disarmament programme, in compliance with all terms of the CWC. The Committee also recommended that the Government offer support to states that lack capacity in the implementation of the Organisation for the Prohibition of Chemical Weapons (OPCW) Action Plan.⁵⁴³ The

541 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

542 Ev 191

543 HC (2004–05) 36–I, para 391

Government said in its response that it offers full support to the OPCW's Action Plan on National Implementation Measures, and that it works to support states without capacity in the adoption of the Action Plan through the EU, and has made technical assistance visits to Ethiopia and Cambodia.⁵⁴⁴

421. At present, 175 states are full members of the CWC, and universal adoption is becoming a realistic goal for the CWC. However, gaps still exist in the CWC regime; for instance, a number of Middle Eastern states, such as Egypt, Israel, Lebanon, and Syria, have not ratified the convention; other problems are in the implementation of the CWC, including the slow pace of destruction of chemical weapons by some states, such as the Russian Federation and the USA.⁵⁴⁵

422. We conclude that universality of the Chemical Weapons Convention is a most desirable objective, and we recommend that the Government step up its efforts to encourage Middle Eastern states such as Egypt, Israel, Lebanon, and Syria to ratify the CWC. We also conclude that the destruction of chemical weapons is a priority, and recommend that the Government urge other states to accelerate the destruction of their chemical weapons.

The G8 Global Partnership

423. The G8 Global Partnership against the Spread of Weapons and Materials of Mass Destruction seeks to secure and destroy WMD, particularly in the former Soviet Union. The Partnership was launched in June 2002 at the G8 summit at Kananaskis in Canada, when the G8 states pledged '10 plus 10 over 10'—US\$10 billion from the USA and US\$10 billion from the other member states over the next ten years to manage Russia's WMD legacy.

424. A joint statement issued by the G8 at Kananaskis in 2002 stated:

Under this initiative, we will support specific cooperation projects, initially in Russia, to address non-proliferation, disarmament, counter-terrorism and nuclear safety issues. Among our priority concerns are the destruction of chemical weapons, the dismantlement of decommissioned nuclear submarines, the disposition of fissile materials and the employment of former weapons scientists. We will commit to raise up to US\$20 billion to support such projects over the next ten years.⁵⁴⁶

Last year, our predecessor Committee concluded that "the ongoing work under the G8 Global Partnership is of critical importance, and we strongly support the Government's efforts to improve the security of the former Soviet's WMD stockpile and to have it rendered non-harmful."⁵⁴⁷ The Committee also expressed support for the Government's

544 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

545 "OPCW director seeks Middle East inroads", *Arms Control Today*, November 2005

546 Statement by G8 Leaders, Kananaskis Summit, 27 June 2002, available at: www.g7.utoronto.ca/summit

547 HC (2004–05) 36–I, para 388

work at the Schuch'ye chemical weapons destruction facility in the Russian Federation, but raised concerns about the plutonium disposition programme.⁵⁴⁸

425. Outlining the scope of the G8 Global Initiative's focus, the FCO wrote in its response to the Report:

The UK's programme is expected to remain focused for the next few years on making spent nuclear fuel safe and secure, assisting in the redirection of weapons scientists and technicians, enhancing security and nuclear facilities, reducing stockpiles of weapon grade plutonium and chemical weapons destruction.⁵⁴⁹

The Government also agreed with the concerns about the slow progress on the plutonium disposition project.⁵⁵⁰

426. The 2005 Annual Report on the G8 Global Partnership from the FCO, DTI and MOD, assessed progress over the last year, during the United Kingdom's Presidency of the G8 and its chairmanship of the Global Partnership Working Group, saying: "As well as ensuring the momentum of the Global Partnership has been maintained during 2005, the [Working] Group carried out a detailed review of priorities to ensure that the Kananakaskis Priorities were still broadly correct. The Group's work has further enhanced the good working relationships that have developed between donors and beneficiaries. The Group has also helped to address the concerns over taxation and access that had some impact on earlier projects."⁵⁵¹

427. The Annual Report states that the Global Partnership has managed the dismantlement of two Oscar class nuclear submarines; maintained work to establish a storage site for spent nuclear fuel at the Atomflot site in Murmansk; secured US\$210 million to maintain the Chernobyl storage facility and developed support projects for the Schhuch'ye Chemical Weapons Destruction Facility, among other projects.⁵⁵² The Partnership has also expanded membership and continues to grow in momentum, according to the Annual Report. However, the plutonium disposition programme is not yet in place, which raises continued fears of the acquisition of radiological material by terrorist groups; expansion of its work beyond the FSU to cover other WMD materials attractive to terrorist groups would strengthen the effectiveness of the Global Partnership.

428. We conclude that the work of the G8 Global Partnership makes a valuable contribution to the reduction of nuclear and chemical weapons material in the former Soviet Union, although the slow progress on plutonium and chemical weapon destruction is a serious concern. We recommend that the Government set out in its response to this Report how it will maintain the momentum behind the G8 Global

548 HC (2004–05) 36–I, para 388

549 Foreign & Commonwealth Office, *Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs*, Cm 6590, June 2005

550 Ibid

551 Foreign & Commonwealth Office, Department of Trade and Industry, and Ministry of Defence, *The G8 Global Partnership; Third Annual Report 2005*, p 4

552 Ibid, p 5

Partnership. We also recommend that it explore the possibilities of expanding the Partnership's work beyond the borders of the former Soviet Union.

The Missile Technology Control Regime

429. Established in 1987, the MTCR has 34 members who restrict their exports of missile technology. The states parties implement export controls on missile technology, according to certain criteria. These are; whether the intended recipient is working towards a WMD programme; the purposes of the missiles and space programmes; potential contribution to the recipients WMD delivery capacity; and whether a transfer would conflict with any multilateral treaty. The MTCR is voluntary and has no penalties for transfers, although the USA identifies any states or entities in breach of the MTCR as proliferators.

430. Last year, our Predecessor Committee concluded “we recommend that the Government set out in its response to this Report what it is doing to encourage other states, such as China, to conform to MTCR standards.”⁵⁵³ In its Response, the Government wrote:

The Government takes every appropriate opportunity to lobby in support of the MTCR in bilateral contacts on export controls. For those states that lack the legal and regulatory infrastructure to implement and enforce effective export controls the UK also has an active export control outreach programme. This helps the Government to build the links that facilitate an exchange of information and allows the UK to promote the benefits of export controls and the MTCR. Officials carry out a number of outward and inward outreach visits each year, the most recent being an inward visit from China.⁵⁵⁴

431. At its latest Plenary Meeting, the MTCR re-emphasised the impact of UNSCR 1540, which obliges states to take measures to control the transfer of missile technology, and welcomed India's decision to adhere to MTCR guidelines on a unilateral basis. Work on the growing complexity of dual use technologies also took place, given the growing trend of trade in high technology which could have applications on missile construction. Technological ability is most visible in the proliferation of cruise missile technology and in the growing number of space programmes around the world, of which China's is perhaps most notable.⁵⁵⁵

432. We welcome the Government's outreach work on the Missile Technology Control Regime (MTCR) and we recommend that in its response to this Report the Government set out what further steps it is planning to take in this area. We also welcome India's decision to comply with MTCR guidelines voluntarily, and we recommend that the Government work to encourage India to become a full member of the MTCR. However, we conclude that the spread of knowledge of cruise missile and space programme related technology may outpace the MTCR's best efforts, and we recommend that the Government set out in its response to this Report how it will

553 HC (2004–05) 36–I, para 420

554 Foreign & Commonwealth Office, Sixth Report of the Foreign Affairs Committee; Session 2004–05; Foreign Policy Aspects of the War Against Terrorism; Response of the Secretary of State for Foreign and Commonwealth Affairs, Cm 6590, June 2005

555 “Land attack cruise missiles pose growing threat”, *Defense News*, April 2006

ensure that the MTCR keeps pace with the spread of technology and what steps it will take to give the MTCR greater enforceability.

The Wassenaar Arrangement

433. The Wassenaar Arrangement, formally established in July 1996, is a voluntary export control regime whose members exchange information on transfers of conventional weapons and dual-use goods and technologies. Through such exchanges, Wassenaar aims to promote “greater responsibility” among its members in exports of weapons and dual-use goods and to prevent “destabilizing accumulations”. To promote transparency, Wassenaar calls on states to make a series of voluntary information exchanges and notifications on their export activities related to weapons and items appearing on the arrangement’s two control lists.

434. Although Wassenaar has overcome initial difficulties, problems persist. Foremost among these is the fact that members are divided over its role, primarily over whether the arrangement should be more than a body for exchanging information; Wassenaar operates by consensus, so any state can block a proposal. Additionally, no consensus exists on which countries are “states of concern” or what constitutes a “destabilising” transfer. Another limiting factor is the fact that some major arms exporters—such as Belarus, China, and Israel—are not members.⁵⁵⁶ However, the arrangement has made recent efforts to tackle the problem of terrorism by agreeing on non-binding criteria to guide exports of shoulder-fired, surface-to-air missiles, formally referred to as Man-Portable Air Defence Systems (MANPADS), which are a weapon well suited to terrorist groups, as well as endorsing voluntary best practices for disposing of surplus military equipment, enforcing national export controls, and controlling Very Sensitive dual-use exports.⁵⁵⁷

435. The FCO wrote to the Quadripartite Committee outlining recent progress by the Wassenaar Arrangement, pointing to work to keep up with developments in technology, amendments to the trigger lists, including items of interest to terrorists such as jamming equipment and unmanned aerial vehicles, and the admission of South Africa to the arrangement. Commenting on its other work on small arms, the Government also told the Quadripartite Committee about its work in 2005 to destroy over 100,000 small arms and light weapons in Bosnia, Belarus, Ukraine, and Mozambique, as well as its funding of United Nations Development Programme initiatives on weapons destruction.⁵⁵⁸

436. We had an opportunity to meet the Secretary General of the Wassenaar Arrangement, Sune Danielsson, on a visit to Vienna in January 2006, where we learnt that the Wassenaar Arrangement is not represented in meetings at the UN. Notwithstanding the progress outlined above, we fear that a lack of engagement with the UN could limit the arrangement’s ability to cooperate with important international bodies charged with dealing with small arms at a time when moves towards the establishment of an international Arms Trade Treaty (ATT) are underway.

⁵⁵⁶ Arms Control Association, *The Wassenaar Arrangement at a glance*, January 2005

⁵⁵⁷ Press Release, Wassenaar Arrangement, December 2005

⁵⁵⁸ Evidence received by the Quadripartite Committee (Defence, Foreign Affairs, International Development, Trade and Industry), to be published as HC 873

437. We welcome the expansion of the Wassenaar Arrangement, both in terms of membership and its trigger lists, but fear that the organisation will continue to work at the lowest common denominator. We recommend that the Government explore means to strengthen the Wassenaar Arrangement, perhaps by establishing an inspections regime. We also conclude that the lack of interaction between the Wassenaar Arrangement and UN bodies dealing with small arms and light weapons hinders the effective implementation of an international non-proliferation regime on small arms and might have a deleterious impact on the establishment of an Arms Trade Treaty (ATT). We recommend that the Government work to bring the Wassenaar Arrangement into closer collaboration with the UN and other international efforts related to the ATT.

The Arms Trade Treaty

438. Last year, the Quadripartite Committee commented on the prospects of the Arms Trade Treaty (ATT), and concluded: “While we cannot realistically expect an International Arms Trade Treaty to happen immediately, the UK's language and action must keep the pressure on other nations to add their weight to this initiative. This is the start of a long road, and the UK will need to be a vital driving force if the endeavour is to be successful. We urge the UK Government to use its influence as President of the G8 in 2005 to lobby other countries, particularly fellow G8 members, to support the proposed International Arms Trade Treaty.”⁵⁵⁹

439. In a letter to the Quadripartite Committee in December 2005, the FCO described progress on an Arms Trade Treaty, saying:

The Government has been actively pursuing the initiative for an international Arms Trade Treaty during the UK's Presidencies of the G8 and of the EU. At Gleneagles in July, Leaders of the G8 agreed that the “development of international standards in arms transfers...would be an important step toward tackling the undesirable proliferation of conventional arms”. On 3 October European Union Foreign Ministers added the EU's voice to the growing support for an international treaty to establish common standards for the global trade in conventional arms, and called for the start of a formal negotiation process at the United Nations at the earliest opportunity. The Committee may also wish to note that, on 27 November, Commonwealth Heads of Government meeting in Malta added their support to calls for work on such a treaty to commence in the UN. We are now working to generate further support for such a process among international partners in order to build momentum towards our objective of beginning initial discussions in the UN later in 2006.⁵⁶⁰

440. We welcome progress towards an international ATT and recommend that the Government continue its work to garner support for such a treaty. However, we

559 Defence, Foreign Affairs, International Development and Trade and Industry Committees, First Joint Report of Session 2004–05, *Strategic Export Controls; HMG's Annual Report for 2003, Licensing Policy and Parliamentary Scrutiny*, HC 145, para 161

560 Evidence received by the Quadripartite Committee (Defence, Foreign Affairs, International Development, Trade and Industry), to be published as HC 873

recommend that the Government does not allow its desire to establish internationally accepted norms lead to a treaty that operates only at the lowest common denominator.

Formal minutes

Wednesday 21 June 2006

Members present:

Mike Gapes, in the Chair

Mr Fabian Hamilton	Sandra Osborne
Mr David Heathcoat-Amory	Mr Greg Pope
Mr John Horam	Mr Ken Purchase
Mr Eric Illsley	Sir John Stanley
Andrew Mackinlay	Gisela Stuart
Mr John Maples	Richard Younger-Ross

The Committee deliberated.

Draft Report [*Foreign Policy Aspects of the War against Terrorism*], proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 and 2 read and agreed to.

Paragraphs 3 to 5 read, amended and agreed to.

Paragraphs 6 to 29 read and agreed to.

Paragraph 30 read, amended and agreed to.

Paragraphs 31 to 35 read and agreed to.

A paragraph—(*Mr John Maples*)—brought up, read the first and second time, amended and inserted (now paragraph 36).

Paragraphs 36 and 37 (now paragraphs 37 and 38) read and agreed to.

Paragraph 38 (now paragraph 39) read, amended and agreed to.

Paragraph 39 read and postponed.

Paragraphs 40 to 43 (now paragraphs 41 to 44) read and agreed to.

Paragraph 44 (now paragraph 45) read, amended and agreed to.

Paragraph 45 read, as follows:

We conclude that while recent statements by the Northern Ireland Secretary and Attorney-General that Guantánamo Bay is unacceptable and must be closed down are welcome, the Government's overall policy on Guantánamo Bay remains unclear.

We further conclude that the existence of the prison complex at Guantánamo Bay is diminishing US moral authority, and adds to the grievances against the USA and its partners in the ‘war against terrorism’; as such, detentions without either national or international authority work against US as well as British interests and hinder the effective pursuit of the ‘war against terrorism’. We recommend that the Government as a whole make this clear to its US partners at the highest level, and do so publicly.

Motion made, to leave out paragraph 45 and to insert the following new paragraph:

We acknowledge that there is a problem of what to do with the detainees at Guantánamo and that those detained include some very dangerous terrorists, who it is not possible to treat as ordinary criminals in the US courts. We also conclude that the continuing existence of Guantánamo diminishes US moral authority and adds to the list of grievances against the US. We conclude that those who can be reasonably safely released should be released, those who can be prosecuted as criminals should be prosecuted and that as many others as possible should be returned to their countries of citizenship. We commend the British government for its policy of quietly urging the US government to move towards closing Guantánamo.—(Mr John Maples)

Ordered, That the paragraph be read a second time.

Amendments made.

Original Question put.

The Committee divided.

Ayes, 8

Noes, 3

Mr David Heathcoat-Amory
Mr John Horam
Andrew Mackinlay
Mr John Maples
Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart

Mr Eric Illsley
Sandra Osborne
Richard Younger-Ross

Paragraph inserted (now paragraph 46).

Postponed paragraph 39 (now paragraph 40) again read, amended and agreed to.

Paragraph 46 (now paragraph 47) read, amended and agreed to.

Paragraph 48 read, as follows:

Commenting on the lawfulness of extraordinary rendition, Professor Philippe Sands told us: “[T]here is no international lawyer of whom I am aware who would say that it is justifiable in any circumstances for a State to extra-judicially or extra-legally take

someone off the streets, remove them to another country and subject them to treatment, forms of interrogation which may amount to cruel, inhuman or degrading treatment or torture within the meaning of the 1984 Convention against Torture.” He went on to say: “under the 1984 Convention against Torture Inhuman and Degrading Treatment, all States parties, including this government, which takes its international responsibilities seriously, have a positive duty to investigate allegations of wrongdoing of this kind. To the best of my knowledge there has not yet been a full investigation of that kind and such an investigation is required where there is credible evidence.”

Paragraph disagreed to.

Paragraph 49 read, amended and agreed to.

Paragraph 50 read and agreed to.

Paragraph 51 read, as follows:

Allegations have also arisen of British complicity in the process of rendition. Reports in the Guardian newspaper in September 2005 said: “Aircraft involved in the operations have flown into the UK at least 210 times since 9/11, an average of one flight a week. The 26-strong fleet run by the CIA have used 19 British airports and RAF bases, including Heathrow, Gatwick, Birmingham, Luton, Bournemouth and Belfast. The favourite destination is Prestwick, which CIA aircraft have flown into and out from more than 75 times. Glasgow has seen 74 flights, and RAF Northolt 33.”

Paragraph disagreed to.

Paragraph 52 (now paragraph 51) read and agreed to.

A paragraph—(*The Chairman*)—brought up, read the first and second time and inserted (now paragraph 52).

Paragraphs 53 and 54 read, amended and agreed to.

Paragraph 55, read, amended, divided and agreed to (now paragraphs 55 and 57).

Paragraph 56 (now paragraph 58) read and agreed to.

Paragraph 57 read, amended, agreed to and moved (now paragraph 56).

Paragraph 58 read, as follows:

We conclude that the controversy over extraordinary rendition is causing serious and lasting damage to the reputation of the USA. It is also damaging its allies, including the United Kingdom. We recommended last year that the Government end its policy of obfuscation on the issue of extraordinary rendition. Unfortunately, we have since been obliged to press repeatedly for greater co-operation from the FCO. We reiterate our strong view that the Government must deal with extraordinary rendition in a transparent manner with timely answers to questions from this Committee. We conclude that it is regrettable that far more detailed information has been given in parliamentary answers to opposition party spokesmen than has been given in response to questions from this Committee.

Motion made, to leave out paragraph 58 and to insert the following new paragraph:

We conclude that there has been a lot of speculation about the possible use of rendition to countries where torture can take place, so called ‘Black Sites’ and the complicity of the British Government, all of which would be very serious matters, but that there has been no hard evidence of the truth of any of these allegations. We accept the denials of the British and US governments that neither UK airspace, or airports have been used by the US government for rendition.—(Mr John Maples)

Ordered, That the paragraph be read a second time.

Amendments made.

Original Question put and agreed to.

Paragraph, as amended, inserted (now paragraph 58).

Paragraphs 59 to 65 read and agreed to.

Paragraph 66 read, as follows:

We conclude that despite the reforms adopted by the 2005 UN General Summit, there remain uncertainties over the international legal framework for humanitarian intervention. We recommend that the Government set out in its response to this Report what steps it is taking to establish a consensus on when intervention on humanitarian grounds is permissible.

Amendment proposed, to leave out from the beginning to “We” in line 3 and to insert the words: **“We conclude that, in a complex globalising world, the United Kingdom has a strong interest in an international legal framework of rules governing the use of force, which is adhered to by all. In our view the Prime Minister has appeared, on some interpretations, to question the adequacy of the existing laws, particularly in relation to anticipatory self-defence. We conclude that the rules should not be changed except for humanitarian intervention.”—(John Horam)**

Question put, That the Amendment be made.

The Committee divided.

Ayes, 1

Noes, 11

Mr John Horam

Mr Fabian Hamilton
Mr David Heathcoat-
Amory
Mr Eric Illsley
Andrew Mackinlay
Mr John Maples
Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart
Richard Younger-Ross

An Amendment made.

Paragraph, as amended, agreed to.

Paragraphs 67 to 119 read and agreed to.

Paragraph 120 read, amended and agreed to.

Paragraphs 121 to 127 read and agreed to.

Paragraph 128 read, amended and agreed to.

Paragraphs 129 to 138 read and agreed to.

Paragraph 139 read, amended and agreed to.

A paragraph—(*Andrew Mackinlay*)—brought up, read the first and second time, amended and inserted (now paragraph 140).

Paragraphs 140 to 166 (now paragraphs 141 to 167) read and agreed to.

Paragraph 167 (now paragraph 168) read, amended and agreed to.

Paragraphs 168 to 183 (now paragraphs 169 to 184) read and agreed to.

Paragraphs 184 and 185 (now paragraphs 185 and 186) read, amended and agreed to.

A paragraph—(*Sir John Stanley*)—brought up, read the first and second time, amended and inserted (now paragraph 187).

Paragraphs 186 to 193 (now paragraphs 188 to 195) read and agreed to.

Paragraph 194 (now paragraph 196) read, amended and agreed to.

Paragraphs 195 to 198 (now paragraphs 197 to 200) read and agreed to.

Paragraph 199 (now paragraph 201) read, amended and agreed to.

Paragraph 200 (now paragraph 202) read and agreed to.

Paragraphs 201 to 204 (now paragraphs 203 to 206) read, amended and agreed to.

Paragraphs 205 to 210 (now paragraphs 207 to 212) read and agreed to.

A paragraph—(*Sir John Stanley*)—brought up, read the first and second time, amended and inserted (now paragraph 213).

Paragraphs 211 to 215 (now paragraphs 214 to 218) read and agreed to.

Paragraphs 216 and 217 (now paragraphs 219 and 220) read, amended and agreed to.

Paragraph 218 (now paragraph 221) read and agreed to.

Paragraph 219 (now paragraph 222) read, amended and agreed to.

Paragraphs 220 to 237 (now paragraphs 223 to 240) read and agreed to.

A paragraph—(*Sandra Osborne*)—brought up, read the first and second time, amended and inserted (now paragraph 241).

Paragraphs 238 to 241 (now paragraphs 242 to 245) read and agreed to.

Paragraphs 242 and 243 (now paragraphs 246 and 247) read, amended and agreed to.

Paragraphs 244 to 260 (now paragraphs 248 to 264) read and agreed to.

Paragraph 261 (now paragraph 265) read, amended and agreed to.

Paragraphs 262 and 263 (now paragraphs 266 and 267) read and agreed to.

Paragraph 264 (now paragraph 268) read, amended and agreed to.

Paragraphs 265 to 270 (now paragraphs 269 to 274) read and agreed to.

Paragraph 271 (now paragraph 275) read, amended and agreed to.

Paragraphs 272 to 281 (now paragraphs 276 to 285) read and agreed to.

Paragraph 282 (now paragraph 286) read, amended and agreed to.

Paragraphs 283 to 292 (now paragraphs 287 to 296) read and agreed to.

Paragraph 293 read, as follows:

We conclude that Iran is a country of major geo-strategic significance and political, economic and energy importance, which presents the United Kingdom and its allies with a serious diplomatic challenge. We recommend that the Government ensure that sufficient resources and expertise on Iran are available both to the Embassy in Tehran and in London.

Paragraph disagreed to.

Paragraphs 294 to 299 (now paragraphs 297 to 302) read and agreed to.

Paragraph 300 (now paragraph 303) read, amended and agreed to.

Paragraphs 301 to 308 (now paragraphs 304 to 311) read and agreed to.

Paragraph 309 (now paragraph 312) read, amended and agreed to.

Paragraphs 310 to 319 (now paragraphs 313 to 322) read and agreed to.

Paragraph 320 (now paragraph 323) read, amended and agreed to.

Paragraphs 321 to 328 (now paragraphs 324 to 331) read and agreed to.

Paragraph 329 (now paragraph 332) read, amended and agreed to.

Paragraphs 330 to 336 (now paragraphs 333 to 339) read and agreed to.

Paragraph 337 read, as follows:

We conclude that military action against Iran would be likely to unleash a host of extremely serious consequences both in the Middle East and elsewhere and would not be guaranteed to prevent Iran from developing nuclear weapons in the long term. We further conclude that the Government should not undertake military action against Iran until all other options have been exhausted or without broad agreement among its international allies. We also conclude that the lack of international consensus for sanctions against Iran combined with the extremely worrying prospect of military action mean that all possible diplomatic efforts must be applied to reaching a negotiated agreement with Iran; we recommend that the Government make this point absolutely clear to the administration in Washington.

An Amendment made.

Another Amendment proposed, in line 5, to leave out from “**exhausted**” to “**We**” in line 6. —(*Sir John Stanley*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 4

Andrew Mackinlay
Mr Greg Pope
Sir John Stanley
Ms Gisela Stuart

Noes, 5

Mr David Heathcoat-
Amory
Mr John Horam
Mr John Maples
Sandra Osborne
Mr Ken Purchase

Paragraph, as amended, agreed to (now paragraph 340).

Paragraphs 338 to 346 (now paragraphs 341 to 349) read and agreed to.

A paragraph—(*Andrew Mackinlay*)—brought up, read the first and second time and inserted (now paragraph 350).

Paragraphs 347 and 348 (now paragraphs 351 and 352) read and agreed to.

Paragraph 349 (now paragraph 353) read, amended and agreed to.

Paragraphs 350 and 351 (now paragraphs 354 and 355) read and agreed to.

Paragraph 352 read, as follows:

There are also concerns over the shortcomings of the democratic process in Iran. Elections to the Majlis (parliament) in 2004 were deeply flawed. The Guardian Council, an unelected body that constitutionally ‘interprets’ Islamic orthodoxy, barred around 2,500 of the 8,200 prospective candidates, including 87 existing members, from standing. After a request by Supreme Leader Ayatollah Ali Khamenei that it review the bans, the Council made minimal changes and warned that any further challenge to its ruling would be “making war on God”. Nearly 1,200 more candidates withdrew in protest.

Amendment proposed, in line 2, to leave out the words “deeply flawed” and to insert the words “so deeply flawed as to make it a wholly illegitimate and bogus parliamentary assembly.” —(*Andrew Mackinlay*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 1

Andrew Mackinlay

Noes, 8

Mr Fabian Hamilton
Mr David Heathcoat-
Amory
Mr John Horam
Mr John Maples
Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Ms Gisela Stuart

Paragraph agreed to (now paragraph 356).

Paragraphs 353 to 355 (now paragraphs 356 to 358) read and agreed to.

A paragraph—(*Andrew Mackinlay*)—brought, read the first and second time, amended and inserted (now paragraph 359).

Paragraph 356 read, as follows:

We conclude that the human rights situation in Iran remains extremely unsatisfactory. We recommend that the Government continue to use its diplomatic contacts with the Iranian government to promote respect for human rights and political and religious freedoms, and actively encourage the EU to do likewise. We further conclude that the democratic process in Iran is deeply flawed, and that although this issue must be handled with care, there is a role for the United Kingdom and the international community more broadly in supporting reform efforts. We recommend that the Government seriously consider funding a Farsi BBC television service.

Amendment proposed, in line 1, to leave out the words “**extremely unsatisfactory**” and to insert the words “**quite simply appalling**”.—(*Andrew Mackinlay*)

Question put, That the Amendment be made.

The Committee divided.

Ayes, 1

Noes, 8

Andrew Mackinlay

Mr Fabian Hamilton
Mr David Heathcoat-
Amory
Mr John Horam
Mr John Maples
Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Ms Gisela Stuart

Another Amendment proposed, in line 5, to leave out from “**likewise.**” to “**We**” in line 8. —(*Andrew Mackinlay*)

Question, That the Amendment be made, put and negatived.

Paragraph agreed to (now paragraph 361).

Paragraphs 357 to 426 (now paragraphs 362 to 431) read and agreed to.

Paragraph 427 (now paragraph 432) read, amended and agreed to.

Paragraphs 428 to 435 (now paragraphs 433 to 440) read and agreed to.

Resolved, That the Report, as amended, be the Fourth Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Ordered, That the provisions of Standing Order No. 134 (Select Committees (reports)) be applied to the Report.

Several Papers were ordered to be appended to the Minutes of Evidence.

Ordered, That the Appendices to the Minutes of Evidence taken before the Committee be reported to the House.—(*The Chairman*).

The Committee further deliberated.

[Adjourned till Wednesday 28 June at Two o'clock

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Oral evidence

Taken before the Foreign Affairs Committee

on Wednesday 19 October 2005

Members present:

Mike Gapes, in the Chair

Mr Fabian Hamilton	Sandra Osborne
Mr John Horam	Mr Greg Pope
Mr Paul Keetch	Mr Ken Purchase
Mr Andrew Mackay	Sir John Stanley
Andrew Mackinlay	Ms Gisela Stuart
Mr John Maples	Richard Younger-Ross

Written evidence submitted by Professor Paul Wilkinson

IS AL QAEDA STILL AN ORGANISATION?

1. Al Qaeda is a transnational movement of “ism” rather than a traditional highly centralised and tightly controlled terrorist organisation. Its worldwide network of networks is bound together with a shared ideology, strategic goals, modus operandi and fanatical hatred of the US and other Western countries, Israel, and the government of the regimes of Muslim countries which Al Qaeda’s leaders accuse of being “apostates” on the grounds that they “betray” the “true Islam” as defined by bin Laden.

2. This network of networks consisting of affiliated groups, operational cells and support networks in over 60 countries gives the Al Qaeda movement a greater global reach than any previous international terrorist network. It also provides Al Qaeda with the flexibility and resilience to adapt and sustain its global jihad in spite of the many severe blows the movement has suffered. Al Qaeda’s core leadership, communication and training capabilities suffered major disruption and damage when the Taleban regime in Afghanistan, which had provided Al Qaeda with safe haven, was overthrown in autumn 2001. Since 9/11, 15 leading Al Qaeda militants have been captured or killed, and over 3,000 suspected Al Qaeda followers have been arrested or detained. Moreover, millions of pounds of Al Qaeda assets have been frozen in the banking system. Yet despite all these setbacks the movement has continued to recruit and raise more funds worldwide and to commit atrocities such as the bomb attacks in Madrid and London, massive suicide bombings in Iraq and the beheading of hostages.

3. It is a dangerous illusion to assume that because Al Qaeda’s core leadership does not carry out the detailed planning, organisation and implementation of all the attacks carried out in its name the movement no longer exists or has a purely marginal role. Bin Laden and Ayman Zawahiri provide the crucial ideological leadership and strategic direction of the movement. It is they who inspire new recruits to join the global jihad and to be ready to sacrifice their lives as suicide bombers for the cause. Al Qaeda videotapes and websites demonstrate the great importance they attach to propaganda. Recently they have expanded into broadcasting their own news programme called Voice of the Caliphate which attempts to use world events to put over their movements’ perverted doctrines. Al Qaeda’s leaders are well aware that they cannot rely on the mosques as the sole channel for spreading their ideas. Clear evidence that they continue to win the hearts and minds of those who are attracted to joining Al Qaeda affiliated and cells around the world is the way the websites of these affiliated groups swiftly claim the Al Qaeda connection in their claims of responsibility for attacks, and the Al Qaeda core leadership are so quick to claim “ownership” for successful attacks. However, there are some clear risks involved in this decentralised network of networks structure. What happens if there is a schism over strategy and tactics between leadership and one of the affiliated? And what happens if a splinter group challenges the leadership by defying its decrees? From what we know of Al Qaeda’s core leadership we can assume that they simply do not have the manpower and weapons to suppress or overrule the breakaway group. Another possible implication of the loose structure of the Al Qaeda Network is that they may no longer be able to plan and execute complex coordinated spectacular attacks on the lines of 9/11, through some experts dispute this.

AIMS, CAPABILITIES AND PLANS

4. The main aims of the Al Qaeda movement are:
- to eject the US and its allies from the Middle East and all Muslim lands;
 - to overthrow existing Muslim governments/regimes, on the grounds that they are “Apostate” regimes which betray the cause of the true Islam, as defined by bin Laden and Zawahiri; and

- ultimately to establish a pan-Islamist Caliphate to bring all Muslims under the rule of an Islamist super-state.

5. Al Qaeda believes that the use of the weapon of mass casualty terrorism and the belief that Allah is “on their side” will ensure that they win ultimate victory. The aim of killing as many of their “enemy” including civilians, wherever and whenever the opportunity arises was spelt out in bin Laden’s notorious Fatwa of February 1998. It is Al Qaeda’s explicit commitment to mass-killing, so horrifically demonstrated in its 9/11 attacks, that make it by far the most dangerous terrorist network in the modern world.

6. What do we know of Al Qaeda’s capabilities? The key resource for any terrorist organisation is its membership and their level of commitment, training, expertise and experience. In attack after attack Al Qaeda’s network of networks has proved its ability to deploy large numbers of operatives and to recruit more than sufficient new members to replace those lost by capture and death in suicide bombing or in armed confrontations with security forces. We should remember that it only takes relatively small numbers to carry out attacks which can kill thousands and inflict severe economic damage and disruption. The 9/11 attacks were carried out by 19 suicide hijackers and a support network of a handful of people. There is no evidence that the movement is unable to obtain the funds and explosives it needs to carry out major coordinated mass-killing suicide bombing attacks. There is overwhelming evidence from a whole series of police investigations into Al Qaeda movement activities that the local networks are not only carrying out the planning and execution of operations: they are in most cases raising the cash to fund such operations and obtaining the explosives and other materials and vehicles or other equipment through thefts, corruption and organised crime in their own areas. However, although small scale terrorist bombing is a very low cost activity for the local networks the cost of mounting a coordinated mass-casualty attack may well be beyond the resources of a local network, and hence shortage of funds may act as a significant barrier to mounting more spectacular attacks. It has been estimated that the 9/11 attacks cost Al Qaeda around \$500,000. At that time this was well within the financial capabilities of Al Qaeda’s core leadership. It is unlikely that they would find it so easy to fund such a massively lethal and destructive series of attacks today. The freezing of Al Qaeda assets in the banking system has not been extensive enough though to deprive the Al Qaeda of all its resources but it has compelled the terrorist leadership to rely more than ever on local networks for the resources to carry out local attacks.

7. By far the more important capability for carrying out local attacks is the availability of expertise, especially in bomb making, operational planning and tactics. The Al Qaeda network’s supply of well-trained and experienced terrorist operatives has been enormously increased as a result of the field experience provided in the Iraq conflict. Foreign terrorists who have been involved with the Al Qaeda Jihad in Mesopotamia led by the Jordanian Abu Musab al-Zarqawi, are now able to return to their countries of origin, including the EU member states, battle hardened and with skills acquired and honed in Iraq. It is also noteworthy that in recent weeks we have seen tactics methods copied from the terrorist campaign in Iraq being used in Afghanistan by Taleban and Al Qaeda-linked groups and their Afghan warlord allies to attack. For example the terrorists have rammed a vehicle carrying British personnel with a vehicle packed with explosives. In another close parallel with Iraq the terrorists have also started to mount attacks on recruits to the newly-established Afghan Army.

8. It is possible to obtain a clear idea of the Al Qaeda leadership’s long-term strategy from their writings. Zawahiri’s Knights Under the Prophet’s Banner, for example, stresses the importance they attach to the dual strategy of seeking to establish control over a base area within the heart of the Muslim world while at the same time carrying the struggle to the homelands of the US and its allies. The US military has just announced that they have recently intercepted a letter from Zawahiri to Abu Musab al-Zarqawi, Head of Al Qaeda in Iraq. Zawahiri is confident that Al Qaeda will gain a victory in Iraq, and sees this as the first step, the setting up of a Caliphate initially in Iraq, but followed by waging Jihad in Syria, Lebanon, Egypt, finally leading on to the destruction of Israel. The US Department of Defence is convinced that his document is genuine, and, if so, it provides an interesting glimpse of Al Qaeda’s strategic plans. The letter also reveals evidence of divisions within the global Al Qaeda network. Zawahiri warns that Zarqawi’s particularly cruel measures such as the mass killing of Shia Muslims and the beheading of hostages may alienate public opinion in the Muslim world. If this letter is genuine, as the American government believes, it confirms that the core leadership is unable to control all activities carried out in the name of Al Qaeda. It also confirms the point made earlier re schisms: such a major split on questions of tactics suggests the possible development of deeper and more lasting splits in the movement.

9. As for plans for specific operations, alas we do not have adequate human intelligence on the precise intentions of the operational planners, cell leaders and support networks. However, we can learn from the investigations carried out by police and judicial bodies into previous attacks successful and failed, in order to learn more about their modus operandi. We know enough from the case history to understand the care and sophistication Al Qaeda network groups use to plan attacks. A vivid example was the information found on an Al Qaeda laptop computer captured in Pakistan which showed that the operations planners were closely examining not only the details of the security provided for key financial targets they planned to attack in the US, but also the precise structure of the buildings in order to decide on the type and strength of explosives to use. It is typical of the Al Qaeda network to engage in detailed reconnaissance and intelligence gathering in preparation for any major operation.

HOW THE IRAQ FACTOR HAS BEEN EXPLOITED BY THE AL QAEDA MOVEMENT

10. One of the most significant developments in the evolution of Al Qaeda since 2003 has been the way the movement has exploited the allied invasion and occupation of Iraq. Whatever view one may take on the decision to invade Iraq it is simply ignoring reality to deny that the invasion and occupation have been a big boost for Al Qaeda and a setback for the coalition against terrorism. The invasion was a propaganda gift to Al Qaeda because they could portray it as an unprovoked imperialistic attack on a Muslim land. Al Qaeda poses as the defender of Muslim lands and people everywhere. They used this as a recruiting sergeant and as an opportunity for fund raising for their global jihad. Moreover the conflict provided a rich concentration of US and other western military and civilian targets in a country which the militants could enter all too easily across virtually uncontrolled borders. As this fragile experiment in establishing a democratic government moved forward in Iraq, Al Qaeda has a growing incentive to attack because the last thing they wish to see in Iraq, or anywhere else in the Muslim world, is the successful establishment of a democratic political system. Having failed to prevent the free elections in January 2005 they are now desperate to disrupt the efforts to secure and agreed democratic constitution for Iraq and to provoke an all out civil war between the Sunnis and the Shiite majority. This is what the brutal Al Qaeda bomb attacks on Shiite civilians and clerics are designed to achieve.

11. It is absurd to suggest that recognising the way Al Qaeda has exploited the war in Iraq to its own considerable advantage in some way “excuses” Al Qaeda’s terrorism. In my view there can never be an excuse for the use of terrorism, whoever the perpetrators. Terrorism involves the deliberate mass murder and injury of civilians and is a crime against international law and humanity. However, understanding more about the motivation of terrorists and how they are attracted into extremist groups and groomed to be suicide bombers, is a vital subject for research. “Know thine enemy” has always been a key maxim of successful strategists. How are we to unravel the Al Qaeda if we do not understand what makes them tick? Nor should we overlook unforeseen consequences of foreign policy decision-making, especially when the key decision are taken by a more powerful ally which may also have failed to anticipate and plan for the implications of their policy for the struggle against international terrorism.

INTERNATIONAL EFFORTS TO COMBAT AL QAEDA TERRORISM

12. In spite of the setbacks in the struggle against Al Qaeda described above there have been some very positive developments in the international response which need to be taken into account if we are to get a more balanced assessment:

- In spite of deep divisions among members of the Coalition Against Terrorism over the invasion of Iraq international intelligence cooperation in counter-terrorism especially at the bilateral level, has continued to improve. For example, Spain, France and Germany have continued to cooperate closely with the United States in sharing intelligence on the Al Qaeda network despite their opposition to Washington’s policy in Iraq.
- EU member states (especially Spain, Germany, France and the UK) have shown considerable success in using their criminal justice systems to try persons suspected of involvement in Al Qaeda linked terrorism. The US government’s apparent determination to circumvent their own highly-respected Federal Criminal Court system and to resort to detention without trial for terrorist suspects is baffling and deeply damaging to America’s reputation as a champion of democracy and the rule of law.
- One of the most encouraging developments in international response has been the un-dramatic but vital work of capacity building in the developing countries, for example the assistance programme of the FCO in disseminating expertise in anti-terrorism law, policing and intelligence work and the work of the international agencies such as ICAO, IATA and ACI in enhancing aviation security and of IMO in maritime security.
- The valuable progress in counter-terrorism made by the EU following the Madrid and London bombings for example through the Europe Arrest Warrant mechanism, and the enhanced intelligence sharing and judicial cooperation procedures through EUROPOL, SITCEN, and EUROJUST. This cooperation provides a useful model for other regional IGOs and it is particularly encouraging that the UK has take a very useful role during the British Presidency to further enhance the EU cooperation in this key field.

MAJOR WEAKNESSES IN THE INTERNATIONAL RESPONSE TO TERRORISM

13. If asked to pinpoint major weaknesses in the international response to terrorism I would stress four massive problems:

- In view of Al Qaeda’s serious efforts to acquire CBRN weapons much more intensive efforts are required to tighten and police the international arms control and counter-proliferation regimes to enable them to encompass prevention of proliferation to non-state groups. Far more than changes

in international treaties is required. We urgently need powerful international agencies to police such regimes. The IAEA is an encouraging, though far from perfect model. We need to build similar mechanisms to deal with chemical and biological weapons.

- Many governments still show a lack of political will and courage to take an unambiguous stand against terrorism whoever the perpetrators and whatever their self-professed cause. There are no good terrorists. Terrorism is a brutal attack on the most basic human right of all, the right to life. It should be outlawed and suppressed wherever it occurs. Until this happens we will continue to see more atrocities like the 9/11 attacks, the Beslan school massacre, the Bali bombings, the Madrid and London bombings and hundreds of other acts of mass murder.
- There has been a tragic failure to wage the battle of ideas against the extremists who preach hatred and incite people to commit terrorism. All democratic governments, including our own have a special responsibility to actively promote democratic values, the role of law and human rights. Moreover this cannot simply be accomplished by radio and TV programmes and political speeches. Action counts far more than words in the difficult world of upholding democratic values and human rights. If the behaviour of democratic states flatly contradicts our stated values we lose our credibility in the battle of ideas worldwide.
- Closely interwoven with the battle of ideas against the promoters and preachers of terrorism is the struggle to uphold basic human rights. While it is true that some extreme human rights campaigners elevate human rights into a totally impractical and irresponsible rejection of all collective moral and political obligations that make the enjoyment of human rights possible, most citizens of democracies and many who are working to democratise their countries would be shocked if we were told that some of our most cherished civil liberties (eg habeas corpus, the right to a fair trial, freedom of speech, freedom of religion, freedom of movement, freedom of assembly, freedom of expression), were to be suspended in the name of state security. If we throw away our basic liberties in the name of dealing with the terrorism threat we will have done the terrorists' work for them.

CONCLUSION

14. As Joseph S Nye, Yukio Satoh and I recommended in our Trilateral Commission report Addressing the New International Terrorism (May 2003):

“Dialogues about the protection of civil liberties in the face of security threats should be a regular feature of the meetings of the home security officials and should be reinforced by meetings of judicial officials and parliamentarians. Assistance programmes must include attention of human right issues. Not only are such values central to the definition of the civilisation that we seek to protect, but overreactions to insecurity that infringe civil liberties undercut the sort of attractive power that is essential to maintain the support of moderate opinion and to deprive terrorists from recruiting new converts”.

15. I can assure the Committee that it is my firm belief that we can succeed in unravelling the Al Qaeda network without undermining our civil liberties in the process.

October 2005

Witnesses: Professor Paul Wilkinson, Professor of International Relations and Chair of the Centre for the Study of Terrorism and Political Violence, University of St Andrews, and *Mr Peter Taylor*, BBC (Panorama), examined.

Q1 Chairman: Good afternoon, gentlemen. Welcome to the Foreign Affairs Committee. We are very pleased that you have found time to come before us. As you are aware, we are discussing a very important topic on which you are both experts. I will get straight into the evidence session. I welcome you, Mr Taylor and Professor Wilkinson, to the Committee. We have seen recent attacks here in London and elsewhere in the world. Do they indicate anything new about international terrorism? Is there a change in recent months compared to what we were dealing with in the period around 9/11 and just afterwards?

Mr Taylor: Are you happy if I go first, Paul, and we can agree or disagree or whatever. I think there is a fundamental change in the nature of al Qaeda and its associated, but not necessarily directly related,

groupings. That is the result of the successes that the coalition had in removing the jihadi training camps in Afghanistan. Al Qaeda was denied a base in Afghanistan, it tried to set up bases in places like Fallujah, in Iraq. They were destroyed again by the coalition forces. My understanding is that in the course of interrogation of senior or middle ranking al Qaeda people they said they were under orders to return to their countries of origin to recruit and train for Jihad on home ground, recruiting home-grown would-be jihadis, and I think what the recent attacks show is the operation of those semi-autonomous cells that do not necessarily have any directly linear connection with al Qaeda. The 9/11 attacks were the result of al Qaeda planning. Al Qaeda was the command and control centre. It no longer works like that, so these cells are their protean: they change;

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they are autonomous, or semi-autonomous. What binds them together is a common association with the philosophy of bin Laden and al Qaeda. This makes them all the more difficult to identify and penetrate for the various intelligence agencies. I think an indication of that is the attacks on Madrid. The Madrid cell got under the wire, although there were indirect al Qaeda connections with Madrid via Abu Dada, who has just got 27 years in Spain. The attacks in Casablanca got under the wire, the recent attack in Bali the other weekend got under the wire, critically the London bombers, the 7/7 bombers from Leeds got under the wire. There was absolutely zero intelligence on the Leeds cell, nothing at all, and that is a problem. If the intelligence services, the security services, are dealing with al Qaeda as such—a bit like dealing with the IRA that I studied for over 30 odd years—there is a structure, there is a precise goal and, once you know what the structure is, you can begin to penetrate and take out the various cells, al Qaeda and its associated groupings, and there is a danger of putting the al Qaeda stamp on everything that happens—sometimes it is justified, sometimes it is not—nevertheless, the threat that these new kind of cells that subscribe to the same philosophy as al Qaeda and bin Laden are extremely dangerous and I think the evidence speaks for itself.

Professor Wilkinson: I agree with what Peter Taylor has said. I would like to add that I think the fact that this is a network of networks makes al Qaeda a movement rather than a traditional type of terrorist organisation, but we should not under-estimate its significance just because it is different. In fact, as Peter has made clear, it does make it far more difficult for the intelligence services and the whole intelligence community of the coalition against terrorism to track down cells and to identify new networks as they are created, but it is even more complex than that. What we have in this movement is an ideology which appears to be capable of travelling around the entire Muslim world, not just in the countries which are populated by the majority of Muslim people, but among the Muslim diasporas, and it is not really the case that the London attacks were the first instance of this, but what we are seeing is this trend towards recruiting local networks which are, of course, in contact with others in the global network but do not need to go to training camps. They are inducted from the Internet, from the propaganda that is available, from people they meet in the campuses, in prison in some cases, in mosques in some cases, though we must be careful of assuming that the traditional mosque is the place where all the recruitment is done. In fact, much of it is done outside the framework of the traditional mosque because the young people who are angry, alienated, likely candidates for recruitment are in many cases alienated from the mosque community and the traditional religious leaders; so these are people who are got at in different ways; but the very fact that these networks are being created, in some cases in the heart of our cities in western countries, makes an enormously complex problem, and it is a problem, of course, in terms of community relations of trying to establish better relations with the

moderate elements in the community who themselves feel threatened by this extremism within their own ranks, and I think the numbers are often quite small, but what we need to remember is you only need small numbers: the 19 hijackers in the 9/11 attacks did terrible damage and took nearly 3,000 lives. Very small numbers can be involved in deadly attacks, and therefore we have every reason, I think, to regard al Qaeda as a serious problem. It is the most serious terrorist threat that we have at the present time and a more dangerous network internationally than we have seen in the previous history of terrorism.

Mr Taylor: Can I add one point on recruiting, because the process of recruiting young Muslims as jihadis is absolutely critical and there is a distinct pattern that I have studied in America in Buffalo Lackawanna, in Morocco, in Madrid, in Pakistan and here, and the process that Paul has outlined is absolutely right that potential recruits are identified at radical mosques but the actual indoctrination—the showing of videos, of Palestine, of Chechnya, of Kashmir and increasingly of Iraq—is done privately in apartments, flats, etc, afterwards. The other really interesting factor, and this applies to the Leeds bombers and certainly applied to the Casablanca suicide bombers, because I talked to the mother of one of those, is that by and large the families know absolutely nothing about it. It comes as a deep shock. You will recall that some of the families of the London bombers got in touch with the police, saying, “Have you seen my son?” Answer: “He is dead,” and it transpires that he blew himself up and killed lots of other people. So we must not assume that families are involved in this. There is a terrible danger, you are well aware, of stereotyping families and stereotyping the community. That is really dangerous because that is counter-productive.

Q2 Chairman: Can I probe you a little bit more? You referred, Professor Wilkinson, to the Muslim diaspora. Is this a Sunni Muslim diaspora you are referring to or is it a Muslim diaspora in general? Clearly in Iraq we have seen statements made against Shias by people purporting to be part of the al Qaeda network. I would be interested if you could clarify whether we are dealing with Islam in its totality or particular types of Islam.

Professor Wilkinson: The network is mainly established within the Sunni community. There are some sympathisers and supporters in the Shia community, but they are in a relatively small proportion, and, of course, the violence perpetrated against Shi'ites in Iraq has made the Shi'ite community very hostile and resentful of the violence that is being meted by al Qaeda in Mesopotamia, because that is the umbrella name they give themselves under Zarqawi. It is interesting that in the recent communication that was published, the translated version, in the *Guardian* the other day, of Zawahiri's letter to Zarqawi, you will find that Zawahiri is warning that that could be politically unwise because it would threaten public support. I think the fact is that the majority of their support has always come from the Sunni community, but in Iraq,

because the Shi'ites are in the majority and because al Qaeda's leaders undoubtedly hope that they will be able to establish a kind of base in Iraq to replace the base they lost in Afghanistan, the tensions they have created between Shi'ite and Sunni that they may feel are going to work in their favour may be a sign of the weakness of this networking system. I do not think all the networking arrangements necessarily favour the al Qaeda movement, because when you have a movement which is constituted of a network of networks worldwide there are bound to be some that begin to differ from the core leadership in its strategy and tactics, and we are beginning to see that. We see it in the communication that was intercepted between Zawahiri and Zarqawi, but it has already been noted in Jemaah Islamiyah in South East Asia, which is an affiliate of al Qaeda heavily penetrated by al Qaeda in the late nineties, responsible for the Bali bombing of October 2002, and Jemaah Islamiyah has got a faction within it which is vociferously criticising attacks which put fellow Muslims in Indonesia at risk. That is an interesting development. None of the core leadership statements in the past have expressed any remorse or regret about these killings of large numbers of civilians in Muslim countries. Now there is perhaps a dawning of a realisation that that is a counter-productive tactic, and I think it is an interesting sign that they may run into real problems with other elements in the network; so keeping the network together, even though you have an ideology which is quite simple and clear, is actually not as easy as it looks and they may have over-reached themselves by imagining that they can keep this whole enterprise together.

Mr Taylor: I commend to you the letter that Paul refers to that was translated in the *Guardian*. It is really significant: because there is a danger of dismissing the al Qaeda movement, as Paul quite rightly refers to it, as being a terrorist gang in the same way as we used to dismiss the IRA way back in the seventies. They are politically sophisticated to a degree that many of us do not realise, and that letter from Zawahiri to Musab al-Zarqawi is really worth looking at. He also warns in that letter—it is sort of friendly advice, it is not a heavy number from bin Laden's number two to Mr al Qaeda in Iraq—basically, “Cut out the beheadings because it is not winning you any friends amongst the people whose support you need. You need the water in which to swim.” There is an interesting parallel back with Northern Ireland in 1987 after the Enniskillen bombs when Gerry Adams rarely and publicly criticised the IRA and said, “You must not attack these kinds of targets. It is counter-productive.” Martin McGuinness did the same after Paddy Gillespie was tied to his truck, his family held hostage, told to drive to another check-point and then they detonated the bomb. He was a human bomb, and that turned off a lot of would-be supporters for the IRA. McGuinness spoke out. It did not happen again. So I think that letter from Zawahiri to Zarqawi is really interesting and significant and gives us a different insight into the way that they are thinking and operating.

Q3 Mr Maples: I would like to ask Paul Wilkinson, but please come in, Mr Taylor, if you want to, about what is happening in southern Iraq, particularly in Basra. I think we were telling ourselves that we were doing rather well down there—we were doing rather better than the Americans and things were quite peaceful—but recently, in the last few months, it seems to have got very ugly indeed. I wonder why you think it is. Is this a vying for supremacy between Shi'ite groups? It seemed that everything was about to fall into their lap—we were practically ready to deliver the whole place to them—so why has there been this upsurge of violence against British interests and British troops, and, secondly, what role do you think Iran is playing, because again one would have thought, if you were the Iranian government, what you would want is a stable but weak Iraq on your borders? Why are they trying to stir up trouble now in the southern bit when it seemed likely that it was going to fall into their lap anyway? I wonder if you can tell me what you think is going on there?

Professor Wilkinson: My understanding is that the politics of the Shi'ite community is quite complex and that really there are some quite influential figures in the religious leadership who really do want to keep on good terms with the British because they believe that that has been advantageous. They believe the new constitution, if it is accepted in the referendum, will actually be favourable for them, but there are more radical Shi'ites, as you know, who were opposed to the whole project of a period of transition to a kind of democratic project master-minded by the new government of Iraq with the Americans very much in the front seat. I think that radical element have been much influenced by the radical element in Iran, because of course the Iranian political system has shifted rather with the election of the new hard line leader, and I think those hardliners are taking advantage of a natural coalition with the hardliners in southern Iraq. After all, it contains the holy places which they almost revere as the Sunnis revere Mecca and Medina. They see these as people who are their people, and they want to work with them to create a revolutionary Islamist extension, if you like, of the Iranian revolution in Iraq. They have been in the minority, and I think they are still in the minority in southern Iraq, but it does create a greater problem for the British forces, who I think have been doing brilliant job of handling this difficult situation. But the very fact that the Iranians know that area so well, and have their contacts with the pro Iranian hard-line elements in the militia means that they are able to work to our disadvantage behind the scenes. I think that was behind that confrontation, you remember, at the police station where the two soldiers were being held and they were brought out by the British Army. I think that the people who were behind that were in league with the hardliners on the other side of the border in Iran.

Q4 Mr Maples: So it is almost a struggle for control between different Shi'ite groups. Is there evidence that Sistani's or the mainstream, if I can call them

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mainstream, disapprove of what is being done and what Iran is fermenting down there or are they passively taking some of the benefit from it?

Professor Wilkinson: I think there is some evidence that they disapprove. They would like to see a stabilisation of Iraq which they think they can achieve with the constitution giving them a real dominant position which, as the majority, they believe they are entitled to, and they want that system to work. They have spent quite a lot of time and effort negotiating it and they regard the concession that the American government made about agreeing to the constitution talking about Islam being the basis of the society as a positive victory for them, but, on that basis, the moderate Shi'ite leaders are quite happy to continue with a constitution which has been hammered out with such difficulty. Of course, one of the problems is that if the Sunni community rejects it either in the referendum or through the men of violence simply creating so much violence that you cannot operate the constitution, the hard-line faction, supported by the Iranian revolutionary guards and the new Iran leadership, will undoubtedly try to push matters further. I think what the British Army rightly feel is that the situation is getting more difficult to calculate, more dangerous, because this conflict is becoming much more open. It has been at covert level so far.

Q5 Mr Keetch: I want to turn to the home-grown Jihad, as you put it. I have seen what you did on the IRA structure. It was a military structure in a sense: you had quartermasters, logisticians, reconnaissance groups; you had the kind of thing you would get in any kind of army structure. I want to understand the structure of the cell that attacked us on 7 July. Was the person that radicalised those people, in your judgment, one of the people who blew himself up, or is there somebody beyond the four that did the radicalising? Equally, in terms of the people that then supplied the weapons, supplied the bomb-making expertise and equipment, is there somebody else as well, or was this a group that literally created itself, went into battle, that no longer exists?

Mr Taylor: It certainly was not a group that created itself. It was self-contained. It did what it did entirely of its own volition and motivation. The answer to the question we are unable to give at the moment. Perhaps Eliza Manningham-Buller or Peter Clarke or somebody might be able to provide a better answer. I doubt it at this stage. My understanding is that the hunt, the search, for others who were involved—and unquestionably there were others involved: cells do not just operate like that, those are the front-line “soldiers” who are prepared to conduct what they call the suicide mission, the martyrdom mission. It is likely, I think, that there will be further arrests in the fullness of time, be they sooner or later, but the hunt is on for the other people. It is thought that there may well have been, I hate to use this awful word, mastermind but certainly a figure, who coordinated, directed them to do what they did. This is all pure supposition on my

part. This is precisely what the intelligence service are trying to establish at the moment, and, unlike the 21/7 bombers, who are in custody and may or may not be talking, none of 7/7 bombers can talk because they are dead, but the person who recruited them and radicalised them may have been an entirely separate person. That person may have come in from outside, may be indigenous, we simply do not know. These are the critical questions that the security and intelligence services are addressing.

Q6 Mr Keetch: I am not in any way asking you to give away information that would affect that specific case. I am just asking your opinion as an expert. Would you believe that the people who did the radicalising, was that done solely in the UK or was that done in maybe visits to Pakistan or elsewhere or would it have been a mixture of the two?

Mr Taylor: I suspect it was a mixture of the two. When I did the Pakistan film in my last series “The New al Qaeda” I did two interviews with President Musharraf and two interviews with the ISI head of the Counter-Terrorism Centre, and I had to go back to Pakistan to address the questions in the light of what had happened here. Both President Musharraf—because he is informed by his intelligence services anyway—and the ISI have not the slightest doubt that there is or was a mastermind figure behind it. They for not surprising reasons wish to downplay any possible Pakistani connection. As President Musharraf said to me, “It is your problem. Those are British born Pakistanis. It is nothing to do with us. They are your problem.” I think that is an over simplification. Two of them certainly did visit Pakistan. They were there for a period up to three months. As yet I am told it is not known, although I find it difficult to believe precisely what they got up to, whom they met, what they did, but I think the radicalisation and the training may have happened in a Pakistani camp (although the President assured me there are no such things now in Pakistan) or it may have occurred across the border in Afghanistan, but I think it is probably a combination of external influences and domestic firming up, if you like.

Q7 Mr Mackay: May I come back to Iraq for a moment. I will ask you both of you. At some point allied troops will leave Iraq. The only question is when. I wonder what impact now and in the foreseeable future that would have on terrorist activity in Iraq. I suppose behind the question is: are we becoming more of a problem than the solution of resolving terrorism in that area?

Professor Wilkinson: I think that is really one of the most difficult things for us to speculate about, because of the unknown factors. It is certainly very important to understand how determined al Qaeda is to try and take advantage of the situation in Iraq. They are desperate to capitalise on it, to establish some kind of base, if not the whole territory certainly a chunk of territory created in some anarchic conflict situation, and they would use that as a platform for expanding their activities in the Middle East generally; but I think that as far as the Iraqis are

concerned, they are showing considerable courage in standing for the democratic idea which many people assumed they would not really be willing to go for, particularly with all the threats made against them, and I think that is one of the most encouraging and heartening aspects of the situation. The turnout for the constitutional referendum was remarkable, and so regardless whether one is for or against the original invasion, one can see some possible really good developments coming out of this, but so much depends on how successful the fragile Iraqi government is in pulling the people together, especially the different elements of the multi-ethnic new arrangements in Iraq, and how effective the new Iraqi army and police can be at gradually taking over a larger part of the burden that the coalition troops have been carrying. I think a too hasty exit would be a disaster, because there is clearly no will among the international community, the UN Security Council members, the European Union allies, to take on the burden that is being carried by the coalition troops at present. If we were to just say that in a certain period of time—let us say by summer next year—we will definitely be withdrawing, that would simply be a tremendous invitation, a spur, to the terrorists to keep on hammering away under the clear belief that they would be able to take advantage of that situation and they would want to build up to a position where they could grab as much territory as possible and undermine their opponents. I think we have to be very careful to concert our action with the new Iraqi authorities, to do our very best to invest in the training and preparedness of the Iraqi security forces which were, sadly, of course, completely dismantled with the ending of the initial hostilities, and I think if we could persuade some countries to join us to replace those who have pulled out from Iraq so that we can share the burden more effectively, and particularly if we could persuade the Security Council, now that the situation has changed so much in Iraq, to give its blessing to a peace-keeping operation to assist the new democratic government in Iraq, that would, I think, be a way of making the transition a great deal easier, adding a great deal of legitimacy to the security operation. I know that that seems rather distant at the moment, but I think we have to press for that and keep on reminding the Security Council that this is a problem that affects all of us, because it affects the stability of the entire Middle East. It would have very serious implications for the entire international community if al Qaeda managed, for the first time since the toppling of the Taliban regime, to acquire a territory in which they could again have training camps, conduct research into weapons of greater destructive power, and so on. I think we should be able to get the argument across, but, whatever people felt about the dispute over the invasion, we are now in a different situation, a much more dangerous situation really for the international community, in which we need international support and help to a larger extent than we have had it far; and that would enable us to gradually withdraw our troops, who have done, I think, professionally a brilliant job under the most

difficult and testing circumstances with, in many cases, great disadvantages in not having the equipment they should have had and the resources they should have had in the right places at the right time when they were expected to take on this task.

Q8 Mr Purchase: Those of us with any interest in political history will be dismayed to learn that part of the movement, as you now term it, is intent on moderating at least its public face in order to keep its recruits and maybe to get even more, and it is always more difficult to deal with people who appear to be reasonable than those who are not, but I do not think we should be in any way persuaded that any one faction is any less murderous than the other, and one way—a dishonourable, a disreputable way—of dealing with political schisms is by exploiting it by enterism. No doubt we are fully tooled up for that, but what prospects are there in the face of the ideology that we are seeing with al Qaeda for a successful exploitation of any schism that might be present?

Professor Wilkinson: I think you are right that the core of the movement is not in any kind of way moving towards the idea of compromise, moderation, etcetera—that is totally uncharacteristic of all their propaganda. Even in the case of this warning, as Peter rightly described it, from Zawahiri to Zarqawi, it is not done in terms of moral critique or of a kind humanitarian concern for his fellow Muslims. I think we must not underestimate the sheer ruthlessness and brutality of this movement. It is still acting on the decree, the fatwa that was issued by bin Laden in February 1988 in which all Muslims were urged to kill Americans and their allies, including civilians, whenever and wherever possible. That is a very unusual position for a terrorist movement to take. In fact, internationally there has never been a network of the scale we have with a presence in over 60 countries that has taken that very extreme position. A colleague of mine who was a pioneer of terrorism studies in America, Brian Jenkins, described terrorists in the seventies as people who wanted a lot of people watching, not a lot of people dead. In the case of al Qaeda, you have really a movement that clearly still wants a lot of people watching but it also wants a lot of people dead. We should, I think, bear in mind that in all these attacks that have occurred since I last gave evidence before this committee in 2003 large numbers of casualties have been caused because they deliberately went out of their way to kill people on a large scale through these attacks. Fortunately they have not succeeded in doing anything as ambitious or as deadly as the 9/11 attacks, although they certainly have plotted to undertake more deadly attacks. In some cases those conspiracies have been thwarted. In some cases we believe the plans may still exist, they just have not been implemented, and it is a worry that they may still try to implement them. So I share your view that we must not underestimate the potential lethality of al Qaeda and its potential ruthlessness, but what I would stress is that where one sees a schism, where you see people with some political criticisms of a leadership, that is a

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hopeful sign because the history of terrorism shows that when they start to quarrel with each other that is the beginning of their decline. In the case of the Red Brigades, as I am sure Peter will remember because Peter did some work on the Red Brigades as well, when the police went to the safe-houses they would find stacks of communiqués and manifestos and rival manifestos, because they disagreed with the leadership's view; and that was the beginning of the end for the Red Brigades, because it revealed so much about their internal differences it could be exploited by the judicial system.

Q9 Mr Purchase: I think we have been there?

Professor Wilkinson: Yes. I think it is something we should certainly be encouraged by and, wherever possible, exploit the divisions which take place, but it does not mean that we can assume that the whole movement has somehow shifted its centre of gravity to become a more pragmatic corrigible movement, as it were. I would still view it as a particularly incorrigible movement because of its dedication to mass killing, because of the absolutism of its aims and because it is not just aiming to change the political situation in a particular territory, such as the Palestinian/Israeli conflict, or the Kashmir conflict, or Chechnya, it is trying to remodel the entire global system. To us it seems hopelessly grandiose; to them it is a cause which is going to succeed because they believe Allah is on their side and because they believe that terrorism is a marvellous weapon of asymmetrical warfare and they believe that they have carried it to the heights of sophistication and that they can use it as the major method of undermining the will of the western democracies and of the Muslim states. You will remember they want to topple all those as well because the regimes are seen as apostate regimes which are betraying the true system that they believe in, which they believe is true Islam.

Q10 Mr Purchase: Can I remind you of Lenin and Trotsky.

Mr Taylor: Yes. They see Iraq as the first domino, and the others dominos, according to their strategy, then begin to fall. Saudi Arabia is high on the list, Egypt is high on the list, all those leaders that are regarded apostates are targeted and, finally, Israel is no more.

Q11 Mr Purchase: But is there a prospect of any kind of infiltration, entryism, call it what you will, of that delivering in the short or medium term?

Mr Taylor: When you say "entryism", what do you mean by "entryism"?

Q12 Mr Purchase: I mean trained people going into little cells.

Mr Taylor: You mean infiltration?

Q13 Mr Purchase: Yes.

Mr Taylor: It is very, very difficult. The answer is I do not know, but I would be surprised if the intelligence services had any significant penetration of the very cells in the networks. If they had, as Paul

quite rightly says, several very serious attacks in this country have been thwarted because of good intelligence, but although penetrating the IRA and the loyalist paramilitaries was relatively straightforward, it is extraordinarily difficult in dealing with these kinds of groupings, and that is one of the main problems that the intelligence services face. It is human intelligence in the end. It is having somebody in the cell or close to the cell that knows its personnel and its intentions that is going to provide you with the pinpoint intelligence to stop whatever they are planning.

Q14 Sir John Stanley: Could I ask you both, I have seen it written that the single most powerful weapon that al Qaeda have in Iraq is the video camera, and I would like to ask you both, have you come across evidence of video footage being taken not on an ad hoc basis, on a chance basis, but being taken on a deliberate systematic basis to construct videos which on the one hand show, as they would describe it, "atrocities" being committed by coalition and Iraqi forces coupled with "successes", as they would describe it, against coalition forces for the deliberate purpose of using these on the Internet and most particularly using them in video form as recruiting drums for suicide bombers? Is Iraq being used as a test-bed and an area where there is a systematic use by al Qaeda of the production of these sorts of videos with the express purpose of recruiting additional suicide bombers?

Professor Wilkinson: I think my short answer to that, Sir John, would be, yes, but in Peter Taylor we have an expert commentator on these matters. Some of you will have seen his three documentaries on the New al Qaeda. Anyone who has not managed to get hold of it, please have a word with Peter because it is a superb series, the best guide to the new al Qaeda that has been presented on television, I think. He shows how they use this very systematic method of collecting images, and I ought to let Peter describe it.

Mr Taylor: We devoted a whole programme called "Jihad.com", and Ann has a copy of three DVDs of the three programmes. The first one, "Jihad.com" looked at the very issue that Sir John has questioned us about. I think it is an issue of supreme importance, because they are technically advanced, they use, they manipulate the situation in Iraq, and I am very worried about Iraq. I see it as a potential Vietnam. They use the situation there to recruit, to propagandise, to fund raise, to train and also to plan and operate, and it is the images that they film in Iraq, and it is very straightforward. They go into a shop or have one imported for them, just a basic video camera, they plan a suicide operation, and the classic case in point is the awful case of the killing of the three Black Watch soldiers which I questioned Dr Mohammed al-Masari about and had him talk me through the video and said, "How can you seriously allow this to be on your website?" and asked all those obvious questions, but that is a classic case. They video the suicide bomber putting his belt on, they video and record him in the truck load of explosives going towards the target, which is the Black Watch vehicle, they record him saying

“Allah U Akhbar, Allah U Akhbar, Allah U Akhbar”, and then they record the explosion and the deaths of the soldiers. They recorded, but, of course, we did not show, the remains of the soldiers being kicked in the dirt. All this is then simply slotted into a USB port of a laptop and it is zoomed up into the ether, downloaded at point A which is ready for it and then it is disseminated round the world, just like that—it is as simple as that—and you cannot stop it. That, I think, more than anything is one of the most powerful recruiting tools that they have, and my information is that in the analysis of the laptops of the Leeds bombers, the 7/7 bombers, the laptops they used, the computers that they used outside of their homes, the hard drives reveal exactly the kind of things—Iraq beheadings, jihadi propaganda—that we delineated in the programme. It is hugely important. The question is: how can you stop it? It is very, very difficult. It is also a useful intelligence base for the intelligence services, but I think the disadvantages hugely outweigh the advantages. It is really difficult, but really important. Iraq is the single most important recruiting tool that they have, there is no question about it, and when the Prime Minister made that remark about “It has got nothing to do with Iraq; they will think of any excuse”, I was surprised because the Prime Minister has a very fine record on countering “terrorism and political violence”, and I was surprised to hear him say that kind of remark about Iraq, which is patently not true, in my view anyway.

Q15 Ms Stuart: I was interested in Professor Wilkinson’s observation in comparison with the seventies, because I have been toying with the idea that there may be similarities. I wondered to what extent. In a sense there was a similarity. The similarity was that they wanted to change the world, and I remember living through Black September and all that, but, given the importance of propaganda and given, as Peter tells us, in a sense we cannot do anything to stop their propaganda—and I think it was Professor Wilkinson who draws attention to the Voice of the Caliphate in your submission—are we missing something in trying to put our story, kind of counter propaganda? Are we sufficiently switched on to draw an alternative picture through our means, whether it is major television, the BBC or an Arabic television station? Is it that kind of thing? In your view is there something we could do to be proactive?

Professor Wilkinson: I believe we should be doing far more. I think we are failing on this particular score. The Americans are only spending, we discovered, 3% of their entire defence budget on public diplomacy on information. If you compare that with the Cold War years where information was so important—it ultimately helped us to end the Cold War—I think it is absolutely incompetent of us not to be doing more to use all the channels of communication that are open to us. We have the people with the language expertise, we have the media technology, but we are not making enough use of it, in my view, and I think that is a big failing: because as long as those ideas are unanswered, we

are really creating new generations of suicide bombers while we are busy trying to unravel the existing networks and new ones are emerging. I think that the other point I would want to emphasise at this stage, because it goes hand in hand with the argument about the battle of ideas, is that observation of human rights protection in the policies of our country and all the countries in the coalition, including, of course, the United States, is not just a luxury. You do get comments sometimes from leaders within the coalition countries who imply that somehow this is something we can hardly afford to worry about. I regard it as absolutely central: because if your deeds are not seen to be matching your rhetoric and your values, your claims to be upholding the rule of law and democratic processes and so on, then, of course, it is a wide open door for the propagandists at the other side to portray your society as led by hypocrites who do not really mean a word they say. I think it is really testimony to the fact that democracy of the kind we have developed in western democracies and the rule of law are attractive, that the Iraqi people, for example, so clearly hanker for having that system within their society, a peaceful secure society in which they have a constitution, in which they feel they have a stake, and the bravery of the Iraqi people coming out in the January elections, I think, was remarkable; so although I was a critic, and still am a critic, of the strategic decision to go into Iraq because I believe that it was bad for the campaign against al Qaeda, a major blunder, I can see there are some very positive things coming from this conflict which we could make better use of in the broader conflict with extremism from al Qaeda if only we had invested the effort, and I think it is not too late. We should be doing far more of that. The money we spent on it would be chicken feed compared to the sort of money that is being spent on the deployment of our forces and the expensive technology that that requires.

Mr Taylor: The BBC Arabic Service, which is in the planning, will not be a propaganda vehicle. That is not the BBC’s job. We are not in the business of propaganda. What it will do, I am sure, is present an alternative or a different perspective on events to that propounded by an Al Jazeera, which has been phenomenally successful. You go into any Arab cafe in America or anywhere and they are not watching BBC World, they are watching Al Jazeera; so I think the advent of BBC World will go some way towards correcting the perceptions, but I stress, it will not be a propaganda vehicle, it will be a sort of corrective, if you like. I was talking to the World Service yesterday, their producers, and we were discussing this very issue. Unfortunately, the price of having a BBC Arabic service is the closure of several of its European services, which is a great pity.

Q16 Richard Younger-Ross: The linkage with other terrorist groups is only evidence that, particularly in Iraq, al Qaeda are linking up with Hamas or Hezbollah or going into Chechnya. You also spoke, or at least Peter Taylor used the word “Vietnam”?

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Mr Taylor: Potential Vietnam.

Q17 Richard Younger-Ross: Do you have the opinion that the longer troops are there the harder it is going to be to win the war against terrorism and do you think there ought to be a clear extraction programme?

Mr Taylor: I will answer the Vietnam question first. As I say, like everybody, I am enormously depressed by Iraq because the reason President Bush gave for going in there was as part of the war on terror post 9/11, and what we have done is fanned the flames of terrorism rather than subdue them, I think, by going into Iraq, but that is history now. I cannot see a withdrawal from Iraq because, as Paul has said, it is a bit like Northern Ireland again. I keep coming back to that, because although the problem of terrorism and political violence is different—you are dealing with different kinds of political violence, different kinds of motivation—the principles of countering it remain the same, and in the same way (and I used to make films about it back in the seventies: “Bring the troops back home”), but we did not do that, we stayed the course in Northern Ireland and, as a result of staying the course there, we paid a high price. In the end the IRA came to the table for rather complicated reasons, rather simplistic reasons, and I think the prospect of a total withdrawal from Iraq and leaving it to the security forces that the coalition have trained, I cannot see that happening because I can just see it falling apart. If governments are prepared, our government is prepared, the American government is prepared, basically to cut and run, because that is what would happen if it is in the next one or two years, I think the thing is just going to fall apart and I just see a deeply depressing picture. As Paul says, I do not think—and again this is a personal view—having gone into Iraq, whatever the rights and wrongs of it, we are faced with the reality of it and my own view is, reluctantly, I think we, the British government, the British Army—and as Paul says, they have done a remarkable job in southern Iraq—have got to stay the course because otherwise the other guys are going to win. I am sorry to be so stark about it, but that is my grim analysis.

Professor Wilkinson: I agree with that. On the question of links with other groups, I am assuming you mean groups outwith the network or networks, in other words groups like Hamas, Hezbollah, and so on. Interestingly enough, it is not so much a question of the al Qaeda movement trying to take them in as these movements anxious to keep their distance. Hamas and Palestinian Islamic Jihad, for example, are well aware that if they were seen to be getting into bed with al Qaeda and being seen as part of that network, they would lose an enormous amount of potential leverage in terms of the road to peace, so it would be very unwise for them to do that. They have a totally different agenda. They want an independent Palestinian state, of course the militants want to destruction of Israel as well, because they see that as an absolute ideological necessity, but they do not have that same global ambition to create participation with this Caliphate. That is much more

al Qaeda’s thinking. Many of these traditional movements just have a very specific political agenda, usually tied to a particular territory, and there is no evidence that I have seen over the whole history of al Qaeda of them making any progress in winning over what I would call those traditional groups such as ETA, the IRA, and so on. They have totally different types of agendas, *modus operandi*, and so on, but that does not mean that al Qaeda is limited in its potential for growth. What they have done is to concentrate on this massive networking operation in over 60 countries. Actually the American intelligence community believes it more, but as we do not have access in academia to classified information, we are going on the 60 figure which is one where we can prove from open sources where they have a presence. That still makes it the most widely dispersed international network ever. So although they are dealing with fellow extremists and radicals devoted to the idea of the aims of al Qaeda, they have still got enormous scope for recruiting many, many more people. They are not short of potential recruits, and that is why I take the view that it will take a long time for us to unravel this network globally, but I am perhaps paradoxically optimistic that we will ultimately be able to do it because I believe that al Qaeda has misjudged, as so many terrorist movements do, the effect of terror on the public, on the population. The reaction of the Indonesian public to the Bali bombings, the reaction of the Moroccan public to the Casablanca bombings, of the Turkish public to the Istanbul bombings, again and again shows that they then want harder measures against the terrorists because they deeply resent being put in danger by these suicide attackers who will very probably kill many of their fellow citizens. Terrorism is a faulty weapon that often misfires. The terrorists do not seem to remember this, particularly al Qaeda. They are so devoted to the idea that terror is going to be the weapon that undermines the will of the West that I think they over estimate its capabilities, but that does not mean we have easy job unravelling the network. It is difficult. It is going to take a long time. I do not think it can be done by military means. There has been an illusion in some quarters that military measures would be enough. Military measures can certainly assist, as it did the in the toppling of the Taleban regime which gave such valuable assistance to al Qaeda, but it is not a panacea. You cannot unravel a network which is hidden in the urban environment of cities in 60 or more countries in the world by military means. You need absolutely high-class intelligence, as Peter was arguing, and superb police and judicial cooperation to really wrap up this network, and that is why it is going to take a long time. But intelligence services are being improved.

Chairman: We have to move on to Saudi Arabia.

Q18 Mr Hamilton: Professor Wilkinson, in June 2003, as you already alluded to, you gave evidence before this Committee shortly after the bomb attacks in Riyadh, where 30 people were killed and I think over 100 injured. In that evidence session you

said that you felt that the Saudi authorities appeared to have underestimated the danger of the al Qaeda recruitment and cell structure within Saudi Arabia itself. New King Abdullah recently in Saudi Arabia, in his first TV interview, vowed to crush the scourge of al Qaeda within Saudi Arabia. I wondered how much of a threat you feel that al Qaeda still is to Saudi Arabia and the monarchy there.

Professor Wilkinson: I think it is still a threat, because they would undoubtedly like to undermine the royal family and change the regime radically, and that remains a key objective, but I think they have suffered some severe setbacks because there is no doubt that after the May 2003 attack in Riyadh in which 35 people were killed they cracked down on al Qaeda very hard. They have either captured or killed all but two of the top, most-wanted list that the Saudi authorities issued. That does not mean that there are no candidates for replacing them—I am sure that they are being replaced—and there are plenty of potential recruits in Saudi Arabia. We know that because of the fact that there are people who are communicating with al Qaeda and have often left Saudi Arabia to assist in projects that al Qaeda is engaged in elsewhere. We know that money is still flowing from wealthy donors in Saudi Arabia despite the Saudi effort to regulate their charities and so on. That is very laudable but from our studies it does not seem to have had the effect that we were hoping for. I think there is more to be done in suppressing the financial assistance that comes from wealthy Saudi supporters of al Qaeda. But there is no doubt that the Saudi authorities, from a security measures point of view, have really sharpened their efforts against al Qaeda. Their security measures for the energy industry are particularly impressive because they recognise how damaging that would be to their economy if their energy industry was badly disrupted as a result of al Qaeda attacks. So it is a picture of improving response by the Saudi authorities but still with this problem of many potential supporters and sympathisers within their own society. I think there is sometimes a misunderstanding that Wahhabism, which is the brand of Islam which, as you know, is the dominant one in Saudi Arabian religious circles, is inevitably going to provide support for the al Qaeda movement. Actually, they are not the same thing. Wahhabism is essentially a religious set of ideas, very puritanical, very fundamentalist, if you like, but it is not a political ideology and, most to the point, it does not include the belief that you have to wage an aggressive Jihad against the rest of the world. So they are religious fundamentalists; they are not al Qaeda radical Islamists. Remember that al Qaeda's leader is a dedicated enemy of the royal family. He was expelled by the royal family, and he feels bitter that the American forces were allowed to operate near the holy cities, which was one of the reasons he gave for starting al Qaeda in the first place. So there is no love lost between the Saudi regime and al Qaeda, and I think the Saudi regime will continue to take very determined measures, but they have this difficult problem of the battle of ideas that has to be waged within Saudi Arabia.

Q19 Mr Horam: How far are the authorities in Saudi Arabia held back by the Wahhabi context?

Professor Wilkinson: I do not think they are held back in the sense of being reluctant to use the full panoply of their security measures. They talk about al Qaeda as the “deviant” group, which is in a way a sign of their contempt for the group.

Q20 Mr Horam: Is that fully accepted by the Wahhabi leaders?

Professor Wilkinson: Yes, that is right. They see this as a group which is criminal in nature, that has to be crushed because it is a threat to the regime, it is a threat to their economy as they see it, and a threat of course to Saudi relations with the United States and with the Western world generally. So the Saudi regime and many of the rising prosperous class of professionals in Saudi society clearly recognise that they have a stake in showing success in beating off the efforts of al Qaeda.

Q21 Mr Horam: So is it a diminishing recruiting ground for al Qaeda?

Professor Wilkinson: I think that under King Abdullah it is true to say that it will continue to be a diminishing recruiting ground because King Abdullah is a popular figure; he is particularly popular in the conservative religious circles of Wahhabism, which is the dominant religious belief system in the country, and provided the government continues to try to meet the needs of the people in economic terms and to reform, which they have promised to do, the political and economic system, I see no reason to regard Saudi as the most vulnerable of all the states in the Middle East. One could argue, tragically, that Pakistan, with its terrible problems, particularly those made much greater by the dreadful earthquake, is more vulnerable in many ways because there is a core of support for al Qaeda among some of its population, particularly up in the north-west frontier area, but some also in the big cities, and President Musharraf is so much the core of the policy of support for the Western coalition that if al Qaeda succeeded in one of their attempts to assassinate him—and they have tried several times already—I think that would have the most damaging consequences for the stability of Pakistan. Pakistan I think is very vulnerable. Let us not forget that Afghanistan is also still vulnerable because, despite all our efforts there, despite the fact that we have troops deployed there, the Taliban, with al Qaeda under its wing, and in alliance with some war lords, is creeping back into positions of influence in some of the provinces, and that is a worrying development. It would be tragic if we allowed the situation that prevailed prior to 2001 to emerge by a process of drift. I hope that we can continue to give substantial support to President Karzai, who is very courageous, who is trying to make democracy work in that benighted country. We really need to do more for him, and if we are able to find—and I agree with Peter; it is going to be difficult—an honourable and safe way of reducing our military commitments in Iraq, I hope we switch some of that effort to the very desperate needs of helping security in Afghanistan.

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Chairman: Thank you very much. I am afraid we have run out of time. We have another witness waiting patiently and we have to move on. Thank you, gentlemen, very much. It has been extremely

informative. No doubt if we have any other thoughts we may be writing to you both with further inquiries on aspects of answers you gave and information that we might require. Thank you for coming and thank you for giving us so much information.

Witness: Ms Nomi Bar-Yaacov, Independent Analyst, former Research Fellow for Conflict Management and Head of the Middle East Conflict Management Programme, International Institute for Strategic Studies, examined.

Chairman: Can I welcome our third witness this afternoon, Nomi Bar-Yaacov. Thank you for being so patient. As you saw, we had a lot of questions and not enough time. Can we go straight in with the first question.

Q22 Mr Hamilton: Good afternoon, Ms Bar-Yaacov. It is very nice to see you here again. I wanted to ask you about Gaza. As you know, in December 2003 the Israeli Prime Minister, Ariel Sharon, proposed his plan for unilateral disengagement from the Palestinians, and the first area was to be Gaza, and after, obviously, a stormy time through the Knesset, it was finally agreed, and on 23 August Israeli troops began the evacuation and by 12 September had withdrawn from the settlements in the Gaza Strip. James Wolfensohn, the former head of the World Bank, is the Quartet's envoy to the region. He has highlighted the need for the 1.2 million Palestinians of Gaza to see an improvement in their lives following the withdrawal. In fact, he said that in order to create greater incentive for peace amongst the Palestinians, it will be important to create jobs, develop infrastructure, oversee functioning schools and clinics and clean up vast expanses of untreated sewage. I wondered whether you could tell us whether since the withdrawal began on the 23 August and was completed on 12 September the lives of ordinary Palestinians living in Gaza have actually improved in any way.

Ms Bar-Yaacov: Not yet, I am afraid. The key issue with improvement in the lives of the Palestinians in Gaza is the economy, and in order for the economy to function in Gaza the borders need to be opened. Jim Wolfensohn, who is doing a fantastic job, I think, as the Quartet envoy, is currently negotiating the openings of the crossings. First and foremost it is important to open the Rafah crossing in the south so that there will be free access into Egypt. My understanding is that he is fairly close to clinching the deal with the Israelis. As you know, the Israelis are extremely concerned about their security. There has in the past been a lot of smuggling of arms and militant terrorists through the numerous tunnels in the Gaza border. Israel withdrew entirely from the Philadelphi corridor, which is the border further south, and that is currently monitored solely by 750 Egyptian border police. That, I think, is a very positive move, because one of the concerns that we analysts raised ahead of the disengagement was that in the disengagement plan in fact they had intended to maintain an Israeli presence in the strip. So that is

clear. There is no Israeli presence in Rafah either at the moment. There is talk of third-party monitoring, and that is what is currently being negotiated: what kind of monitoring, what kind of third party, what kind of scanners, what kind of overseeing monitoring mechanisms, because clearly there is a security issue there. My understanding is that it will probably be open within weeks. I do not think there is going to be a rapid improvement in the lives of ordinary Palestinians. There is the issue of job creation, which is contingent upon the issue of security. Security is a very serious issue in Gaza. As you know, following the withdrawal there has been a large number of kidnappings, and there have been armed struggles between the different factions. The Palestinian Authority has not always been 100% in control. There are lots of local gangs, families that rule a number of power centres, not necessarily working with each other but very much working against each other. I think it is a matter of some hard work on the part of the Palestinians, the Wolfensohn mission, and the Egyptians. Those are the key bodies involved.

Q23 Mr Hamilton: Can I follow that up by asking you whether you can tell us who is in control of Gaza if the Palestinian authority is not fully in control? How important, for example, are Hamas in Gaza? Is there an al Qaeda presence there at all?

Ms Bar-Yaacov: Lots of questions! I will take one at a time and just do it in an orderly fashion. The PA, I said, is not in 100% control. It obviously has some control in some areas. Gaza is very much divided into different areas. As I said, and I am just reiterating, there are a number of power bases. We saw, for example, the kidnapping and then assassination of Mussa Arafat not long ago, Yasser Arafat's nephew. Apparently, he made 40 calls when he was kidnapped to anybody and everybody in the PA, and none of his calls were returned, which begs the question who ordered the kidnapping and the shooting, who carried it out and why the Palestinian authority, who were only 200 metres down the road, the headquarters of the security forces, did not do anything about it. That just gives you a bit of insight into how complicated it is. The thinking is that there were a number of power bases who joined forces, because Mussa Arafat was viewed as a disruptive power base and therefore they decided to eliminate him. I cannot tell you whether Hamas were involved or not. I can tell you that a number of people who work in Gaza think that they were—that they were involved, though not necessarily that they carried

out the shooting. I would just reiterate that there are a number of different groups. Hamas certainly controls certain areas. Other Fatah militant factions control other areas. Different families control different refugee camps. You saw yesterday there was a kidnapping in Khan Yunis by one family, and a different family was negotiating the potential release of the two Palestinians who were kidnapped. It is not very clear at any given moment. The lesson that is important to learn from all of this is that the international community, the UK government, all of us sitting here need to really strengthen Abu Mazen, strengthen the Palestinian President, strengthen the legitimate authority, in order to ensure that there will be one powerful, legitimate authority, one rule, one gun. Your other question was about Hamas and al Qaeda. Hamas, as you know, are gaining strength. They are claiming that the disengagement was as a result of their pushing Israel out of Gaza, a result of their action. They are running in the upcoming legislative elections, the January Palestinian legislative council elections, under the slogan of "Our actions are worth much more than the ten years of negotiations." They are very much against a negotiated settlement, and that is quite a worrying aspect, one of the worrying aspects. They are gaining power also because they are seen as clean; they are not seen as corrupt. The PA unfortunately suffers from a very serious corruption problem, and Hamas do not. Hamas are viewed as the only people—because it is not just the PA; there are the different Fatah factions, and they have all been tainted with corruption. Unfortunately, the Palestinian Authority has not done anything significant enough yet to show that they are actually fighting corruption. Those of us who proposed that they should actually put people behind bars, that they should try people, have a high visibility case against some of the leaders—Abu Mazen has not done it, and a serious problem remains there. Al Qaeda was your third question. Al Qaeda have a base in Sinai, Egypt, which is very close to Israel and Gaza, so the thinking is that they are trying to get in all the time. Whether they are in Gaza or not, I personally do not know. What I know is that the Israeli head of military intelligence said a couple of days ago that he believes that they have managed to penetrate Gaza. When you talk about al Qaeda, as we heard in the evidence session before me, it is not so clear exactly who we are talking about. There are a number of affiliate groups that call themselves al Qaeda, but there is a very serious and real danger that if control over the Gaza–Egypt border is not done properly, they will be able to penetrate Gaza and operate from within Gaza. That is mainly why the issue of the opening of Rafah is so serious.

Q24 Richard Younger-Ross: You talked before about Hamas and its relations with al Qaeda. The previous witnesses said that they felt that Hamas was trying to distance themselves from al Qaeda. However, I note that Palestinian security officials in the documents we have have said that al Qaeda members were Hamas activists. Can you give us

some light as to which of those views is correct, and in your view is Hamas going to operate against al Qaeda if al Qaeda is successful in penetrating Gaza?

Ms Bar-Yaacov: I do not think that Hamas will operate against al Qaeda. I do not think that is the way I look at it. I think the witness giving evidence before me was 100% right in what he said, and I said exactly the same in a session here two years ago, that it is not in Hamas's interests to affiliate themselves with al Qaeda—I am just reiterating what I said two years ago—because they do not want to meet the same fate as al Qaeda; they do not what the US to basically go after them. Their goal is limited. Hamas's goal is a Palestinian Islamic state in the whole of Israel and Palestine. It is not an Islamist world entity in the same way that other organisations are working towards. I cannot see that there will be tension between them over this issue. The one thing is that with the internet today, with the kind of communications that we are seeing, they do feed off each other. Hamas are picking up tips from al Qaeda and they are getting closer in that sense. But I agree; I do not think Hamas want to affiliate themselves with al Qaeda.

Q25 Richard Younger-Ross: So the statement by the Palestinian security officer would be wrong?

Ms Bar-Yaacov: What are you reading from?

Q26 Richard Younger-Ross: He is not named. He is a PPC source.

Ms Bar-Yaacov: I have to say I do not know what the source is. I have not heard that.

Q27 Richard Younger-Ross: Can I develop on from that just on the Sinai. You made a statement there that al Qaeda is in the Sinai. Can you expand upon that?

Ms Bar-Yaacov: A cell of about 30 al Qaeda members has been found recently in the Sinai. As you know, there have been a series of attacks in the Sinai against Israeli and international targets in recent months, and the thinking is that al Qaeda are trying to penetrate Israel and trying to penetrate through Gaza, but the Egyptians are the ones that uncovered the al Qaeda cell in Sinai, and it is Egypt that is mainly concerned about al Qaeda given that it is operating in Egyptian territory.

Q28 Richard Younger-Ross: The attacks at Sharm el Sheikh.

Ms Bar-Yaacov: Exactly, and Tabah.

Q29 Chairman: Can I ask you about the relationship between Gaza and the West Bank in terms of communication between the Palestinian Authority and therefore of the groups that operate. What relationship does Hamas have from Gaza to the West Bank and how easy is it for people to operate in this context? Has that changed because of the Israeli withdrawal from Gaza?

Ms Bar-Yaacov: It has changed in the political sense. As you know, there is a ceasefire that has been agreed on between the different Palestinian factions, including Hamas. The problem is that Israel has

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been operating in the West Bank, has been carrying out targeted assassinations post withdrawal in the West Bank, and the question really is whether Hamas and other organisations will retaliate from the West Bank, since they are unlikely to retaliate from Gaza, even though they did so when there was this blunder in Jabalia camp. There was a huge procession of arms and some of them exploded, killing many Hamas people, and Hamas blamed Israel even though Israel had nothing to do with it, and then, in order to prove that they were right, they rained Kassams on to Israel, to which Israel then retaliated with great force, and I think that episode is over. So in terms of the links between the West Bank and Gaza, it is tricky because what Hamas will try to do is they will try to keep Gaza quiet so that they could consolidate control over there, but they will operate from the West Bank if there is something they do not like. They can also use rockets over the wall and hit Israel from the West Bank. The distances between the West Bank and Israel are very close, and Israel's main concern is that they will be able to hit Ben Gurion airport, the main international airport, from the West Bank. That is the general thinking.

Q30 Mr Keetch: I was astonished when I visited Israel and the Palestinian territories. You can stand by the fence, wall, whatever, and you can see the Mediterranean, and you can see the width of Israel before you. It is a very small country, an incredibly small country. In terms of how we look towards the establishment of a viable Palestinian state—because to me that is the central resolution of the problem, not just for the Israel Palestinian problem but also the wider problem about terrorism, which we were discussing earlier—if we can establish a viable Palestinian state, we are well on the way to curing international terrorism. Simply how viable is it to have a state of Palestine with two separate land areas? Could it physically work? Could it physically be created and achieved?

Ms Bar-Yaacov: You mean between the West Bank and Gaza? There will have to a link, which there used to be under Oslo, called a safe passage, between the West Bank and Gaza, and that is second on the priority list after opening the external borders, the link between the West Bank and Gaza. There are discussions, again, led by Jim Wolfensohn, about what kind of passage it is going to be, whether it is going to be a rail link or a road link, whether it is going to be raised or whether it is going to be in a ditch, like a deep ditch, for security reasons. Some progress is being made on this issue. Obviously, the link between the West Bank and Gaza is absolutely essential for the viability of a Palestinian state.

Q31 Richard Younger-Ross: But you believe that you could establish a viable Palestinian state if you had that link? This is something viable that can be achieved given the size of the area, the population, etc?

Ms Bar-Yaacov: I think in order to have a viable Palestinian state you have to have a lot more in place. You have to have a legitimate and able

Palestinian authority, one that can really enforce the law. The current one, as I said, is actually having serious problems enforcing the law. You have to have a peace agreement in place, and I cannot see a final status agreement being negotiated at present. I can see very important steps that need to be taken now in order for a final status agreement to be signed, but yes, I can see a viable Palestinian state, given the geography.

Q32 Mr Maples: When Sharon announced that Israel was going to withdraw from Gaza, I think a lot of us saw that as a very constructive move, but it was greeted with deep suspicion by the PA, and Hamas and everybody else.

The Committee suspended from 4.01 pm until 4.15 pm for a division in the House

Q33 Chairman: In the context of the process after the withdrawal from Gaza, we understand that the Israeli government's position is that there are no further unilateral steps, and that anything else that comes must be negotiated. Is that what you believe will happen, and is it likely, given the domestic problems within the Israeli right, within Likud, and the power struggle between Netanyahu and Sharon, that anything can be negotiated in the foreseeable future?

Ms Bar-Yaacov: Again, spokespersons of the Israeli government said about two weeks ago and have been saying that there are planned further unilateral withdrawals, so the statement that everything will be negotiated has been overtaken by events. In other words, Eyal Arad, who is the senior adviser to Sharon, stated in public that there are plans to carry out further withdrawals from the West Bank if Israel deems that Abu Mazen is too weak and is not a viable partner for negotiation. So from an Israeli point of view, much depends on whether the Palestinian Authority gets its act together, presumably after their legislative elections in January, or not. Clearly, everybody's preference would be to see a negotiated deal, to see Israeli and Palestinian negotiations resume. The question is how and under what terms. I think it would be very good for the international community to help facilitate an ongoing dialogue between Abu Mazen and Sharon. It is very helpful to have someone engaged full-time, shuttling all the time between the Israelis and the Palestinians to help them overcome the difficulties and the gaps in terms of where they are standing. The big question today, I think, is how to move the process from a unilateral one to a bilateral one, and the answer is through a third party mediator.

Q34 Sir John Stanley: I would just like to ask you a number of specific questions following on from the area that the Chairman has opened up. First of all, in relation to the security wall, is it your understanding now that, though the security wall has been constructed in separate lengths, the intention and

policy of the Israeli government now is to fill in the gaps so that it will run essentially on a continuous basis across the West Bank?

Ms Bar-Yaacov: I have a map here of the current security wall and fence in terms of where it has already been constructed and areas that have not been constructed but have been approved. The idea is, certainly on the western part of the West Bank parallel to the green line, to seal it, definitely to fill in all the gaps. The questions that remain, and are very problematic, are over east Jerusalem. There are cases pending in the Israeli Supreme Court, which sits as a High Court, currently pending, and there the wall—it is a wall in those particular areas—could potentially disrupt the peace process very seriously, and could even lead to a third Intifada, a missile Intifada from east Jerusalem and the West Bank into Israel, because the wall as it is currently constructed, and if all the gaps are filled in that area, actually cuts across east Jerusalem neighbourhoods like Abu Dis, Eizariya, Shu'afat. Part of it is constructed on a schoolyard. Palestinians living in Jerusalem with Israeli IDs with permits to work in Israel will find it virtually impossible to get to work, their kids will have to change schools, it will create tremendous unhappiness and will lead to more extremism. So I think the focus of international pressure at the moment should really be on that area, because I do not think the West Bank, western wall and fence is as much of a problem. The key lesson with the wall is really to recognise that it is a reality, that it is there; to tell the Palestinians that it is there and therefore they should negotiate with the Israelis alternative routes where they are problematic, and much more access through the wall, gates and those sort of areas. The Israeli Supreme Court has been very active in trying to strike a balance between Palestinian humanitarian needs and Israeli security needs, and that is the route through which the wall will move in order to make it somewhat easier for Palestinians to exercise their freedom of movement.

Q35 Chairman: Can I follow up on the question of the route, the green line? The question of where it varies. You said in Jerusalem there was a problem, but the fundamental problem surely is that it is not on the '67 borders.

Ms Bar-Yaacov: There are a number of fundamental problems. It is a system of walls and fences; it is not just one wall, and that is partly where the problem lies. It is not as if there is just one line running parallel to the green line, sometimes on the green line and sometimes not on the green line but in Palestinian territories. There are towns like Qalqilya and Tulkarm that are completely surrounded by a sub-wall or sub-fence. The problem is not only whether it is on the green line or not, and that is clearly a problem in some areas because the Palestinian villages that are trapped between the green line and the wall or the fence in some areas. There is a recognition, I think, among the Israeli public and the Israeli political echelons that it was a mistake not to build the wall on the green line where possible. The army, when they planned the route of the fence and the wall, did not take into account

Palestinian humanitarian needs. Now there is a recognition that they should have done and the Supreme Court has issued a number of judgments calling on the Israeli defence forces to move the fence and consequently, they have had to move the fence or the wall. So there is a problem there and more adjustments will have to be made.

Q36 Sir John Stanley: You said that in your view it was a good idea to tell the Palestinians the wall was a reality. Do you not also think it might be a good idea to tell the Israeli government that the wall is illegal?

Ms Bar-Yaacov: The Israelis know that it is illegal to build it in certain areas of the West Bank. I do not think it is illegal to build it on the international border. It is illegal to build it inside Palestinian territory. I think there is a consensus in Israel that the wall or the fence in and of itself is a good idea to prevent terror. There is a lack of consensus, and that is where there is room for movement, on the route of the fence and the wall. In terms of the advice to the Palestinian government, given that it is there, is to get them to negotiate further access through it. It is not just going to disappear. It is potentially going to move but it will not be completely dismantled everywhere. In terms of the legality of it, my personal opinion is that under international law it is legal to build a wall on an international border, but not deep into Palestinian land. That is where the mistake was made.

Q37 Sir John Stanley: I may have misheard you but I do not think I did. You may just want to check this. I think you said it was legal to build it inside Palestinian territory.

Ms Bar-Yaacov: No, illegal. If I said "legal" I meant to say "illegal". I apologise for that. I will reiterate: highly illegal.

Q38 Sir John Stanley: The next question I want to put to you is this. Do you agree that if you measure the number of settlers or dwellings that have been unilaterally removed in the West Bank, and I am referring particularly to the four small northern settlements, those numbers of dwellings or settlers are actually very much smaller than the number of new authorisations of houses inside the existing settlements? Do you agree with that?

Ms Bar-Yaacov: Yes, I agree with that, and I think, again, the UK government and the international community should pressurise Israel to stop the expansion of settlements in the West Bank and to dismantle the illegal outposts.

Q39 Sir John Stanley: Do you agree that the Israeli government's position is that it considers it has no obligation in the peace negotiations to withdraw back to the 1967 boundaries?

Ms Bar-Yaacov: No. I disagree. I think that the Israeli government's position is that this is a matter for final status negotiations and they will negotiate that issue in the context, and only in the context of a final status agreement and not ahead of it, not now.

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Q40 Sir John Stanley: I am sorry if I did not put that sufficiently clearly. I think you were agreeing with what I was saying. I was saying to you do you agree that the Israeli government's position is that they are under no obligation to withdraw back to the 1967 boundaries?

Ms Bar-Yaacov: According to the Roadmap, they are supposed to withdraw to the September 2001 line, so the lines that are pre the Intifida, which fall very short of the 1967 borders. The discussion today is nowhere near really whether Israel is going to withdraw to the 1967 borders or not at present, since, according to the steps of the Roadmap, which is the only peace plan on the table, there is a different question of withdrawal at stake, and the current question of withdrawal is really from the three remaining Palestinian towns that Israel has reoccupied after the Sharm understandings of early on this year, of February this year. Again, I reiterate, I think Israel views the '67 question as a final status question. I do not think that there is one opinion or another in government as to the final borders of a peace agreement. It is an issue that they view as an issue to be negotiated with the Palestinians as part of the final status agreement. The questions of withdrawal at the moment are of much smaller areas than the 1967 borders. I also want to just mention in this context that President Bush said that in his view Israel can keep some of the settlement blocs in the West Bank, which clearly means that there will not be a withdrawal to the 1967 borders if Bush's words, which were made in a public speech in the White House, are to be taken seriously.

Q41 Sir John Stanley: Finally, just on Jerusalem, do you see any possible basis under which there will be an agreed settlement in the context of Jerusalem?

Ms Bar-Yaacov: I think that is the crux of the matter. I think Jerusalem is at the heart of the matter. I think it is the most important issue, and I very much hope that there will be serious negotiations on Jerusalem soon so that the matter can be resolved.

Q42 Sir John Stanley: You hope that. I am sure we all hope that, but my question, which is a difficult one, but from where you come from, with all your background and expertise and knowledge of how both sides are approaching Jerusalem, do you honestly believe there is any realistic possibility of a settlement?

Ms Bar-Yaacov: I think there is a realistic possibility of a settlement, but again, Jerusalem, final borders, refugees and settlements are the four key issues for final status negotiations. They have been put in a separate category under the Oslo Agreement, under the Roadmap, and that is the current framework for peace. So unfortunately, Jerusalem is only going to be negotiated as part of the final status agreement. Yes, it is possible to negotiate Jerusalem. Yes, there is a blueprint for what could happen in Jerusalem, in the Clinton parameters, in the Tabah negotiations, in the Geneva Accords. The solution is more or less in place. Yes, I believe that there is a possible solution for Jerusalem. My question is, when will the

politicians negotiate it? Not this year. The year 2006, do not forget, is an election year, both in Palestine and in Israel.

Q43 Mr Pope: What effect do you think the withdrawal from Gaza has had on Israeli public opinion? Is Israeli public opinion, strangely, taking the Hamas line that this is a humiliation for Israel, a defeat? What are some of the effects of that, for example, on Israeli policy towards the wall? Does it make it more difficult for Israel to manoeuvre on being more reasonable about the siting of the wall, about the line of the wall? Is it harder for the Israeli government to take a more reasonable line on that because of public opinion?

Ms Bar-Yaacov: I think the Israeli withdrawal from Gaza was welcomed by the vast majority of the Israeli population. It is not seen as a Hamas victory in Israel; it is seen as a Hamas victory in Palestine, it is seen as a good move, as a pro-peace move in order to move the peace process forward. Much will depend on whether Gaza will remain quiet or not. Public opinion in Israel will sway if violence erupts either from Gaza or, more probably, from the West Bank, because it is unlikely that Hamas and other militant factions will operate from Gaza since it is in no-one's interests to have the Israelis re-occupy Gaza. It is not in any Palestinian party's interests and certainly not in Israel's interests. So the leverage they have is to attack Israel from the West Bank. Much will depend on how that goes in terms of the sustainability of Israeli public opinion. At present there is a honeymoon period. Yes, this was good, but if there are more Palestinian attacks on Israelis, there will not be any further evacuations from the West Bank. Gaza really has to succeed. In terms of the wall, as I said, I think Israelis are more sensitive today than they were when they planned the route to Palestinian humanitarian needs, and many Israeli human rights organisations and humanitarian organisations are petitioning Israel's Supreme Court in order to move sections of the fence or wall or to open gates there, and there is some room for manoeuvre there.

Q44 Mr Pope: We visited Qalqilya, which you mentioned, and I think we were all quite shocked by what we saw there, the fact that the wall and wall plus razor wire entirely encircles a Palestinian town. It appears to be strangling that town. We met farmers whose land was on the other side of the barrier. We saw schoolchildren whose school was on one side of the barrier and their homes were on the other, and to get in and out it takes around two hours. It seems to me that if the Israelis' point in this wall and the barrier was security, then this is entirely self-defeating because the kind of anger that this engenders, the obvious injustice of it, can only fuel violence. Is there a growing acceptance in Israeli public opinion that the existence of the wall in places like Qalqilya is an affront to normal human rights?

Ms Bar-Yaacov: I think Israeli public opinion is so much in favour of the construction of the wall that not that many people have examined the precise route as in Qalkilya, which I mentioned here a

couple of years ago, and Tulkarm, and now I mention east Jerusalem because that is, as I see it, the most serious problem. I think it could lead to a third Intifada. I think, precisely like you, that it does not meet long-term Israeli security goals. If the problem of the sub-fences, the system of fences encircling certain areas like Qalkilya, like Tulkarm, like east Jerusalem, is not resolved, the Palestinians will eventually resort to violence and maybe even soon.

Q45 Richard Younger-Ross: Just coming back to Gaza and the movement of the Israeli settlers out of Gaza, some of those had already been moved once from previous settlements. Do we know where they have gone to? Are any of them settling in lands which the Palestinians are still going to want back in the West Bank and other places?

Ms Bar-Yaacov: No. It was one of the issues that everybody feared, that the 8,000 were moved to the West Bank, but in fact they have not. Many of them are still in hotels and many of them are in Ashkelon, which is a town just north of Gaza in Israel proper. I do not think there is a serious risk that they will move to settlements in the West Bank. I think the Israeli government knows that that is not advisable.

Q46 Richard Younger-Ross: On a totally separate issue, in terms of the wall and the wall alignment, it has been put to me at a meeting here some time ago that the construction of the wall actually aligns with water courses but the water courses tend to pop up on the Israeli side of the wall and not on the Palestinian side of the wall. Do you have any evidence of that?

Ms Bar-Yaacov: There are some areas in which there is a water problem. As I said, the best study on this was done by OCHA, the Office for Co-ordination of Humanitarian Affairs of the UN in Jerusalem, and they are negotiating with the Israeli army the specifics of these issues. I think there is a problem there and I think to a certain degree it is being addressed. It is being addressed in the sense that it is out in the open and there are negotiations going on on this matter. I am not sure that it has been resolved.

Q47 Chairman: Can I take you back to the Palestinian Authority. You said at the beginning it was necessary to strengthen Abu Mazen. Can you tell us your assessment of the internal struggle that is going on. You have made some references to it. How serious is this factionalism within Fatah? Is Fatah capable of in effect taking on and defeating Hamas, or is it more likely that elements within Fatah will be aligned to Hamas in a new political configuration? Could you clarify the differences in the politics on the Palestinian side between the West Bank and Gaza. The popular view is that Hamas is very strong in Gaza, Fatah is very strong in the West Bank, but that is a caricature. Could you give us your expertise on that.

Ms Bar-Yaacov: Hamas is stronger in Gaza than it is in the West Bank, but there are certain towns in which different factions of Fatah in the West Bank rule and certain municipalities in the West Bank in

which Hamas have won municipal elections. The third round of the Palestinian municipal elections is scheduled to take place in December, and it is widely expected that Hamas will win a number of key municipalities in the big towns in Gaza but not necessarily the West Bank. In that sense, the caricature is actually right. By and large, Hamas have more power in Gaza, although its power in the West Bank should not be underestimated, plus their ability to operate out of the West Bank should not be underestimated. In terms of the in-fighting in Fatah, it is a very serious problem. Fatah is extremely disorganised. They are going to hold a convention, their primaries, only after the legislative elections. It is not clear yet how many lists they will run under but, unlike Hamas, who are extremely well organised and basically put together a one-candidate per list and then everybody falls in under that, Fatah ego and pride is very different. What happens is if a candidate is not top of the list, he then runs as an independent, so you get Hamas fractured into ten different independent parties, where everybody knows you are Fatah but you could not take being number two on a list so you decide to set up your own party, and you have too many parties running and that is extremely problematic. There is also the distinction old guard/new guard, the young Palestinians versus the old ones, and the problem of corruption within primarily the old guard. Since no-one has done anything about the corruption, people like, for example, the current Prime Minister, Ahmed Qorei Abu Ala, is viewed as extremely corrupt. No-one is willing to take him on, and if he decides to run in a separate list, that will split and splinter Fatah, and that is not a good thing. Marwan Barghouti, who is in prison, is most likely to be the head of the list, and he is most likely to win many, many votes and to operate from prison through Qaddura Faris or other emissaries, but I would rate the problem with inside fighting in Hamas and lack of loyalty, a certain dysfunctional structure that everybody operates for their own good. There is not a good co-operation between the different ministers. The situation is serious. On top of that you have the Fatah militant factions, who do not even consider Abu Mazen, so to speak to be Fatah. They take the law into their own hands, and they are armed; they are not willing to disarm. Abu Mazen tried to co-opt them and buy them into mainstream Fatah and they refused. I am speaking primarily of the Al Aqsa brigades. They have a gang mentality. They are loyal to their own gang master. They are certainly not loyal to Abu Mazen. So in that sense Hamas are much better organised plus, as I said before, they are clean. They do not suffer from that tainted image that unfortunately Fatah have earned themselves.

Q48 Chairman: Could the Israelis then actually be more likely to get an agreement with Hamas than with a disputatious and divided Fatah?

Ms Bar-Yaacov: No. Hamas is not interested in negotiating. Hamas's charter, which I have in front of me, the be-all and end-all of it is that peace negotiations are just something they would not even consider, and they consider totally wrong, and Israel

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will exist and will continue to exist until Islam will obliterate it, just as it has obliterated others before it. It has extremely racist statements against the Jews, “the cowards would never sleep” and things like that, in its official covenant. No, I do not think peace negotiations with Hamas are on the agenda, unless Hamas change their charter, disarm and sign a document which states that they are renouncing terror and interested in a peaceful way to resolve disputes.

Q49 Chairman: I put the question because some people have the view that somehow that would be the best solution, but I agree with your view. Can you also, while we are on this problem, deal with this. Are there other groups apart from Hamas and the Fatah groups that are significant players in this process?

Ms Bar-Yaacov: Fatah and Hamas are the main actors in the process and, to go back to Hamas, there is a debate as to whether they would be willing to transform into a political party, and if they do, whether they will be able, as I said, to give up their arms, to change their charter and to renounce terror and potentially negotiate. So there are issues that have to be worked on with them. There are other groups but they are smaller groups. As I said, there are local gangs everywhere. They certainly have power. Al Aqsa brigades are quite an important spoiler; there is Palestinian Islamic Jihad; there is the PFLP. Those are groups that carry out suicide bombings inside Israel so you cannot ignore them as a force in the equation.

Q50 Chairman: Some of them are based in Syria or in Lebanon.

Ms Bar-Yaacov: Some of them are headquartered in Damascus. Hamas have links both to Damascus and to Beirut. Most of them are Iranian-funded. Iran is one of Israel’s main concerns. You have just come back from there, so you know all too well how serious the problem is.

Q51 Ms Stuart: That actually leads on quite interestingly from what you have just said, looking beyond Israel and Palestine to outsiders. There is this common perception that Egypt plays an incredibly important role in the whole development of the Middle East, having the elections and things, but how would you assess Egypt’s role, positive or negative, towards a final solution?

Ms Bar-Yaacov: Extremely positive. I think Egypt—and I said this here two years ago—have done over the last two years an amazing job, so I just reiterate it and strengthen it. I think Egypt has played a

crucial role in the ceasefire negotiations of the different factions in Gaza and the West Bank. I think they know the situation on the ground in Gaza and they have the ear of the Palestinians and the trust of the Israelis. They are in a unique position because it is also a strategic interest of theirs. They have a border with Gaza. They have a very good intelligence service so they know what is going on. They have the power. I would rate their role as absolutely critically important. The only potential problem in Egypt is the democratisation process because with this initiative of the greater Middle East, as you know, it is easier said than done, and it is potentially giving legitimacy to small, very extreme parties in Egypt that are very anti-Israeli. That is the only caveat that I would raise, more so long term, but I would rather raise it now, because those parties are not interested in peace with Israel. The peace Israel has with Egypt is a cold peace, a strategic interest peace. It is not a warmth of the parties or the two states really coming together. They have very little in common, but they are interested in a stable Palestinian entity.

Q52 Ms Stuart: Strategic interests are by far more durable than feelings of warmth. Could the UK do more to strengthen their hand in terms of democracy-building in Egypt, which must be the long-term prospect, and may not always be necessarily as much welcomed by those in power now?

Ms Bar-Yaacov: I am not sure what the UK is doing in Egypt at the moment, to be honest, so it is hard for me to assess. I know what they are doing *vis-à-vis* the Israeli–Palestinian conflict, and that is they are giving 100% backing to Egypt and a lot of encouragement and support. In terms of the democratisation process in Egypt, as I said, I really think it has to be treated with silk gloves. The only advice I can give the British government is to map out what this actually means, not only for Egypt internally but for the whole region, because it has a potential to destabilise, not only to stabilise.

Q53 Ms Stuart: If you think of something, let us know.

Ms Bar-Yaacov: OK, I will send it in.

Q54 Chairman: I think we have come to the end of our session. I would like to thank you for your answers and giving us a very useful briefing. Some of us will be travelling to the region in the next few weeks, and so hopefully we will be able to get there better informed than we otherwise would have been. Thank you for coming.

Ms Bar-Yaacov: Pleasure. Thank you very much.

Monday 24 October 2005

Members present:

Mike Gapes, in the Chair

Mr Fabian Hamilton
Mr John Horam
Mr Eric Illsley
Mr Paul Keetch
Mr Andrew Mackay
Andrew Mackinlay

Mr John Maples
Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Ms Gisela Stuart
Richard Younger-Ross

Witnesses: **Mr Jack Straw**, a Member of the House, Secretary of State for Foreign and Commonwealth Affairs, **Mr David Richmond CMG**, Director General Defence and Intelligence, and **Dr Peter Gooderham**, Director Middle East and North Africa, Foreign and Commonwealth Office, examined.

Q55 Chairman: Good afternoon everybody. This session gives us an opportunity to question the Foreign Secretary and senior officials about the foreign policy aspects of the war on terrorism. We are very pleased to have you before us, Jack, I know you have been travelling across the Atlantic, no doubt that might come up at some point in our questioning. Can I just ask you briefly to introduce your two colleagues?

Mr Straw: On my left is David Richmond, who is Director-General Defence and Intelligence and on my right is Peter Gooderham who is Director Middle East and North Africa.

Q56 Chairman: Thank you very much. If I can begin by asking about the current increase in terrorist attacks both in this country and worldwide. We have just got news of these appalling bombings in Iraq today. It is clear to us, and we had evidence last week from Peter Taylor and Professor Paul Wilkinson, that the fight against international terrorism is going into a new phase and is probably more difficult. Could you tell us, do you think we are winning in this fight against international terrorism and have things changed since the period around 9/11 to the current situation?

Mr Straw: First of all, we have just had news of this bombing of a hotel in Baghdad, one which is used by journalists. The fact that there appear to have been at least 15, if not many more, fatalities indicates the indiscriminate nature of these terrorists, who really do not mind who they kill provided they kill somebody in the name of a totally perverted ideology. It is a further illustration of the evil which we are dealing with. I do not want to use the phrase that you used and it will be for historians to judge whether we have been successful in this overall fight. What I do believe is that the strategy which we have embarked on—which is dealing directly with terrorism in this country and anywhere else—where we have a direct involvement, indirectly by international engagement and sharing of intelligence and resources with our international partners, as well as seeking to deal with the causes of terrorism, for example, in the work we have done over many years to support the Middle East Peace Process, the very act in engagement of the United States and United Kingdom Governments, Colin Powell,

Secretary Condoleezza Rice, myself in the Peace Process in respect of Kashmir, many other theatres, and the work which we and the UK Government are doing both with the Home Office and the Foreign Office to improve understanding of Islam and to give those who are of the Islamic faith greater confidence to stand up against these evil people; all of that is the only strategy that is sensible to follow. One other thing I simply say, in preparation for this session I was looking down a list of all the sites where there have been terrorist outrages over the last 12 years. It is everywhere: Tokyo, Saudi Arabia, Tanzania, Kenya, Aden, obviously the World Trade Centre, Karachi, Bali, Mombasa, Riyadh, Casablanca and Jakarta. This is a worldwide problem and it requires real international effort.

Q57 Chairman: You referred to the causes, one of the things that strikes me is the way in which the people who justify these actions use all kinds of different excuses or reasons and one of the things they are very effective at is a propaganda campaign whereby they talk about events that happened in Timor or Kashmir, you mentioned, or the Middle East or even Andalusia and the 1450s in the period in Europe. Do you think we are doing enough to counter this propaganda?

Mr Straw: I think we can never do enough to counter the propaganda, it is a most extraordinary moral relativism. We have to counter it and we have to say there are some absolutes in our society. Society cannot work unless we are clear what the differences are between good and evil and this terrorism is evil. I was reflecting on this in the context of the visit I made over the weekend to Birmingham, Alabama. They had the most appalling racism there which escalated until a church was bombed, four little girls got killed. You could offer explanations as to what was in the minds of the people who planted those bombs, but whatever explanations you offer you cannot conceivably justify that. You could offer explanations as to why there was a climate in which extremism came to the fore in Germany before the War and plenty of historians have said that the international community shared responsibility for making the situation worse than it might have been following the Treaty of Versailles. All that said, you

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cannot possibly excuse or justify Naziism. It was simply a straight forward evil and the evil that was being carried out was far greater than any of the problems it was designed to overcome; the same is true with this terrorism. What I know, having charted it before and after September 11, is that these people are so evil they will seize on any excuse or none. They will seize on an excuse, injustice in Palestine, injustice in Chechnya, injustice in Kashmir. Those excuses have gone and we are working very hard, certainly in respect of the Middle East, and in respect of Kashmir we have some influence, obviously it is for the Russian Federation to resolve the Chechnyan situation but if they have gone, they will seize on some other excuses. Now, for sure, in order to ensure that their recruiting sergeants are less successful, and for many other reasons, we need to secure a just settlement between the Israelis and the Palestinians in respect of the Middle East, and for example, between the Indians, Pakistanis and the Kashmiris in respect of Kashmir. We would be naive if we thought if we eliminated those problems, this infection will go, it will not.

Q58 Chairman: We are spending billions of pounds in various theatres on military activities, Afghanistan, Iraq and elsewhere, yet we do not spend even a very small percentage of that on propaganda, communications, media. I will give you one example: the BBC Arabic television service which has not yet been established and would cost far less than we spent even in a very short period in pursuing the war in Iraq. Do you think we get our priorities right? Should we be shifting resources more into the other areas?

Mr Straw: There will be an announcement by the BBC World Service tomorrow about the future of their programming. I do not want to pre-empt that, but I think this Committee will find that of interest. The second thing is that, however, we should not see the BBC as part of a “propaganda effort”, there is a strong case for a BBC Arabic television service, but the BBC’s credibility will be severely undermined if people thought that it was simply a mouthpiece of the British Government or even of the British Parliament. Yes, we fund it, it is on my vote but we have got to be very, very careful about the nature of the relationship in order to preserve that independence for the BBC which is a watch word around the world. We spend quite a lot of money—£10 million—on a programme called Engaging the Islamic World, which I do in my part of the Islamic world on a day-by-day basis. I have received none of this £10 million, let me tell you. We spend £10 million and that is a big increase in the amount we have been spending in terms of engaging the Islamic world with all sorts of programmes, and we have given you details of those. I am also clear that if we want to engage the minds of people in the Islamic world we need to see better progress, for example on the Middle East Peace Process and, knock on wood, the prognosis is much, much better than certainly it was two years ago or a year ago.

Q59 Ms Stuart: Can I follow on this. Given that it is an engaging of the minds in the long-term and we need to work with the BBC, and you say we have spent £10 million on this but we also need to build nation states in some areas like the Balkans, is it therefore wise for the Foreign Office to withdraw grant-in-aid for organisations such as the British Association for Eastern and Central Europe, which has got a proven track record in terms of money spent, it spends very little money, but does exactly what is needed and has shown that they can do it?

Mr Straw: By pure chance, I am going to have a short meeting with Lord Radice straight after this session if it does not go on too long and I am not caught up in a vote. With particular grants-in-aid it is likely there will come a moment when there will be a judgment that maybe their usefulness has run its course, and that is the issue here. I need to talk to Lord Radice before coming to a final view.

Ms Stuart: I think as a matter of record I had better declare that myself and a fellow Member of the Committee, Paul Keetch, are trustees of the organisation.

Q60 Mr Purchase: Over centuries we have been used to dealing with people dissatisfied for one reason or another, usually because of some massive inequalities in the society the people inhabit. We have dealt with it because it is rational and we can say that we can create an improvement. Now we seem to be facing not a rational demand for improvements but a demand from a religion which will not be satisfied until its religion is accepted as the only religion throughout the world. Are we getting to a point where we might just expect terrorism to continue? We cannot prove that there is not a God and ask them to pack up their terrorism.

Mr Straw: I do not think it is a demand from a religion. That is to admit that these evil people speak in the name of Islam, which no decent Muslim I know believes and none of the rest of us believe. There is overwhelming warrant from the Holy Koran to show that is simply not the case. If you are asking is this appetite for terror by some of these individuals ever going to be satiated, not by the key individuals I do not think. I think they are as fanatical—to use a comparison—as some of the Nazi leaders were at the end, they have tasted blood, they have enjoyed it, and get huge power from killing and they want it to go on and on and on. I think that we can succeed against their foot soldiers, both in dealing with it on a security basis but also in making it clear to people that this provides no hope whatever for them. If you go back to where you started, which was Iraq, we knew that there was likely to be an increase in terrorist incidents in Iraq right through the democratic process, the elections earlier in the year, the setting of the constitution, this referendum and then if the referendum leads to a yes, the full constitutional elections on 15 December. The terrorists are desperately trying to stop this democratic process taking place. Why? Because they know that if the democratic process in Iraq embeds itself then their opportunities to rule this country

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through terror rather than through democracy are much, much more limited. You will then see that some of those who for odd reasons fear or—

Q61 Mr Purchase: What do they want? What is the demand?

Mr Straw: For that you would need to go on to the website of al Qaeda related apologist organisations, and there are many of them. Some of them want to establish a caliphate across the Islamic world, they want to exclude all infidel disbelievers. Bear in mind, however, that these people claim not only that everybody around the table—I do not see a member of the Islamic faith around the table—and those of us of other faiths are infidels but also those who do not follow their very extreme brand are also unbelievers. It is fanaticism on fanaticism. It is for that reason that there is increasing rejection by a vast majority of people in the Muslim community of this hijacking of their religion.

Q62 Mr Keetch: Foreign Secretary, I want to turn to Iraq because obviously we are here to discuss the foreign policy aspects of the war against terrorism. I want to place Iraq in that context. Obviously you and I took a different view in the run-up to Iraq and you won the vote. I do not want to re-rehearse those arguments, nor do I necessarily want to go through the arguments about what is happening in Iraq at the moment. There are some very good signs of political process, there are some less good signs such as the bombings this afternoon, et cetera. I want to put Iraq in the context of that overarching war against terrorism. You were absolutely right when you said that terrorism had occurred before then and certainly after 9/11 President Bush assembled huge world support for that campaign. The front page of *Le Monde* said “We are all Americans now”. My concern at the time, and my continued concern, is that Iraq has been a distraction from that campaign against terrorism that has led us down a path that has taken resources, money and effort that should have been concentrated on that much wider picture. Therefore, I firstly want to ask you, in the run-up to Iraq what was your assessment of that engagement on its effect on the war against terrorism? Did you actually believe that by invading Iraq it would improve the security situation in the United Kingdom and improve the war against terrorism? Or were you warned, or was there a suspicion, that this attack on Iraq by itself might in some way undermine the overall war against terrorism?

Mr Straw: I never, ever believed that military action was a “distraction” from the war on terrorism, let us be clear about this. Also, bear in mind—you said you were not going to re-rehearse what happened but you have just done so—we only came to the decision about military action very late and very reluctantly. It was after the failure of the Security Council on 7 March 2003 to agree a Second Resolution, albeit the modified one which I put forward, and then the announcement by the French President on the tenth that whatever the circumstances he would vote no, that we were then into a situation when seven days later after the

Cabinet’s decision and then Parliament’s decision the next day to take military action. I believed, and I still believe, that the military action that we took in Iraq was justified on the basis that was set out: non-compliance by Saddam of about a dozen Chapter 7 Resolutions. By all means read the speeches I made in the Security Council and the ones that I made in the House. That was the focus of what I spoke about. I do not happen to think this is an either/or. Also, although self-evidently there are, and remain, security challenges in Iraq, I believe that the only way we are going to get relative peace and security across the Middle East is through democracy. We are seeing the beginnings of this. Some of the things that have happened are quite remarkable, such as what is happening in the Lebanon. Who would have said that the Lebanon, whose nationhood has been and is still denied by Syria, it was run by Syria as a fiefdom, would now be emerging into full independence. Some of those who kept the Lebanon as a fiefdom are now under the most serious spotlight from the international community.

Q63 Mr Keetch: I am sorry, I asked about our action in Iraq and the effect of that action against terrorism.

Mr Straw: What I am saying is we are seeing the beginnings of a movement for democracy which I believe is the only sure way of eliminating terror and alongside that the lack of progress in the Arab countries, which is another cause or contributor to the environment in which terrorism can breed, is through democracy. We would not have got to where we have got to in Iraq, a release of Iraq from tyranny, and the most terrible tyranny, state terrorism, to a situation where just two and a half years later we are awaiting the results of a democratic referendum in which, according to the latest reports, nearly 10 million people have voted; up from 8.6 million in January. It is going to be hard going in Iraq, the terrorism will continue for some time, but I also believe that historians are likely to judge that this has led to the establishment of a democratic and stable state. I would also add this: nation building is never easy. There are those who think what happened after the war was what was left of the German Government surrendered and then, hey presto, very quickly after that you had the building of a German state. That is not true. There were no national elections in Germany for four years. The Marshall Plan after two years arose because of the real concern about the chaos of reconstruction. Austria was under Allied rule for 10 years and it did not become a nation for 10 years. There was a similar situation with respect to Japan. In all countries which have emerged from such tyranny you are going to have a period of transition. All are different. I am not saying that Iraq is Germany or Germany is Iraq, but there are lessons from each.

Q64 Mr Keetch: In terms of my question I assume that the Foreign office did consider what the effect of the war on terrorism would be by invading Iraq. Your assumption was that it would not make the overall war on terrorism worse.

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Mr Straw: In the run-up to as serious a decision as military action you are bound to look at all possible consequences. Did we believe that taking military action would make the overall terrorist situation worse? No, we did not. That was our judgment. Others around the system may have taken a different view but I know that we did not.

Q65 Mr Keetch: I am grateful for that. We had some very interesting evidence last week from Professor Paul Wilkinson from the University of St Andrews. Let me just quote what he said in his paper to us: "One of the most significant developments in the evolution of al Qaeda since 2003 has been the way the movement has exploited the allied invasion and allied occupation of Iraq. Whatever view one may take on the decision to invade Iraq, it is simply ignoring the reality to deny that the invasion and occupation have been a big boost for al Qaeda and a setback for the coalition against terrorism." What Professor Wilkinson is suggesting is that the images of British and American troops in Iraq are fuelling abroad what he calls a "domestic jihad" and increasing the unhappiness and frustration felt by Muslims in our own country and other countries and that process has increased and has made the overall war on terrorism worse. I presume you would disagree with that?

Mr Straw: It is self-evidently the truth that al Qaeda et cetera are exploiting what is going on in Iraq. They are also exploiting what is going on in Saudi Arabia, in Indonesia, in Egypt and in Russia.

Q66 Mr Keetch: But there are not British troops there.

Mr Straw: That is my point. There are no British troops there but they are exploiting them. Indonesia was against the Iraq War; it has suffered continuous al Qaeda inspired terrorism. Saudi Arabia was not happy about the Iraq War; it suffered terrorism. Egypt was not happy about the Iraq War; it has suffered very recently serious terrorist outrages within its territory. The Russian Federation was against the Iraq War; it has had to deal with the most appalling terrorism. In each state these people seek to justify their terrorism by anything that they can find. On your point about is this affecting the Muslim population in this country, opinions will differ. I keep in very, very close touch with communities of the Islamic faith in my own constituency; if I did not I would not be here. It is the third largest Muslim population in a constituency proportionately of any in the country. There were several candidates at the last election, six against me. All six said they opposed the Iraq War, including a Conservative, let me say. This will all be in published official documents. All six said they opposed the Iraq War and all six said that the way to emphasise opposition, particularly among the Muslim communities, was to vote against me and vote me out of office. My majority went down from 9,000 to 8,000. I ended up with a very significant level of support amongst the Muslim communities. Why? Yes, if you did an opinion poll amongst the Muslim communities in Blackburn they would

disproportionately say they opposed the Iraq War but they are not taken in by all this propaganda from terrorists, apologists for terrorists and others, and they were able to make a mature judgment. They could see what we had been doing in respect of the Middle East, in respect of Kashmir and much else, and came to the conclusion they did.

Q67 Mr Keetch: I am grateful. The other answer to a question last week from Mr Taylor of the BBC was that Iraq was also providing a training ground for terrorists, that they were able to get involved in terrorism and then come back from there to Europe and, indeed, a senior French judge made a similar point last week. Again, is it your belief that people actively involved in terrorism against coalition forces in Iraq are gaining from that experience in their perception and then returning back to the United Kingdom and other parts of Europe?

Mr Straw: I have to say—Mr Richmond can correct me if I am wrong—I have seen no evidence at all to suggest that people have been trained within Iraq and are coming back here. The potential areas of training and potential—Have you seen any?

Mr Richmond: No. I think it is something that we worry about but we have not seen any evidence of it.

Q68 Mr Maples: The Iraqi constitution has been rejected by the overwhelming majority in two of the Sunni provinces. If it is rejected in a third, which looks highly likely in Nineveh in the next two or three days, what are we going to do?

Mr Straw: We say this is democracy and if you invite people to vote—

Q69 Mr Maples: I have asked you what we are going to do if it is rejected.

Mr Straw: We then allow the constitutional arrangements to go ahead. There will be elections in any event on 15 December. This is factored into the constitution. If a referendum fails it may be something which people regret but this is democracy. What we will also do is point out to Sunnis who may have been reluctant to have been involved in the elections back in January that it is far better for them to make use of democratic arrangements to resolve the conflicts which they have with the Shias and the Kurds than it is to support violence. This is democracy working.

Q70 Mr Maples: Of course I understand it is democracy working but our collective policy has been to develop the constitution and to get it approved. If it is rejected and there are new elections for an assembly, are you saying that new assembly is more likely to be able to reach a constitutional settlement?

Mr Straw: Even if the referendum passes and the constitution comes into force, there will have to be quite a number of further amendments made to the constitution almost certainly. I think that there is a provision—I can be corrected on this—that these changes would have to be put to a further referendum within four months. If there is not a yes vote then there will be a further interim government

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elected on 15 December and the constituted assembly has a year in which to come forward with changes to the constitution which will then go to a further referendum. Those who are busy seeking immediate stability, particularly those in the Shia and Kurdish populations, obviously would have wanted to see a yes vote. It is also the case, and we know this for certain, that there will be a very large majority of Iraqi voters who will have voted yes in the elections but this arrangement by which two-thirds of voters voting no in three provinces could block a constitution was agreed, ironically, for the benefit of the Kurds originally when the Transitional Administrative Law was developed in the summer of last year and there is no reason at all why other groups, particularly the Sunnis, should not be allowed to use it. You were then asking what I think will happen. What I think will happen is that there will be further negotiations between the Sunnis and the Shias to try to arrive at a solution satisfactory to both sides. Interestingly, things were moving in that direction in the run-up to the referendum so that there were further amendments made. They were supposed to be signed off in the middle of August but all through last month and the beginning of this month further amendments were made. We will see that process continuing, I think.

Q71 Mr Maples: It seemed to me that it was entirely foreseeable that this was going to happen, the Sunnis not participating fully in the constitutional process, and that the result of this will be the deferral of a solution for at least a year, if not longer, and during that time the stability will get worse, which will encourage the terrorists into thinking that they have succeeded in one of their objectives, and the likelihood of the country breaking up into these three or perhaps more constituent parts will be far greater.

Mr Straw: I do not accept that.

Q72 Mr Maples: You do not think any part of it will break up?

Mr Straw: First of all, we do not know what the result is going to be. It is clear that in Ambar 97% of voters have voted no, we are told, and in Salahuddin it is 82%. There is an issue at the moment about what has happened in Nineveh which is the area around Mosul, which is a mixed area, and we do not know whether or not there is going to be a yes or a no vote and, if it is a no vote, whether it is a no vote by two-thirds. I spoke to UN Secretary General Kofi Annan—

Q73 Mr Maples: We are working on the basis of if it is a no vote, what will happen?

Mr Straw: I spoke to Secretary General Kofi Annan yesterday and on Saturday about this because it is in everybody's interests that the process of checking should come to a close as quickly as possible. I do not accept your rather apocalyptic view about what is then going to happen. I just say this: you have to trust the people to come up with the result that they want.

Q74 Mr Maples: The result they may want is three separate constituent states.

Mr Straw: One of the things they are all agreed on is that there has to be a single Iraq. It is also fundamental to the international community. The Kurds are not campaigning for a separate Kurdistan. They know in any event the consequences of that in relation to Turkey and Iraq would be very, very severe. If you talk to Mr Barzani, President Talabani and the other leaders of the state KDP, they know that whatever historical aspiration they may have had. The Shias also know that once a full democratic system of government is established, because they are 60% of the population, where the politics turns on people being Shia rather than Sunni or Kurd, it is going to hold sway, so what on earth is in it for them to break up this country which anyway has been a single unity since the break up of the Ottoman Empire. My point back to you, Mr Maples, is this: from the point of view of the international community there is plainly a hope that the electoral and constitutional processes can proceed smoothly if there is a yes vote but if you give people a vote you have to accept the answer that they come up with. It is not the end of the world at all if the answer is no. It is anticipated in the drafting of the Transitional Administrative Law and in the constitution. Also, when I talk to our people in Baghdad what they say to me is in practice the difference between having a yes vote in terms of time and tidying up the constitution then and having a no vote and having to make some amendments to agree to a further consensus would not be quite as long as people anticipate.

Q75 Mr Maples: They would be radically different outcomes. Can we turn briefly to Basra because we were congratulating ourselves until quite recently that we had done rather well in the southern part of Iraq and it was much more stable and we seem to have done that by working very closely with the main Shi'ite group. However, now we seem to have a situation in which the various Shi'ite groups and militias have fallen out among themselves stirred up by Iran which was not happening until a few months ago and the same animosity towards British troops is now being demonstrated there as it has been for two and a half years in the other parts of Iraq against the Americans. It seems to me that we have got almost as bad a situation there as the United States has got in the Sunni triangle.

Mr Straw: I think it is very important not to generalise and that also applies to the areas under the direct control, as it were, of the American troops. American troops have got a relatively good level of consent in some provinces and some parts of some provinces and obviously poor consent in other parts. My understanding so far as Basra is concerned is, yes, there was a particular problem with this section of the Iraqi security forces and some dominant individuals, but it is by no means universal. I would also just say to you, Mr Maples, although I think all of us are very proud indeed of the way in which our troops have operated seeking to build consent, they

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have always made it clear that if necessary they will be very firm and very tough, and that was why they took the action that they did about three weeks ago.

Q76 Mr Maples: Obviously we hope that will be the outcome. We now have a situation in which the insurgency seems to be worse in most Sunni parts than it has been before, the constitution is almost certainly, I would suggest to you, going to get rejected, and we now have chaos and fighting in Basra with Iran stirring up trouble there in a way that I do not think any of us had foreseen. Is it not really time that we admitted we went to war here for all the right motives but, nevertheless, there were not any weapons of mass destruction. We have fundamentally miscalculated and misunderstood the nature of Iraqi society and the potential for divisions within it and the potential for insurgency. Would it not help us to get from here to a satisfactory exit if we admitted that we had made those mistakes?

Mr Straw: If we thought that, and evidently you do, yes, but I do not happen to think it.

Q77 Mr Maples: You do not think we have made any mistakes?

Mr Straw: That is a separate issue. If you are asking me whether I think we made any fundamental mistakes in the overall strategy, no, I do not. If you are asking me day-by-day whether there are things we could have done better with the benefit of hindsight, of course that is the case, it would be arrogant to say otherwise. You could come up with a catalogue of bad news but what you omitting in all of this is the most important message of all this year, 2005, which is this: the Iraqis have embraced democracy. People said we did not understand the nature of Iraqi society, meaning that we did not understand that they did not really want to be democrats; that they did not have any interest and they just wanted to be dominated by tyrants. Well, eight and a half million Iraqis proved those people wrong on 30 January, and 10 million proved them wrong again on 15 October. The Iraqis want what we take for granted, which is the right to run their own affairs; and it is called democracy. We are seeking to support that process, a process that is also backed by the United Nations. Although you are right to say that there were big divisions in the international community and nationally over the rightness or wrongness of military action, post-war we have been there on the basis of United Nations Security Council resolutions. The key resolution now, Resolution 1546, was passed in June last year unanimously, and it is that which provides the mandate for the multinational force and the electoral timetable and institutions.

Q78 Richard Younger-Ross: Pursuing the point on Basra, I had the privilege to visit there just after the fighting finished and saw what an excellent task our Forces were doing. I have to say that they were clearly not fully prepared for the task in front of them, because the Government had clearly not thought about the fact that it needed extra DFID

help and advisors in relation to police and other areas. However, the Forces did a magnificent job in dealing with the local tribal issues and working with the local community. There has clearly been a deterioration in the relationships between our Forces there and the local authorities. What is being done to build those bridges?

Mr Straw: A great deal, and I can let the Committee have a detailed note about that, if you wish, Mr Chairman.¹ Our people, both in the military and in the Consul General in Basra, as well as in associated government agencies like DFID, are alive to the need to have the best possible relationships with local leaders. As Mr Maples has indicated, part of what happened is that, in his phrase, some local leaders “fell out”, and there is going to be a lot of vying for power because people see that power is shifting from the rather tyrannical arrangements that people knew about under Saddam and what has been there subsequently to democratic processes, which are far better but slightly less certain. There will therefore be a lot of vying for power going on, and that is what we have had to cope with. For reasons I have already explained to Mr Maples, I do not take an overly pessimistic view about the longer-term prognosis there.

Q79 Richard Younger-Ross: Are we not in a position where the clerics and the extreme clerics will say, “They came here; they promised us water and electricity; they have failed to do those on time and they are still not working properly; they promised us this and that, and they have not delivered”? Are we not, particularly in terms of security, actually giving extra credit to the clerics to put us in a bad light?

Mr Straw: There are two things: to the extent that the reconstruction process has lagged behind is all down to security. The other thing that has happened for the good—and this has been, again, a very big change in the last year—is that approximately 170,000 more Iraqi security forces have been trained up. Their ability to operate independently of the US, UK and other coalition forces varies considerably. There are two battalions that can operate entirely independently, but a great many can operate effectively with backing from the coalition. That has been a big change. The progress with the defence forces has been better than progress with the police in some areas where problems remain. On the point about the clerics, it is quite important to appreciate that some of those whom you describe as clerics are a very powerful, moderating force within Iraqi society, in this case amongst the Shia. Without Ayatollah Sistani’s great wisdom and judgment, I think that we would be in a rather more difficult position. It is the nature of that society that a lot of the leaders are clerics. Let me say that it certainly was the case in my party, and in yours, for a very long time, that the protestants and non-conformist churches played a leading part in our—well, this is true! People used to say of the Church of England that it was a Conservative Party of prayer. It does not lie in our mouth to pretend that we are a wholly

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secular society where organised religion plays no part in politics, because it does play a very important part.

Q80 Richard Younger-Ross: I very carefully used the word “extreme” before the word “cleric”. I appreciate that a large number of them are working and are a moderating force. However, I am concerned that more power is being given to those who do not wish to see the sort of democracy that we wish to see, but wish to go back to the sort of democracy they have in Iran, rather than the democracy you described earlier. I fear that we will move towards a new Vietnam where these other groups, which cannot agree to the model of democracy—

Mr Straw: It is good for a headline in the liberal news, but it is complete nonsense.

Q81 Richard Younger-Ross: Liberal Democrat!

Mr Straw: It is complete nonsense. The parallels are about zero, with great respect to you. Just look at the fact that you have now got a UN-backed democratic process. There was not ever a single United Nations Security Council resolution in respect of Vietnam. Everybody is agreed in the Security Council about the strategy needed to put Iraq on a settled path. The two other things I say are these: there is not seen to be any particular appetite amongst Iraqis for setting up a structure similar to that in Iran. Although it is true that the majority of Iranians are Shia, and in the south and other parts of Iraq a significant proportion of the Iraqis are Shia, the Iraqis are Arab and the Iranians are not Arab, they are Persian. This division between the two is not accidental but is quite powerful, and there are other reasons that explain the nature of the Iranian constitution, about which I would be very happy to bore this Committee at some length. The Iraqi constitution states in the opening articles—and I paraphrase, but only a little—that it should take account of the Islamic heritage of Iraq; but it also states that it should take account of democratic rights and human rights. The architecture of the document is not one that makes this an Islamic state in the classical sense that you see in Iran or, in a different way, in Saudi Arabia.

Q82 Mr Illsley: In regard to the Basra situation and the incidents on 19 September, just how big a disappointment was it that the newly-trained police forces seemed to be in alliance with the militias in the handing over of British troops to those militias?

Mr Straw: It obviously was a disappointment. It was aimed at one particular section of the police force. There was disappointment, and we have to deal with that. We hoped that it would be otherwise.

Chairman: We are moving to Iran now.

Q83 Andrew Mackinlay: I will come on in a moment to IAEA Security Council’s atomic weapons, but in recent weeks the Prime Minister, yourself and the Defence Secretary have indicated a fear that some of the ordinance and planning and preparation and some of the personalities involved in attacks upon British soldiers and coalition forces in Iraq and other

malevolence around the region has been from Hezbollah or Iran. I note that you said at a press conference that the explosives that killed at least eight British soldiers originated from Hezbollah or Iran. That is pretty definite. Downing Street/the Prime Minister have been fairly strong, but in some parliamentary exchanges the Defence Secretary seemed to slightly pull back from that. I do not mean this in any spiteful way, as you would know, but there does seem to be a degree of ambiguity. I wonder if you could take this opportunity to share with us what you do know. Is it Hezbollah or Iran, and if it is the latter to whom does one look? At what level is this and to what extent are the fingerprints of the Iran regime on this?

Mr Straw: There is a degree of ambiguity about this, Mr Mackinlay, because there is a degree of uncertainty about it. We believe, from forensic examination of these improvised explosive devices, that they are similar to or the same as those used by Hezbollah; and it appears that they can be traced back to Iran. We do not know about the timing and we do not know directly about any involvement by the Iranian Government, but it is sufficient for us to be concerned about it and we have made representations to the Iranian Government. I think I have probably said enough about that; we just state that there is not a continuation of these devices.

Q84 Andrew Mackinlay: Turning to suicide bombers, there have been press reports, which are not vague reports, about how the regime and organs of the regime, including Iran’s newly-installed Defence Minister, had both invited volunteers for suicide bombings and celebrated them. A celebration is planned on 30 October in Tehran, which, by definition, must have at least the tacit support of the regime, entitled Men of the Sun. They are going to celebrate suicide operations at this celebration, encouraging people to sign up for martyrdom-seeking operations. The Defence Minister has indicated support for this kind of activity. What do we know about this; what representations have we made; and is this not something that really puts that regime beyond the pale? There are very few regimes, and certainly they are regimes that you would not do business with, that are actively encouraging and promoting the concept of suicide operations around the world and around the region.

Mr Richmond: It is worth remembering that they were using suicide bombers in the Iran/Iraq war, and it is quite a long tradition. These people have been celebrated, and there is a foundation that looks after wives and dependants and so on; so this is something that has existed in Iran quite some time. It is true to say that recently more publicity has been given to this, but you have to see what they did rather than what they wrote in their newspapers.

Mr Straw: It is slightly more complicated because of the Iran/Iraq war. We look to the Government of Iran to take the same unambiguous view of terrorism that all other countries do. A point I often make to Iraqi interlocutors is that with their very active support and encouragement when I was

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Home Secretary, at the request of my then predecessor the late Robin Cook, I banned, under the Terrorism Act, the Iraq/Iranian terrorist organisation MEK—and it is still banned. I also banned in the same list the military wings of Hamas and Hezbollah. The Iranian Government give very active support to Hezbollah and some support to Hamas, and we think they should desist from that because you have to be unambiguous in your approach to terrorist organisations. That is a conversation that continues to happen with the Iranians.

Q85 Andrew Mackinlay: And the PMOI were banned—or is that the MEK?

Mr Straw: Yes.

Q86 Andrew Mackinlay: I do not want to labour the point, but it seems to me that that should be revisited.

Mr Straw: You are not supporting this terrorist organisation—

Q87 Andrew Mackinlay: I am certainly not, no.

Mr Straw: Okay.

Q88 Andrew Mackinlay: But, equally, since—

Mr Straw: Did NCRI fund—

Q89 Andrew Mackinlay: The answer is “no”, but the point is that I certainly think we should always revisit those which we ban.

Mr Straw: There are provisions in the Terrorism Act 2000, if organisations want to make representations—

Q90 Andrew Mackinlay: Perhaps I can go, as I promised you, to the question of development of nuclear weapons. The IAEA has been unambiguous in its condemnation of Iran for non-compliance. There is now talk about the matter being referred to the Security Council, which seems logical. The anxiety which some have is that it will go to the Security Council, and then there will be impotence; because if the Security Council stands by the IAEA and shows robustness, there is very little that the international community can do. Is that not the case? Where are we on this? How can we contain and control Iran on development of nuclear weapons?

Mr Straw: First, let me just say where we are. We do not know for certain whether Iran is developing a nuclear weapons capability. What we do know for certain is that over a 20-year period they failed to notify the IAEA of very large developments at Isfahan and Natanz of conversion and enrichment facilities and other matters. We also know that they were in close touch with A. Q. Khan, who is the man who was in the lead in developing the Pakistani bomb and who then decided to go into business selling nuclear weapons technology. We know they experimented in polonium and plutonium, and there is also a large question mark as to why they need such large fuel cycle facilities to create nuclear fuel when they only have one nuclear power station at Bushehr. That power station is being built under

contract with the Russians, and the Russians are under contract to provide fuel for it; but they have no other power stations ready to go, and there are none in development either. Those are the question marks. You talk about impotence, but the record of the IAEA on Iran is one of the strength of the international community in support of one of the world’s most important international treaties, the Non-Proliferation Treaty. Where are we? When we started this in the immediate aftermath of the Iraq war, Dominic de Villepin, Joschka Fischer and myself thought there was every prospect that Iran would exploit the divisions in the international community and carry on regardless. They have simply not done that, and we have been able to achieve a situation where the enrichment of uranium is suspended. That remains suspended. What we also achieved for a period was the suspension of the conversion facility at Isfahan. The Iranians made the decision to restart that on 2 August this year; and it is because of that that we have a problem. As you say, Mr Mackinlay, when this came before the IAEA board of governors there was a vote of 22 in favour of declaring Iran non-compliant. There was one against, which was Venezuela, and the rest abstained. That was quite a shock to the Iranians because they thought that the most votes we would muster would be 18, and in fact if Venezuela had not voted against we would have ended up with a consensus. That is where it is at the moment. Enrichment remains suspended and further conversations are taking place. I hope that it is possible to resolve this matter within the board of governors of the IAEA, but the statutes of the IAEA provide that if such matters cannot be resolved, then there can be a reference to the Security Council. As to whether that is necessary or when it would take place is a choice that we would make, and we would certainly not announce it in advance.

Q91 Mr Pope: You have said on a number of occasions that it is inconceivable that military action would be taken against Iran, and whilst I am sure that is true at the moment, it presumably really is not the case if one looks to the future. I cannot see Israel, for example, standing by and allowing Iran to develop a nuclear weapons capability; and for that matter I cannot really see the United States allowing that to happen. My point is that it is not inconceivable.

Mr Straw: Mr Pope, I speak for the British Government; I do not presume to speak for the Israeli Government; they have to make their own decisions. It was in the context of the nuclear dossier that I made those remarks. The second thing to say is that people need to chill a bit on this. Military action is not on anybody’s agenda with respect to Iran, and that has been made clear repeatedly by the American Government and clearly by Condoleezza Rice yesterday at the joint interview I did with her from Birmingham, Alabama. It is simply not on the agenda. There is always a caveat entered on behalf of the President of the United States, who is also Commander in Chief, which I understand; but it is not on the agenda of the American Government and

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it is not on our agenda or anybody's agenda on the board of governors. My judgment is that we have to work extremely hard to resolve this by diplomatic means. What I do know is that where we are united—and we have been until very recently completely united—we can get a long way. I also know that the Iranians were surprised and a little chastened by the extent to which we got, not unanimous support in the last board of governors, but very significant and substantial support, which they thought would go their way.

Q92 Mr Pope: The Committee visited Iran and went to Tehran and Isfahan about two years ago. It was quite a friendly visit, certainly in comparison to when we went to France at about the same time!

Mr Straw: I shall make sure that our Ambassador in Tehran tells the Iranian Government that.

Q93 Mr Pope: I know that you have invested quite a lot of time and effort personally in the UK relationship with Iran, but I just think that over the last two years things have deteriorated somewhat. There was the case of the British soldiers who were kidnapped in the Shatt al-Arab waterway. Mr Mackinlay has pointed out that there is compelling evidence that Iranian-produced or Iranian-financed weapons have been used against UK forces south of Iraq. It seems to us that our diplomatic relationship is not as good as it was two years ago when we went there. Would you characterise it thus and, if so, what can we do about it?

Mr Straw: There has been a difficult period in the relationship between Iran and the international community; and just bear in mind that every move that the United Kingdom has made has been in concert with France and Germany, and through that E3 arrangement the rest of the European Union as well. If people say, "What is the point of EU foreign policy?" this is the point of EU foreign policy. Increasingly we have had the active support of the United States Government, backing our proposals. We are working at improving co-operation with the Russian Federation as well as other countries. Iran had elections; they were imperfect elections because of their constitutional system, but they produced a result in which President Ahmadinejad took office. It is a new government. I was present at the United Nations General Assembly when he made the speech that he did and set out his stall. It is a more difficult environment than it was two years ago; however, that is not a reason for abandoning the diplomatic route. You have to try and understand where the Iranians are coming from. Iran is a very proud nation, with a very fine past. It is also a nation which, for rather good reasons, has felt that it has been over-dominated by great power politics in turn by Russia, by the United Kingdom and by the United States; and that is part of their national consciousness, as is this very powerful sense of their own national dignity. You have to take that into account. The argument over the Non-Proliferation Treaty is complicated. The Iranians say: "Article 4 of the Non-Proliferation Treaty entitles us to the full

panoply that is necessary to generate electricity by nuclear power." On the face of it, that is correct. However, there is an obligation under Article 2 not to do anything towards developing nuclear weapons capability. The intersection of these two comes at the point of the fuel cycle, and that is why there is such anxiety about the use to which the Iranians are intending to put the fuel that they would generate. That is what we have to work on. As far as I am concerned, and I think I can speak for the French and German Governments and for Javier Solana, we are just going to keep going on this.

Q94 Mr Hamilton: Following on from what Mr Pope has just said about the possibilities of military action or otherwise against Iran, I am sure you will have heard of the Heritage Foundation, the right-wing think-tank in Washington—

Mr Straw: Are they supporting me?

Q95 Mr Hamilton: I do not think they are not supporting you. It has a great influence on President Bush's policies, and I am delighted to hear what Condoleezza Rice has said about the possibility of any kind of military action against Iran. However, as you may recall a few weeks ago, Dr Nile Gardiner, someone we met a couple of years ago in Washington, was on the Newsnight programme. He told Jeremy Paxman that it is about time we stopped using the carrot and waved the stick at Iran; in other words, we would have to do something quite radical to stop them developing nuclear weapons if they did not stop of their own accord. Are you worried by that? Do you think that his views are likely to penetrate the White House at some stage and force them into military action if Iran does not go along with the IAEA?

Mr Straw: He has his point of view. Was that the programme that I was in?

Q96 Mr Hamilton: No, it is one that I was on actually—helping you!

Mr Straw: Thank you very much. Let me just repeat the position of the American Government, which was spelt out yesterday, and before, by Secretary Rice. She said that military action was not on the agenda of the United States at this time. She went on to say words to the effect that the United States Government had been giving support for the E3 process; they have done so, and we are very grateful to the United States Government for that support. Each resolution that we have had before the board of governors has also been actively supported by the United States. That is where we are. As I say, one can endlessly speculate. I think I have made our position fairly clear. I believe that the diplomatic route is the right one. It is not just about diplomacy across a table; it is about the pressure that one can exercise through the international community on a country like Iran. It could also be exercised on us in different circumstances. It is about the power of the United Nations system that we are dealing with here.

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Q97 Mr Hamilton: In other words, you are still wholly committed to constructive engagement, which is the British Government's continuing policy in Iraq.

Mr Straw: Let me say that for all sorts of reasons sometimes it is hard going with Iran, but I happen to be committed to it, and I happen to think that it is far better than the alternative.

Q98 Ms Stuart: If none of that pressure works, surely the minimum is the end of the Non-Proliferation Treaty?

Mr Straw: It may be the end of the Non-Proliferation Treaty; it depends on the circumstances. Meanwhile, there are other challenges for the Non-Proliferation Treaty. Only three members of the United Nations have not signed up to the Non-Proliferation Treaty but they all have a nuclear weapons capability, so trying to deal with that is also something we have to factor into our approach.

Q99 Mr Mackay: Foreign Secretary, I want to bring you on to another problem state in the region, namely Syria, whose regime, quite rightly, has had the international spotlight focused on it particularly in the last few days. I would appreciate your comments on the German Prosecutor's findings. We all recall that he was doing this at the request of the Secretary General of the United Nations, which confirmed that Syria was intimately involved in the assassination of Prime Minister Hariri in Beirut back in February, and that against the backdrop that the Interior Minister Kanaan seems to have conveniently committed suicide in the last few weeks and against a backdrop of the serious allegations, which appear to be very well-founded, that a significant number of members of Saddam Hussein's regime are being harboured in Syria with no effort to bring them to justice. Finally, there is the backdrop that security advisors say to us that almost certainly the Syrian border is the most porous and the most dangerous border with Iraq, and I would appreciate your comments.

Mr Straw: The findings of the Mehlis Commission are very serious indeed. They are so serious that Secretary Rice and I have agreed that there should be a ministerial meeting of the Security Council, and we are currently fixing up a date for that very shortly, providing we can get other member countries on board for that. This report that I have in front of me requires an answer to the international community. You cannot have a member of the United Nations that has subscribed to the Charter of Human Rights, and much else besides, deciding that the way it resolves its problems is having people, at least at a pretty senior level, complicit in the murder of political opponents in a country that is regarded by every other member of the United Nations as independent; this is simply intolerable. We have to meet and decide what to do next in respect of the conclusions of the Mehlis Commission. There is also, let me say, business in respect of Resolution 1559. We are dealing with two resolutions here. Resolution 1595 was the one that established the

Mehlis Commission and Resolution 1559 was an earlier resolution that required Syria to remove its troops and its penetration of Lebanon altogether. It has made some progress on that and has certainly removed its troops, but it still has to do a very great deal more, including recognising the Lebanon as an independent member of the United Nations, and put embassies into Beirut and exchange ambassadors. These are very elementary matters, but very important matters. On the second point you raised, Mr Mackay, about penetration of the border, you are right to say that this is the most dangerous and most porous border into Iraq. The Syrians have taken some steps to improve security and co-operation across the border, but they have got to take many more. Dr Gooderham may wish to say something more about this. An associated point is that they have got to be categorical in ceasing to allow Syria to be used as a base for Hamas and Islamic Jihad. It is almost a joke in the Arab region, and regarded as such, when Syrian leaders say that Hamas and Islamic Jihad are not allowed to operate from Syria. I recently met a very well-known, senior Arab journalist, who got out his pocket book and said, "if I want to talk to leaders of Hamas or Islamic Jihad, I phone these numbers in Damascus; I am told that they have moved; I then leave a message and they phone me back within five minutes from Damascus." It is a charade but it is all part of the same problem.

Doctor Gooderham: As the Foreign Secretary said, there is some evidence that Syria has taken some steps with respect to its border with Iraq, but the sense we have is that those steps have been half-hearted, grudging and tactical in nature. What we have been looking for is a strategic decision on the part of the regime in Damascus to get to grips with the problem of the insurgents coming in and out of Iraq and Syria; and so far we have not seen that. We continue to press for it.

Q100 Mr Mackay: Foreign Secretary, that is an appropriately robust response that you have given, and I commend you for it. Does that mean that your answer on Syria is the same as the one you gave on Iran, when a colleague a few moments ago asked if we would take part in any invasion—that we would take part in any invasion of Syria or taking out certain key people from Syria? You were very specific about Iran and said that there were no plans, that it was not on the agenda; that we should cool it, calm it. Is that what you mean for Syria?

Mr Straw: As I said, we are at the moment in discussion with the Americans and other partners and drafting a response that will go before the Security Council. Let us take these things one step at a time.

Q101 Mr Mackay: That is a very interesting answer. The last question, which perhaps you can answer slightly more fully than that, is this. Your relationship with your opposite number in Damascus must be—

Mr Straw: Dr Farouk al-Shara?

Q102 Mr Mackay: They must be very ragged now in the light of this report. Is it worthwhile keeping up diplomatic relations at the moment with Syria?

Mr Straw: As it happens, I have not seen Dr Farouk al-Shara since I saw him at the conference earlier in the year in Sharm e-Sheikh. My judgment is that it is worth keeping up diplomatic relations with Syria, and I would certainly not wish them to be brought to an end unilaterally. We keep up diplomatic relations with a great many countries, for example Burma—although I am not comparing them directly—but we do so because we think it is worthwhile—and with Zimbabwe.

Q103 Mr Purchase: The answer that Mr Mackay described as interesting was also unconvincing. People will be extremely concerned, following President Bush's remarks in regard to his view of Syria. We do need some assurance that it is not the intention of the British Government to be led by the nose into an attack on Syria. We have been there before, and many people would be very unhappy if they thought we were going there again.

Mr Straw: Let me assure you, the issue—we are talking about diplomatic decisions being made within the United Nations system. There has been no discussion that I have taken part in with the United States about military action in respect of Syria—none whatever. I do not think it is on their agenda either; let us be clear about that.

Q104 Mr Purchase: The President seemed to put it on the agenda.

Mr Straw: Well, I provided the reassurance that Mr Mackay sought. Iraq was Iraq, and we supported—I know you did not, but the British Parliament supported the judgments that we made as a government in respect of Iraq. We did it in a very open way. We had three debates running from September 2002 to March 2003, with votes; and it could not have been done in a more open way. Again, we made our judgment, and we happen to think it was the right one. People can discuss, as it were, the counterfactuals, and if we had not supported the United States I think the situation would have been altogether worse. That is where we are. On these other issues we are working very carefully and well with the United States Government. Judge them by the decisions they have made. With respect to Iran, judge the United States by the fact that it has given us increasing support for the E3 EU process notwithstanding the fact, as I was agreeing with Mr Pope, that the environment has become more difficult not less difficult. In respect of Syria we have a problem. It is a problem for the international community. Resolution 1559 was co-sponsored originally by France and the United States, with us coming in behind. France has been as much in the lead on this as has the United States. I have just come from a commemoration service at St Paul's Cathedral to commemorate the 60th anniversary of the foundation of the United Nations. What we all know about the United

Nations is that where it works together it is a force for good, without the necessity for military action. In respect of Iraq, if we had ever been able to get that second resolution with an ultimatum, the chances are that we would not have had to go to war, as a matter of fact; but there we are! You do not have to have these on the agenda particularly where you have good, strong backing in the international community.

Q105 Sandra Osborne: I would like to ask you about the issue of extraordinary rendition. In response to this Committee's report of last year on the war against terrorism, the government said that it was not aware of the use of its territory or air space for the purposes of extraordinary rendition. However, it appears that there is a growing body of evidence to suggest that the UK air space is indeed being utilised for this purpose, albeit mainly in the media. Some of the suggestions seem to be extremely detailed. For example, the *Guardian* has reported that aircraft involved in operations have flown into the UK at least 210 times since 9/11, an average of one flight a week. It appears that the favourite destination is Prestwick Airport, which is next to my constituency, as it happens. Can you comment on that? What role is the UK playing in extraordinary rendition?

Mr Straw: The position in respect of extraordinary rendition was set out in the letter that the head of our parliamentary team wrote to Mr Priestley, your Clerk, on 11 March; and the position has not changed. We are not aware of the use of our territory or air space for the purpose of extraordinary rendition. We have not received any requests or granted any permissions for use of UK territory or air space for such purposes. It is perfectly possible that there have been two hundred movements of United States aircraft in and out of the United Kingdom and I would have thought it was many more; but that is because we have a number of US air force bases here, which, under the Visiting Forces Act and other arrangements they are entitled to use under certain conditions. I do not see for a second how the conclusion could be drawn from the fact that there have been some scores of movements of US military aircraft—well, so what—that that therefore means they have been used for rendition. That is a very long chain!

Q106 Sandra Osborne: The UN Commission on Human Rights has started an inquiry into the British Government's role in this. Is the Government co-operating fully with that inquiry? Why would they start an inquiry if there were no reason to believe that this was actually happening?

Mr Straw: People start inquiries for all sorts of reasons. I assume we are co-operating with it. I am not aware of any requests, but we always co-operate with such requests.

Q107 Mr Keetch: They are not flying under US military flags; these are Gulfstream aircraft used by the CIA. They have a 26-strong fleet of Gulfstream aircraft that are used for this purpose. These aircraft are not coming into British spaces; they are coming

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into airports. Some are into bases like Northolt, and some into bases like Prestwick. Whilst it is always good to have the head of your parliamentary staff respond to our Clerk, Mr Priestley, could you give us an assurance that you will investigate these specific flights; and, if it is the case that these flights are being used for the process of extraordinary rendition, which is contrary to international law and indeed contrary to the stated policy of Her Majesty's Government, would you attempt to see if they should stop?

Mr Straw: I would like to see what it is that is being talked about here. I am very happy to endorse, as you would expect, and I did endorse, the letter sent by our parliamentary team to your Clerk on 11 March. I am happy, for the avoidance of any doubt, to say that I specifically endorse its contents. If there is evidence, we will look at it, but a suggestion in a newspaper that there have been flights by unspecified foreign aircraft in and out of the United Kingdom cannot possibly add up to evidence that our air space or our facilities have been used for the purpose of unlawful rendition. It just does not.

Q108 Mr Keetch: I accept that, but if there were evidence of that, you would join with us, presumably, in condemning—

Mr Straw: I am not going to pre-judge an inquiry. If there were evidence, we would look at it. So far there we have not seen any evidence.

Q109 Richard Younger-Ross: Our former Ambassador to Uzbekistan, Craig Murray, has stated in a document to us: "I can confirm it is a positive policy decision by the US and UK to use Uzbek torture material." He states that the evidence is that the aircraft that my colleague referred to earlier, the Gulfstreams, are taking detainees back to Uzbekistan who are then being tortured. Is that not some indication that these detainees are being transferred through the UK?

Mr Straw: It is Mr Murray's opinion. Mr Murray, as you may know, stood in my constituency. He got fewer votes than the British National Party, and notwithstanding the fact that he assured the widest possible audience within the constituency to his views about use of torture. I set out the British Government's position on this issue on a number of occasions, including in evidence both here and to the Intelligence and Security Committee. I wrote a pretty detailed letter to a constituent of mine back in June, setting out our position. As I said there, there are no circumstances in which British officials use torture, nor any question of the British Government seeking to justify the use of torture. Again, the British Government, including the terrorist and security agencies, has never used torture for any purpose including for information, nor would we instigate or connive with others in doing so. People have to make their own judgment whether they think I am being accurate or not.

Q110 Mr Illsley: Foreign Secretary, the letter which you supplied to the Committee in March which gave the conclusion that the British Government is not

aware of the use of its territory or air space for the purpose of extraordinary rendition was taken at face value by most members of the Committee at that time, before the election. We took that to mean that we were not aware of any extraordinary rendition, and that it was not happening. The press reports were therefore something of a surprise. Would our Government be contacted by any country using our airspace, taking suspects to other countries? Would we be asked for permission or would there be any circumstances where we would be contacted; or is it the case that it could well be happening but that our Government is not aware of it simply because we have not been informed, or our permission is not necessary?

Mr Straw: Mr Illsley, on the precise circumstances in which foreign governments apply for permission to use British air space, I have to write to you, because it is important that I make that accurate.² What Mr Stanton on my behalf said in the letter is exactly the same: why would I, for a second, knowingly provide this Committee with false information, if I had had information about rendition? We do not practise rendition, full-stop. I ought to say that whether rendition is contrary to international law depends on the particular circumstances of the case; it depends on each case, but we do not practise it. I would have to come back to you on that question.

Chairman: We will expect a letter. Thank you very much. John Horam, Afghanistan.

Q111 Mr Horam: Foreign Secretary, there are worrying signs of deterioration there, are there not?

Mr Straw: Well, the situation—

Q112 Mr Horam: Did you say there are not?

Mr Straw: I am sorry, I am not quite sure what signs you are referring to.

Q113 Mr Horam: The strengthening of the Taliban and al Qaeda and the evidence that the sort of methods used in Iraq are now being used in Afghanistan.

Mr Straw: There has been a terrorist problem in Afghanistan from the time that the Taliban were, in the main, defeated. When I visited Kandahar in the summer of 2003 there had been a bomb in a mosque the day before, and some people had been killed and a large number of people had been injured. Indeed, I saw many people who had been severely injured laid out in a field hospital in what had been the departures lounge of Kandahar International Airport—so this had been going on for some time. The better news, Mr Horam, is that there has been the presidential election. We have now had the parliamentary and provincial elections, with the final results expected by the end of this month. The first session of the parliament will be on 19 December, and that will mark the culmination of the political tract of the Bonn process. If you think about where Afghanistan was four years ago, this is a dramatic improvement. Nobody would then argue—

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Q114 Mr Horam: I accept entirely that point, but equally the evidence we have to set against that is that there are clear signs that the Taliban and al Qaeda are reviving, certainly in some provinces. Is that right?

Mr Straw: I do not have the precise figures about Taliban activity. It is certainly the case that they are not completely defeated, and there remains quite a serious challenge. That is something we need to deal with, along with our American colleagues and those—as you know there are two operations; there is ISAF and there is also Operation Enduring Freedom, which is based on Kandahar.

Q115 Mr Horam: Presumably, the Nato Secretary General, Jaap de Hoop Scheffer's argument that they must increase the amount of military capability there from 10,000 to 15,000 is presumably working on the assumption that unless it does that, the situation will get worse.

Mr Straw: There is the issue of terrorism and there is also the issue of ensuring that the writ of the elected government runs.

Q116 Mr Horam: They are linked, are they not?

Mr Straw: They are in some areas and they are not in other areas.

Q117 Mr Horam: They are linked in the problem areas.

Mr Straw: In ensuring that there is effective order. As you will know, Mr Horam, we are proposing to do two things: we propose to put the ARRC in from May 2006, and then to increase our total forces quite substantially.

Q118 Mr Horam: Have you got a figure for that?

Mr Straw: There is a figure but I am not certain whether I am at liberty to issue it, because it is a matter for my colleague John Reid. I am told sotto voce that an announcement will be given later this week.

Q119 Mr Horam: Are we going to have to make a bigger effort to further improve the situation in Afghanistan?

Mr Straw: Yes.

Q120 Mr Horam: Are we going to make a big effort?

Mr Straw: This is now becoming almost a cliché, but whilst in Iraq their fear is of occupation; in Afghanistan the fear is of abandonment. In Iraq—

Q121 Mr Horam: How would you feel that the situation in Afghanistan has suffered as a result of their abandonment by the attention being drawn to Iraq?

Mr Straw: No, I do not think that.

Q122 Mr Horam: You just said it was, that—

Mr Straw: I said that the Iraqis fear occupation. I am dealing with differences in the political and psychological make-up of the Iraqis as opposed to the Afghans. Whilst the Iraqis fear occupation, as I say—they wish that our troops to leave as quickly as

possible once the security situation is better; in Afghanistan they fear abandonment because they saw what abandonment—

Q123 Mr Horam: But they fear abandonment because we have abandoned them to some extent.

Mr Straw: No, it is to do much more with what happened over a thirty-year period, when in fact the international community did abandon them in the mid seventies, and then in turns they were left to the devices of the Soviet bloc and then there was, as it were, this interim strategy of funding Mujahadeen, which then morphed into the Taleban; so it was not altogether satisfactory. I am simply making the point that this is a long-term commitment by the international community and by the UK, both in terms of money and in terms of our military presence; and there is going to be this announcement.

Q124 Mr Horam: What do you think is the biggest problem in Afghanistan now?

Mr Straw: Well, there are a number of linked problems. There is the problem of terrorism, of drugs, of corruption and of poor governance.

Q125 Mr Horam: They are pretty big problems.

Mr Straw: Of course they are big problems, but if you go to where the country started four years ago, these are problems that can be overcome. Significantly, the Afghans are embracing the idea of democracy, just as they are in Iraq.

Q126 Mr Horam: But my point is, can you make the kind of big or significant increase in effort there to deal with the problems you have just outlined in Afghanistan, while at the same time being committed to a situation in Iraq, which is as difficult as it is?

Mr Straw: Yes, and if you are asking me about troop numbers, obviously if you want detailed information you need to ask the Defence Minister. Although our commitment in Iraq remains substantial, our troop numbers are now well below 10,000; and bear in mind that at the height of the war there were 46,000 troops in theatre. The judgment of John Reid and of the Chief of Defence Staff is that the increase in troop numbers that will be announced for Afghanistan later this week is one that can be sustained—and that is their judgment not mine!

Q127 Mr Maples: I wonder whether we could move to some other parts of the Middle East, particularly Saudi Arabia and Egypt. One of the things that this Committee has been interested in, and so has the Government, is the process of what one might broadly call Arab reform, reforming Arab countries, both in terms of their economy and in terms of development of government, human rights and governance. If we take those two specific countries—I know that there are others but Saudi Arabia and Egypt seem to me to be the most important—do you think we are seeing real progress? There may be different answers to the two questions, but are we

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seeing real progress, both in terms of economic and political reform? I do not mind how slow it is, but do you think things are happening?

Mr Straw: I think there is progress being made. Egypt, as you will be aware, has begun multi-party elections. It has been slow process.

Doctor Gooderham: In respect of Egypt, we have already had the presidential elections, and the country is now gearing up for the parliamentary elections, which will take place in three stages, three periods. I would agree with you: it is a significant development, what we saw both in the presidential elections and what we are now expecting to see in the parliamentary elections. There is clearly a development towards more democratisation in Egypt. Saudi Arabia of course is further behind, but it has now held municipal elections, and the government there does appear to be committed to what I think is fair to describe as an evolutionary approach to further democratisation in that country. I suspect that it will be fairly slow, but I think that the new King, King Abdullah, has gone on the record to say that they want to move this forward.

Q128 Mr Maples: One of the things we have discussed before on this subject is the view that I take, and which I think a lot of others share, that there are some pretty fundamental things that have to be in place before democracy is going to work, for example the rule of law, a relatively incorrupt government, a private sector with a growing middle class, if one wants to put it like that. Are we seeing evidence of developments in good governance, lack of corruption, objectivity and the rule of law? Those seem to me in some ways to be more important than the actual elections, at least in this stage of the process.

Doctor Gooderham: I think we are seeing patchy progress. We have to be realistic. Obviously, we would like to see more progress more quickly, but I think you can point to some countries where the processes are improving all the time. To refer back to what the Foreign Secretary said earlier, the fund that we have available in the FCO, the Engagement with the Islamic World Fund, and the £10 million that the Foreign Secretary referred to—we are using a lot of that money for precisely projects designed to bolster rule of law, the participation of women in the political and democratic processes in various countries in the region; so we are doing what we can.

Q129 Mr Maples: I am sure we are doing a lot, but do you think there is a recognition on the part of the governments of Saudi Arabia and Egypt—and again there may be different answers on both—of the need to move down this track? If they want to become part of the mainstream world and become prosperous with growing economies do they recognise that these are essential ingredients; or do you think that that is not really how they see it, and that they think, “oh, gosh, I suppose we had better do something because the British and the Americans are pestering us about it”?

Doctor Gooderham: No, I think that there are signs, particularly in Egypt, where President Mubarak has said repeatedly that this is the direction he wants to take Egypt in; but they will have to go at their own pace, and that is reasonable. They need to gauge how much progress they can make at each stage. Obviously, we have been doing what we can to encourage the process of democratisation. We are not alone; there is a G8 process that is active; but we are very careful to put that in the context of encouragement rather than trying to impose or direct, because that would clearly be counterproductive.

Q130 Mr Maples: Do you think that in terms of economic development the governments of countries like Egypt and Saudi Arabia look around the world and ask, “How is it that Malaysia, South Korea, China and India can start making this phenomenal economic progress, and we make none; if we did not have oil we would be bust”?

Mr Straw: I think they do. That was the central theme of the report of the Arab intellectuals a couple of years, the seminal report by the United Nations Development Programme.

Q131 Mr Maples: The Development Programme recognised that, but did the governments—

Mr Straw: They are increasingly recognising this. The figures are startling. For example, Hewlett Packard obtains more patents every two weeks than have been issued in respect of Arab countries over a 20-year period. The intellectual impoverishment of this region is terrible, and increasingly Arab leaders are recognising that. I read a book over the summer, *The World is Flat*, by Tom Friedman, which spells out as a very useful synopsis of the challenge affecting the Arab region. Mr Maples is absolutely right to say that the countries in the Arab world were at least on a level with Malaysia, China and South Korea, if not doing rather better than them fifty years ago in terms of overall living standards. They are now way behind, and it is a really serious issue for them. However, there are signs of improvement. There was the joint conference on Saudi reform, which I chaired with His Royal Highness Prince Saud Al-Faisal in February. If you had said to me even a year ago that there was going to be this kind of joint conference, one would have been very sceptical; but it indicates an increasing commitment by the Kingdom of Saudi Arabia to its reform programme—that is a similar but different commitment by the government of Egypt. Chairman, can I crave the indulgence of the Committee? I had understood this session would last an hour or an hour and a half, and I think others thought it would last two hours; and if it would finish in seven or eight minutes, that is closer to two hours than an hour and a half.

Q132 Chairman: I think we will do that. We will see if we can get there. Can I ask about the Israeli/Palestinian conflict. You talked about impoverishment of people and lack of political progress. What is your assessment of the impact of

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the Israeli withdrawal from Gaza on the possibilities of political process going further; and do you think that will have any impact on terrorism in the region?

Mr Straw: We welcomed, and I welcomed, the Israeli withdrawal from Gaza. If your aim is a separate state for Palestine, you have to start somewhere, and you have to start, in my judgment, with the Israeli withdrawal from Gaza. It is therefore a necessary—I am not saying sufficient—precondition for the establishment of that state. It is also a test for the Palestinian authority whether it has the capacity and the will to build up what would be an embryonic mini state. A great deal of effort is going in to support them in terms of security reform, and, through Jim Wolfensohn, a process of reconstruction; so it is a good step rather than the reverse. On the issue of terrorism, the quicker the Israeli/Palestinian conflict is resolved by political processes the quicker we can see an end to the terrorism that has so shattered lives on both sides of the green line.

Q133 Chairman: Do you see a role for either the UK, the EU or some other international body in facilitating the ongoing process?

Mr Straw: Are you talking about security forces?

Q134 Chairman: Either as security forces or facilitating the negotiation process, given that the Israelis seem to be saying that there are not going to be any more dramatic unilateral steps, and that the Palestinians have got the election, and the Israelis have got a political power struggle within Likud. Can we and others internationally do something now to keep the process going?

Mr Straw: We are doing, but I think it is important that we should not reinvent these structures. We have got the Quartet arrangement now and it is working. There was a good meeting in late September in New York, which I attended, and we just need to keep that going. There was a very, very positive commitment all round the table, from the UN, from the Russian Federation from the US and the EU to this process and to the conclusions we came up with. In terms of whether there is a contribution that we can make, there are many contributions that we can make, and we are making them in many respects, including continuing support and advice to the Palestinian authority for security sector reform. We would also be willing to consider any requests that came in for other assistance.

Q135 Mr Hamilton: Foreign Secretary, there is no doubt that the security barrier or wall, whatever you would call it, has helped the Israelis keep out some atrocities that might have happened had they not had it. The big problem is where it goes. We have had the Israeli High Court making judgments that the route of the wall, or plan for the wall, or barrier, has been entirely wrong, cutting off Palestinians from their own farmland. What can we do to ensure that if they continue to build this barrier they do not further create resentment amongst Palestinians and exacerbate some of the terrorist acts that are taking place?

Mr Straw: If they did indeed build the wall away from the green line—

Q136 Mr Hamilton: I am thinking about the way they are encircling East Jerusalem, for example.

Mr Straw: Indeed. This will exacerbate tensions. However, there is a prior question here, which is the building of settlements, because the wall is not being routed in the abstract, it is being routed around settlements; and the great concern of us and of many others is the creation by the Israelis of facts on the ground. It is for that and for many other reasons that we feel so strongly against any further development in the E1 sector, which would lead to the complete encirclement of East Jerusalem. Even so, on current plans, access between East Jerusalem and Ramallah and the south will become more difficult, which is certainly of very great concern. What do we do? We keep up the pressure and keep talking to international partners, particularly the Americans, as I have done pretty continuously, and to the Israelis.

Chairman: Andrew Mackinlay has indicated that he wants to come in. Can you be extremely brief?

Q137 Andrew Mackinlay: I can, but this problem of timing has happened before—but I will move straight to my point. In the Former Soviet Union there are decaying lighthouses for example around the coast where there is material that can be taken by people who want to develop—

Mr Straw: Like light bulbs?

Q138 Andrew Mackinlay: No, and I am surprised you are quite flippant about that because there is material which could go into dirty bombs and there is clearly evidence about that. I am surprised you take that view, Foreign Secretary because—I am responding. There have also been reports that the market place for that is in the “Stans”. Certainly there was quite a detailed and authoritative piece on the BBC PM Programme by Rob Broomby about this. It relates to what this Committee has drawn attention to in the past about the access to these materials throughout the Former Soviet Union—by way of example, lighthouses in remote places, which are looted—and also the fact that we are concerned about the “Stans” and we have not got representation for instance in Kyrgyzstan, where there is also the problem of Islamic refugees from Uzbekistan. In a sense, because we are under time constraints there are some related things here. One is the decay and access of stuff around the Former Soviet Union; second is the market place and the “Stans”, and third is the absence of our representation in this very fragile country of Kyrgyzstan, which has this issue and the issue of the refugees from Uzbekistan.

Mr Straw: Please put aside my flippant remark about light bulbs. We have done a great deal since the break-up of the Soviet Union to support the safe custody process, and so has the American Government. The programme has a name, which I have forgotten. We allocated a lot of money to this.

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I am not aware of—I do not recall seeing anything recently in which serious concerns were being raised about the security of nuclear arsenals in this—

Q139 Andrew Mackinlay: Foreign Secretary, I am surprised because you know how—

Mr Straw: We can write to you.³

Q140 Andrew Mackinlay: There are sometimes authoritative articles in newspapers. Unusually, there was quite an authoritative item on a radio programme, which specifically dealt with the issues of the materials to which I have referred, the sources of them; and it specifically said about Kyrgyzstan, where we have not got representation.

Mr Straw: We will write to you, and you can also have a note about representation in Kyrgyzstan. We are accredited there.

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Andrew Mackinlay: Yes, in Almaty, which is—

Q141 Chairman: I apologise if there was confusion. We were definitely expecting a two-hour session, concluding with a seven o'clock vote; but, clearly, somehow or other wires got crossed. I am grateful for you coming along and enduring nearly two hours. We look forward to seeing you again in a few weeks' time when you come and talk about the European Union Presidency. To give you notice, I will be writing on behalf of the Committee concerning the report we produced on Cyprus and the response we received from your Clerk because we want to pursue that issue further at some point. We will not ask questions now.

Mr Straw: I have let you have a detailed response to that.

Chairman: Can I thank you and your colleagues, Dr Gooderham and Mr Richmond, for coming along.

Supplementary evidence submitted by the Secretary of State for Foreign & Commonwealth Affairs

I agreed to provide a detailed response to three questions raised by the Committee during my appearance before it on 24 October 2005 as follows;

- the security situation in Basra (Younger-Ross, q 78)
- extraordinary rendition (Illsey, q 110)
- controls of radiological material in the Former Soviet Union (Mackinlay, q 137 and 138)

My responses to these questions are set out below.

SECURITY SITUATION IN BASRA

Q78 Richard Younger-Ross: *Pursuing the point on Basra, I had the privilege to visit there just after the fighting finished and saw what an excellent task our Forces were doing. I have to say that they were clearly not fully prepared for the task in front of them, because the Government had clearly not thought about the fact that it needed extra DfID help and advisors in relation to police and other areas. However, the Forces did a magnificent job in dealing with the local tribal issues and working with the local community. There has clearly been a deterioration in the relationships between our Forces there and the local authorities. What is being done to build those bridges?*

During my visit to Basra, on 11 November, I was able to meet the Deputy Governor and to see first hand that relations with the local authorities have improved since the events of 19 September. The joint UK/Iraq statement of 11 October, expressing regret that the incident took place and for the casualties on both sides and damage to public facilities, forms part of the wider efforts to restore good working relations with the Iraqi authorities in Basra.

Present at my meetings in order to continue support for the Iraqi political process in Basra—were senior members of Basra Provincial Council, and a cross-section of local civil society (including Shi'i and Sunni tribal leaders). All my interlocutors emphasised the need for greater consultation with the UK presence in Basra. During my visit, I called on the Basra Provincial Council to condemn those groups mounting attacks on MND(SE) and to ensure local security forces took effective action against them. This will help remove the major obstacle to an acceleration of reconstruction and the strengthening of co-operation.

In Southern Iraq more widely the Department for International Development (DfID) has committed £131 million for infrastructure rehabilitation, of which £53 million has been spent on employment creation and improving local administration, along with a £40 million project for improved power and water supplies in southern Iraq. The power and water project will also help central government design an effective long-term infrastructure strategy. A Governance Development Fund provides project funding for work enabling Iraqi capacity building to take place. We also co-chair, with the United Nations, the Southern Iraq Donor Group, which aims to bring all the major civilian and military agencies together to better co-ordinate and deliver our response to reconstruction and development in Southern Iraq.

Our staff—at the British Consulate General in Basra—have been hard at work ensuring greater Council involvement in reconstruction projects, security issues, and assistance for education and culture in Basra. We are, therefore, now currently on much better terms with the Governor and Council, and co-operation in all areas is proceeding as well as expected given the continuing fragile security situation. Our Consul General, James Tansley, now addresses weekly meetings of the Council and regularly discusses security issues with the Governor. We aim to continue this engagement to ensure that the legacy of our presence in Basra will create further renewal of the region.

EXTRAORDINARY RENDITION

Q110 Mr Illsey: *Foreign Secretary, the letter which you supplied to the Committee in March which gave the conclusion that the British Government is not aware of the use of its territory or air space for the purpose of extraordinary rendition was taken at face value by most members of the Committee at that time, before the election. We took that to mean that we were not aware of any extraordinary rendition, and that it was not happening. The press reports were therefore something of a surprise. Would our Government be contacted by any country using our airspace, taking suspects to other countries? Would we be asked for permission or would there be any circumstances where we would be contacted; or is it the case that it could well be happening but that our Government is not aware of it simply because we have not been informed, or our permission is not necessary?*

Official permission (ie Diplomatic clearance) is not needed for non-scheduled, non-commercial civil aircraft, including VIP flights over-flying or landing at civilian airports in the UK. In such cases the flight operator simply files the aircraft flight plan to the central Integrated Flight Plans Systems (IFPS).

In the case of military or State aircraft landing at military airfields, clearance is sought from the MoD. Certain countries have a block clearance on a yearly renewable basis in a quid pro quo agreement (US, Germany, Italy and many others). Otherwise all nations must formally request permission to land or transit. However, neither international nor national aviation regulations require the provision of passenger information when transiting UK territory or airspace.

CONTROLS OF RADIOLOGICAL MATERIAL IN THE FORMER SOVIET UNION

Q137 Andrew Mackinlay: *I can, but this problem of timing has happened before—but I will move straight to my point. In the Former Soviet Union there are decaying lighthouses for example around the coast where there is material that can be taken by people . . . which could go into dirty bombs . . . There have also been reports that the market place for that is in the “Stans”. Certainly there was quite a detailed and authoritative piece on the BBC PM Programme by Rob Broomby about this. It relates to what this Committee has drawn attention to in the past about the access to these materials throughout the Former Soviet Union—by way of example, lighthouses in remote places, which are looted—and also the fact that we are concerned about the “Stans” and we have not got representations for instance in Kyrgyzstan, where there is also the problem of Islamic refugees from Uzbekistan. In a sense, because we are under time constraints there are some related things here. One is the decay and access of stuff around the Former Soviet Union; second is the market place and the “Stans”, and third is the absence of our representation in this very fragile country of Kyrgyzstan, which has this issue and the issue of the refugees from Uzbekistan.*

The Global Partnership against the spread of weapons and materials of mass destruction was inaugurated at the G8 Kananaskis Summit in 2002. Under the Global Partnership, G8 leaders pledged to provide up to \$20 billion over ten years to projects, initially in Russia, to support non-proliferation, disarmament, counter-terrorism and nuclear safety. The UK has agreed to contribute up to \$750 million over 10 years, with 80% of the current £36.5 million annual budget being spent on projects in the Russian Federation.

Practical progress has been made in implementing commitments under the Global Partnership, including the physical protection of nuclear materials and facilities. The G8 Gleneagles Statement and the Sea Island G8 Action Plan on Non-Proliferation, highlighted the importance of addressing the security of nuclear materials, equipment and technology as well as radioactive sources. A number of countries have now established programmes with Russia and Ukraine to upgrade the physical protection of and account for nuclear materials. These include the US, UK, Germany, Canada, Norway, Sweden and the EU.

One aspect of this work has been securing radiological sources such as those you mentioned. Several donors to the Global Partnership, including the US, Norway, Denmark, the Nordic Environmental Finance Corporation (NEFCO), Germany, Canada and France are supporting dismantling, storing and replacing some 700 highly radioactive Radioisotope Thermoelectric Generators (RTGs) which have been used to power Russian lighthouses. A Russian “RTG Master Plan” is being developed and efforts are under way to increase co-ordination among participating countries.

Rt Hon Jack Straw MP,
Secretary of State for Foreign and Commonwealth Affairs

22 November 2005

Wednesday 2 November 2005

Members present:

Mike Gapes, in the Chair

Mr John Horam
Mr Eric Illsley
Mr Paul Keetch
Mr Andrew Mackay
Andrew Mackinlay
Mr John Maples

Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart

Witness: Mr Frank Gardner, OBE, Security Correspondent, BBC, examined.

Q142 Chairman: Good afternoon. Welcome to this session of the Select Committee. We are delighted, Mr Gardner, that you have been able to join us today to give us your expertise and knowledge. Can I begin by asking you a general question because you have been closely following the issue of terrorism for some time. We had evidence given to this Committee a few weeks ago from Professor Paul Wilkinson and Mr Peter Taylor about changes in the nature of the terrorist threat that we confront. I would be interested to know your perspective on the current position with regard to developments and changes over recent years, since 9/11, and the kind of threats that we face.

Mr Gardner: How many days have you got? It is a very valid question. The major change of course to the al Qaeda threat came in the wake of 9/11. Osama bin Laden and his followers knew that there would be retribution for 9/11 even if it was not able to be pinned on them, so their logistical basis became scattered, and it became a much harder target for counter-terrorism forces to engage. The threat, as I see it, to western Europe and Western interests internationally is just as real as it was three years ago. I remember being accused by some commentator in a newspaper of being the BBC's "insecurity" correspondent because I said, "The threat is real and this is not just governments trying to stir up support; it had nothing to do with Iraq; the threat has been there for a very long time." I am going to stick my neck out here and say that certainly for the foreseeable future the threat of terrorism to the West has been raised dramatically by events in Iraq. That is my personal view, not necessarily a BBC view. You have just got to look at the statistics. I think that a mistake which our friends across the water in Washington make is to think of terrorism or the al Qaeda phenomenon as a supply-driven phenomenon: it is not; it is demand-driven. The idea that, "oh, it is great to have a conflict in Iraq because you draw out all the bad forces, and we can then engage them and eliminate them there", which is how I have heard one American official putting it, is absolute nonsense. Iraq has breathed new life into the al Qaeda phenomenon. The old al Qaeda is no longer; it is very much scattered and diffused. They are hiding out in Pakistan and Afghanistan, and there is not much left of the original network. However the idea that Bin Laden and Zawahiri generated that wake-up call to

Muslims, saying, "you have got to wake up and defend your lands, our lands, from invasion" is an idea that is very much alive and kicking, and has been regenerated by what has happened in Iraq.

Q143 Chairman: How strong is al Qaeda and its associated network in Saudi Arabia, and how reliable is Saudi Arabia as a partner for us in combating it?

Mr Gardner: The al Qaeda phenomenon in Saudi Arabia is relatively new. It only put its head above the parapet, as it were, in May 2003, when they carried out a triple suicide bombing on Western housing compounds in Riyadh. It took them several months to plan that. The organisation that did it calls itself the al Qaeda organisation in the Arabian Peninsula. It is relatively small. They have very grand ideas. They have an online magazine, *Al-Batar*, where they have issued advice and instructions to their followers on how to ambush princes and kidnap people. They are a small but extremely bloodthirsty organisation. They are heavily depleted; they have taken huge losses in the last couple of years, particularly in the last 10 months. Their leadership is very fragmented. A lot of the main leaders have been killed in the last two years; for the record, men like Abdul Aziz al-Muqrin, Salah Al-Oufi, Yousef Al-Ayeeri and Turki Nasser Al-Dandani. All these men have been killed in the last two years, so a lot of the brains at the top of this organisation are no longer there. However, there are still recruits coming into it. To a limited degree there is a kind of wellspring of anger, be it directed against the Americans because of what is going on in Iraq, or be it directed against the Al-Saud in some cases. The numbers are hard to put a figure on. There is no shortage of weapons. In Saudi Arabia it is very easy for insurgents to get hold of weapons across the border from Yemen, or from Iraq. But the Saudi authorities have had great success in trying to combat this. They have run a very effective hearts-and-minds operation, as well as physically combating terrorism through building up their counter-terrorist forces. How reliable a partner is Saudi Arabia? At the moment it is reliable. The co-operation between Saudi Arabia, Britain and the US is intense in the CT field in Saudi Arabia. It has not always been that way, and remember that this is often quite difficult for the Saudis to manage because there will be people at middle and low level who

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cannot stand the Americans and who do not think that we are much better because we are, in their eyes, crusading, occupying forces, who have gone in to try and re-colonise Iraq. That can potentially lead to divided loyalties. So far, to my knowledge, there have not been any cases of anybody infiltrating high up on the inside of the security forces and betraying people.

Q144 Sir John Stanley: Mr Gardner, would we be right to conclude from what you have said that the government's counter-terrorist forces are winning against terrorism in Saudi Arabia; or would that be a misconstruction of what you said?

Mr Gardner: I think that would be accurate. There will be more attacks. Everybody I have spoken to—and I have followed this subject professionally anyhow because I am still the BBC's security correspondent, but also from personal interest—and the inquest into the attack on us is still going on and will draw to a conclusion fairly shortly, so I have followed this fairly closely—thinks that there will be more attacks. However, the ability of al Qaeda's adherents in Saudi Arabia to launch big spectacular raids, such as they did in Al Khobar in June last year, is probably limited. Remember that even though they were able to strike in Eastern Province, where the oil facilities are concentrated, they have not so far dealt any kind of a blow to the oil industry *per se*. They have also failed to assassinate any members of the Al Saud ruling family. They will probably have a go. Amidst all of this good news—you are probably going to ask me about this, but I should say straight away that there is a very ominous dark cloud on the horizon, and that is what the CIA refer to as “bleed-back”, the return of militants who have gone to fight in Iraq who have come back to Saudi Arabia; and there is an organisation for this, a pipeline to bring them back. The latest estimate I saw for the number of Saudi Mujahideen, as they call themselves, who have gone to fight the coalition and the Iraqi Government in Iraq, is about 350. I suspect that that is probably an underestimate and that the numbers are probably bigger than that. Obviously, some of these people do not come back. They think they are going to Paradise, and blow themselves up. However, there are those who are coming back, and there are indications that a recent shoot-out in Dammam in Eastern Province involved some Saudi militants who had come back from Iraq. Remember that these are people who are going to come back utterly brutalised, with all sense of humanity, as we would know it, dissipated. These are people who have watched beheadings first-hand, and possibly have even done them themselves. The normal restraints of human behaviour and decency that you get in the vast majority of Saudi society—and I want to put in a plug for Saudi Arabia because it gets a bad press, but most Saudis are very decent, honest, kind and charitable people, and they are not by nature violent people. We are only talking here about a tiny minority, but they are a dangerous minority, and they are starting to filter back. It is something that the Saudi, British and American Governments are very concerned about.

Q145 Sir John Stanley: Would you say that the political objective of the terrorists in Saudi Arabia is still to remove the ruling family, and does that objective any longer have any credibility in their organisation, given the lack of success so far, as they would see it?

Mr Gardner: They have a number of objectives. They seem to slightly move the goalposts. Originally, when Osama bin Laden was setting up in Afghanistan, his big beef was with the presence of US uniformed forces in Saudi Arabia, in the Land of the Two Holy Mosques. He objected to the presence of 5,000 US Airforce men and women at Prince Sultan Air Base; and they were there from 1990 right the way through to late 2003. They have gone, so that particular aim is no longer there. There are those who support al Qaeda in Saudi Arabia, who consider that their entire peninsula needs to be cleansed of non-believers, of “Kuffar”, as they call them. I think that that was certainly the aim of the people who attacked us. Here was a chance to have a pop at some Westerners, scare others into leaving the country, and embarrass the Saudi Government. Ultimately they want to turn the Saudi Kingdom into something that is much more approaching a theocratic Islamist state. They do want to get rid of the Al Sauds. They have different reasons for this. In some cases, it is economic frustration; in some cases it is political frustration. As Prince Turki once joked, “We have a very democratic system in Saudi Arabia; all political parties are banned; we treat them equally.” That is still the case, although as Dr Mai Yamani will tell you afterwards, there are signs of movement on the political and democratisation front.

Q146 Sir John Stanley: Would you say that the nexus, such as it exists, between al Qaeda-leaning terrorists and Saudi Arabia and Osama bin Laden and what remains of his group, is stronger with those of Saudi Arabia than elsewhere, or are they now as detached as all the other very detached al Qaeda-leaning organisations in 60 odd countries where they are operating? Is it just the same in Saudi Arabia, and the degree of detachment there?

Mr Gardner: The nexus is weaker than it was. There was an intercept by Western intelligence collectively. I do not know whether it was the NSA or GCHQ, but there was an intercept in January 2003—this is public knowledge—of a communication from the hills of Waziristan in Pakistan, where some of al Qaeda's fugitive leadership were hiding out and still are, and their followers in Saudi Arabia. That communication said: “It is time to start the insurgency.” The Saudi would-be insurgents said, “Hang on, we are not ready yet; we are not organised yet; we can get the weapons, but we are not ready.” They said: “No, this is an order; you have got to start.” Four months later they drove three suicide truck bombs into the compounds in Riyadh and killed 35 people, so it began. Until that moment—and I am going back here to an earlier question—I do not think that the Saudi authorities had taken al Qaeda seriously. Only a few weeks before that, Prince Naif, the Interior Minister, had boasted and

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said: “We do not have any al Qaeda sleeper cells here; if we did, we would have woken them up long ago.” There was an element of “head in the sand”; al Qaeda was somebody else’s problem. They disapproved of it, but this was not something which was going to happen in Saudi Arabia. It was a massive shock to everybody. The Saudis say, “This was our 9/11.” On the technical side, in terms of communication, there has been quite close co-operation between the Americans and the Saudis in terms of trying to trap the terrorists. I do not know if any of you have seen the film that I submitted to the Committee in advance, but if you look at it you will see that two years ago I managed to get access officially into their DNA labs in the counter-terrorism centre they had in Riyadh. They had quite a sophisticated operation; they were able to do DNA-mapping. If, for example, they know that a certain terror suspect spent the night in this house in Riyadh, and they are able to raid it afterwards and take fibre analysis; then they know that three days later he moved to Jeddah, and this is where he passed through—they are able to plot where somebody has been. They are also able to track and trap people through the use of mobile phones. That has made it very difficult for al Qaeda to communicate. They tend to communicate either by messages passed by hand or through the Internet. That is still the preferred means of communication. When I was Middle East Correspondent I covered the story about how they were trying to control ordinary Saudis’ access to the Internet through a node, through a thing called the King Abdul Aziz Centre for Science and Technology. They have not been able to control it. People are able to circumvent controls, and al Qaeda is able to publish online various claims and biographies of heroes, as they see it; and that is their main means of communication.

Q147 Mr Keetch: Mr Gardner, you said that Iraq had breathed new life into al Qaeda, and you mentioned the bleed-back. CSIS in Washington say that that bleed-back is in the early thousands, not just hundreds. Is there any sense that there is a bleed-back also from insurgents being—not trained, but gaining combat experience in Iraq—not just going back to Saudi Arabia but also going into other parts of the world, maybe even back into Europe?

Mr Gardner: Are you talking about Saudis coming out of Iraq?

Q148 Mr Keetch: Saudis or others.

Mr Gardner: This is a question which I have been very interested in myself. I have been asking a lot of people this. There is evidence that Europe-based jihadis have started to filter back from Iraq. We are talking here mainly about people of ethnic North African origin, usually Algerians but also some Moroccans and Tunisians, who were based in Europe, often with European Community passports but who had gone down the pipeline—and there has been quite an efficient pipeline to channel people from European countries, usually through Syria, and then feed them into the insurgency, whether through al-Qaeda in the north-west of Iraq, or other

parts. I am not seeing Saudis doing that, other than coming back to Saudi Arabia itself. There is no evidence that I have seen that there are large numbers doing this. The Saudi authorities, who have become much more organised in the last two years in counter-terrorism, were quite surprised and shocked to find that at a big shoot-out they had at a place called al-Ras in April this year, they found that they had killed in the shoot-out somebody called Abdul Karim Majati, who was a Moroccan. They did not even know he was in the country. He was instrumental in the Casablanca bombings of May 2003 in Morocco, and is thought to quite possibly have had a hand in the Madrid bombings, through connections to Moroccan extremists. They did not even know he was in the country, so he was hiding out in a safe house north of Riyadh. I have been there, and it is an area known as Qasim, and it is a bastion of support for radical Wahhabism—I think that is probably the right way to put it. It is a pretty hard-core part of Saudi Arabia, and it is making them wonder how many other international jihadis might have come back to Saudi Arabia and be hiding out there. It is interesting that on the latest list of 36 most wanted people that has been published in the Saudi Kingdom, that includes people who are not Saudis and include Sahalian North Africans, Chadians, and people like that.

Q149 Mr Keetch: You have answered my second question. Although Saudis are not directly involved, there is a linkage and clear pipeline of communications between international al Qaeda people using Iraq, and also Saudi Arabia. There is a bleed-through both ways in a sense.

Mr Gardner: Yes, but Saudi Arabia is not an ideal base for al Qaeda because even before May 2003 the Mubahith, the Saudi secret police, for want of a better word, were pretty efficient at interrogating people and finding things out. Saudis have always resented the term “police state” but it is quite an authoritarian country, so it is not a natural base, whereas Iraq, in its present state, is a natural base for al Qaeda and very much the *locus* of al Qaeda has shifted from Afghanistan three or four years ago to Iraq now. It is sufficiently chaotic in Iraq that al Qaeda cells are able to go there, train, undertake martyrdom operations, suicidal bombings, and make connections.

Q150 Mr Keetch: We have been told in recent weeks by your colleague Peter Taylor, for example, and by Paul Wilkinson from St Andrews, that the Iraq situation is being used as a recruiting ground, using videos on the Internet, to recruit people—we need to be careful what we say about them in the UK—here and throughout Europe. Again, you have seen evidence of that and you would agree with that.

Mr Gardner: Yes. In fact Peter Taylor’s film made it very clear. I know why we have to be careful about it, but the idea of using jihadi videos for recruitment dates back to Algeria in the early nineties, when this first started to be done. The GSPC and the GIA, the two main insurgency organisations in Algeria in the nineties, would film some of their ambushes and

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attacks on Algerian conscripts, on Algerian Army convoys, and they were horrific. They would take the camera—it would be very shaky—and film themselves slitting people’s throats. I have personally seen films from Chechnya that have been circulating underground in Birmingham, that have been very well-produced technically. Al Qaeda is becoming increasingly sophisticated in its use of the Internet and technology for recruiting and for propaganda. These types of videos have been around for quite a while. Certainly they are being put on to the Net extremely quickly in Iraq. The standard thing is that out of vision you hear voices in Arabic saying, “here we go, here we go; just wait, just wait”, and you will see in the distance a Humvee usually, a US convoy, approaching a bridge, and then “bang” goes the improvised explosive device, and they all shout “Allahu Akbar”—“God is the greatest” and then there is a big flash, and up it goes. This sort of thing is very successful in recruiting people to take part in the insurgency in Iraq, although in relatively small numbers still. The big difference now between Iraq and Afghanistan is that there were al Qaeda camps all over Afghanistan in the late nineties, and it is estimated that somewhere around 15,000 recruits pass through these camps. Hundreds went from Britain, but it was relatively harmless. They went there and got to fire a few rounds of Kalashnikov and maybe and RPG; they attended a few sermons and made a lot of contacts and connections, and then they came back. In most cases, people did nothing with it. Some people, like Hambali, went on to then become the main link between al Qaeda and Jemaah Islamiyah in south-east Asia; but most people did not do anything with their experience: they grew up, passed into their thirties, got married, settled down and had jobs. Iraq is a very different situation. This is not a training camp; this is a real war, and anybody who does go to Iraq should realise that they are quite possibly not going to come back.

Q151 Mr Horam: You stressed how strong the Saudi reaction had been to their own problem in 2003 and how effective their counter-terrorism measures had been. Is this because they have been able to deploy all the powers of a strongly authoritarian state—you said a police state? Second, do you think they are now on top and going to stay on top of it?

Mr Gardner: The Saudis have been successful so far in their counter-terrorism efforts because they have employed a number of methods. They have not just used physical force. When I went there soon after the May 2003 bombings, they were starting a programme of moderating some of the more outspoken imams. They needed to change the mindset of a lot of people. One of the problems in Saudi Arabia is that the education system has been very much geared towards bringing up young Saudi children to thinking that all non-Muslims are bad people. That has changed, or is changing, and they have gone to some efforts to do that. They have also removed a lot of the most anti-Western preachers, imams.

Q152 Mr Horam: How has this gone down with the Wahhabi leaders?

Mr Gardner: Not too bad. The more extreme ones would see it as co-operating or doing the bidding of the Americans, which is not popular. Generally, the Saudi population is very anti-terrorism, and the Saudi authorities have been able to reach out to them. They have employed some quite controversial methods. They have talked to the families of militants, and in some cases pulled the families in for questioning, and said: “You put pressure on young Abdullah; bring him back in and talk to him.” You could see that as a subtle way of applying pressure or as essentially holding the family to ransom, in a way.

Q153 Mr Horam: They are pretty ruthless about killing some people too.

Mr Gardner: They have not taken that many prisoners, it has to be said. In fact, the man who is in charge of the counter-terrorism effort in Saudi Arabia is Prince Muhammed bin Naif, one of the sons of the Interior Minister. He is very highly rated by both Saudis and Western diplomats. He views it that physical measures are less than half the battle. They have got to win over the hearts and minds. In a way, the insurgents have scored quite a lot of own goals. I do not know if you remember in 2003 the triple bombings in Riyadh in May, but then in November al Qaeda went and hit what was called the Muhaya complex and they killed a lot of Arabs, mainly non-Saudi Arabs, but Lebanese and Syrians. These were expatriate Arabs, living and working in Saudi Arabia. That cost them a lot; it was a complete blunder. In April 2004 they hit a police headquarters, blew it up and killed five people. A lot of Saudi policemen are dying at the hands of these insurgents, and these people have got brothers and families, and the tentacles from those spread deep into Saudi society. This is not something that Saudis approve of at all.

Q154 Mr Horam: What is al Qaeda’s reaction to this? They seem to be losing the battle.

Mr Gardner: They are. I think what we will see is a switching of targets. Who knows! They could try to aim for more senior figures in the al-Saud ruling family. They could try to concentrate entirely on Westerners.

Q155 Mr Horam: What about oil? Is that a target?

Mr Gardner: I have been several times to the oil facilities and they are very well guarded. They would need a light aircraft or something like that, and even then they have got anti-aircraft defences. Last year, to get to Ras Tanura, which is the main loading terminal for Saudi’s oil exports to bring them out to the Gulf, I had to pass through six checkpoints, where we were checked very thoroughly. However, where there is a will, there is a way, and it is always possible. One thing we should be careful of is that there may well be more attacks in the oil-producing area of Saudi around Al-Khobar. That does not mean to say that they have hit the oil industry. When they raided the Oasis compound in Al-Khobar in May last year and killed Michael Hamilton of

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Apicorp in Dhahran, that was not a direct attack on the oil industry *per se*. The oil industry is very spread out and they would have to do a lot of co-ordinated simultaneous attacks and have to have a lot of help on the inside for it to be effective.

Q156 Mr Horam: Turning to Saudi funding of terrorism, Professor Wilkinson said to us that there is more to be done in suppressing the financial assistance that comes from wealthy Saudi supporters of al Qaeda. Would you agree with him?

Mr Gardner: Yes, I would agree with that. Saudis are generally very generous people—they have not been generous enough to pay any compensation to me yet, but maybe it will come. The way it often works is that somebody will literally sign pretty much a blank cheque for what he thinks is a charitable cause—an orphanage in Bosnia, a madrassa in Pakistan, a blind charity somewhere—and the problem has been that in giving this charity Saudis have not been nearly strict enough with themselves in asking questions as to where it is going. A lot of the funds that people thought were going to genuine charitable causes were ending up in the hands of al Qaeda—in Afghanistan in the past. There are also signs that people, not just in Saudi Arabia but in other Gulf States have even unwittingly funded al Qaeda people in positions of authority.

Q157 Mr Horam: What is the government doing about that?

Mr Gardner: One of the measures they have done is to try and control things through SAMA, the Saudi Arabian Monetary Agency, which is the equivalent of a central bank. I am fairly certain that any foreign donations above a certain size have to be approved by the foreign ministry inside Arabia. The trouble is that you cannot control it completely, and terrorism is cheap—9/11 cost half a million dollars; Madrid cost \$50,000. This is nothing; it is peanuts; this is pocket money to some of the people who come to Bayswater in the summer. This is not a lot of money. Personally, I think that the financial war against terrorism is a bit of a red herring. I have attended one of the plenary sessions of the Financial Action Task Force, which is a 33-nation task force that meets all over the world and has these sessions in trying to choke off funding, and in terms of combating al Qaeda's funding straight after 9/11 they were initially quite successful. They seized about US\$125 million in the first few weeks; and then two years later it was still only up to US\$133 million—talking globally—and this is tiny money really. I personally do not spend a lot of time worrying about the financial side of it because it will always be relatively easy for them to get hold of funds to do conventional style attacks. Nuclear or weapons of mass destruction are different and would take a lot more money. The media estimates of Osama bin Laden's own wealth, I should say, were vastly overstated. Many people said he had \$300 million, but it is closer to 30.

Q158 Chairman: Can I ask you about the relationships between Wahhabism within the Saudi regime and the al Qaeda element of Wahhabism? You mentioned Wahhabism as an element, but could you clarify? Is it Wahhabism *per se* that is the problem, or is it a perverted form of Wahhabism or particular strand of Wahhabism?

Mr Gardner: This is certainly one I recommend you ask Dr Mai Yamani, who probably knows more about it than I do. Wahhabism comes from a marriage of convenience, as it were, in the eighteenth century between a Saudi cleric, Mohammed Abdel Wahhab and the al-Saud family. That alliance has survived into this century. Wahhabism, as I am sure you know, is a very ascetic, rather puritan view of Islam. A lot of the adherents of Wahhabism bitterly opposed the introduction of television in Saudi Arabia, and King Faisal in the sixties had a lot of difficulty in persuading and bringing people around to this idea that women should be educated as well. You can see that there was a natural alliance there with the Taliban, and there were close links between Saudi Arabia and the Taliban until relatively recently. Not all Saudis follow Wahhabism, but the area of Saudi Arabia where you get the most concentration of very devout, very fundamentalist adherents of Wahhabism, tends to be Qasim Province, north-west of Riyadh, places like Buraidah for example. These are people who dress as people dressed at the time of the Prophet Mohammed, fourteen centuries ago. They wear slightly shorter clothes. They do not wear the black camel rope "*agaal*" which goes round there because they pray so often they often have a brown "*zabib*", what the Egyptians rather irreverently call "a raisin"—the brown spot here, from touching their head to the floor in prayer so often. They have wispy, unkempt beards. These people, but not all by any means, are often quite isolated in the sense that they do not have a lot of contact with Westerners, and they tend to believe that by default most Westerners are bad news. That is not all Wahhabis. I do recommend that you ask Dr Mai Yamani about that as well.

Q159 Ms Stuart: We are getting a pretty clear picture as to what the problem is, but I am trying to grapple with where the solutions are, given the history. You said that there was a recognition particularly within Saudi Arabia that this is as much a battle of hearts as it is a physical battle. Is there something more which we could do, that is the liberal democracies of the West telling their story, because I get a sense that there is no dialogue here; that there is only one story. What would your view be therefore on the World Service proposed introduction of an Arabic television channel? Would that be helpful not as a propaganda tool but simply in terms of having a dialogue and an alternative story? The second thing is that when we went to Morocco we thought the use of liberal imams to be a positive development. They tell their own alternative story. How successful do you think that might be in Saudi Arabia?

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Mr Gardner: To some extent they are doing this already. There are a number of projects underway in Saudi Arabia to try and take the sting out of jihadism to try and make people less suspicious and distrustful of Westerners. I have to say that the state itself has a lot to answer for here, having fostered and allowed an education system for decades that bred this hatred of non-believers, as they call it, particularly of Jews. I have been to every Arab country and have spent much of the last 25 years in the Arab and Islamic world, and it is really only in Saudi Arabia that I have encountered this xenophobia. I have met very devout Egyptians, for example, who have said: "You are a Westerner; you are at this party; if you want a beer, that is not a problem." One thing that the Yemenis that have done, which the Saudis are also doing, is to use scholars, experts, people who know the Islamic scriptures inside out, to try and persuade deviants, as they put it—militants—to renounce violence and to turn their back on it and of course to betray some of the people in their organisation. This has had some success. I went down to Yemen just under two years ago and interviewed somebody called Judge Hamoud Al-Hattar, who the Foreign Office invited over here—so you have probably met him. He introduced me to some of the people who he had recently got to repent and turn their backs on violence in prison. I have no means of knowing if they were genuine or not. They had had to sign certain pledges. They certainly did not like me very much, as a Westerner and a journalist; they were not exactly saying, "now I am repented I am fine with you being in the room"! They were still pretty hostile to the West. It is a result of Western policies. I have said this many times, that Arabs have grown quite cynical over the last hundred years because, to be perfectly honest, we, the West, had messed around in their part of the world for a long time. The big mistake which the US administration makes—and I have often heard President Bush say this—is to say, "they don't like us because they don't like our way of life". That is absolute nonsense. Al Qaeda could not give a stuff what Americans do in America; they really could not care less. What they object to is Western military ventures in their heartland, as they put it, whether it be Afghanistan, Iraq or whatever. It is a slightly flawed argument because the Taliban would not hand over bin Laden, and so therefore there was an invasion, but on 11 February 2003, al Jazeera broadcast an audio statement by Osama bin Laden, in which he appealed to all Muslims all over the world, saying: "Wake up. You have got to come and defend the Holy Land of Mesopotamia, seat of the former Abbassid caliphate. It really does not matter if those usurpers, ie, the Baathists—survive or not. That is not the point. You have got to go and defend this land because these neo-crusaders and Zionists will simply go and occupy it, and then they will not leave." You can dress it up any way you like, but the bottom line is that we are still there in Iraq, and that allows bin Laden's supporters and sympathisers to say, "look, the Sheikh Abu Abdullah was right; he knew what he was talking about and his words have come true." For most of

the nineties bin Laden and Zawahiri's ideology was way out on a limb, but a lot of things that they have been saying have proved to be correct. That has allowed al Qaeda to recruit more people. Unfortunately, Iraq is going to continue to be a problem there.

Q160 Ms Stuart: Would you like to say what you think of the World Service's decision to launch an Arabic television station, and whether that is helpful?

Mr Gardner: I think they are going to have a job competing with the rather more glamorous channels that are out there—the satellite channels. It is a pity they could not have got this right 10 years ago, when they got into bed with Orbit, who then pulled the plug. If you remember, World Service Arabic television was a joint venture between the BBC and Orbit, which is owned by the King's cousin in Saudi Arabia; so up popped Muhammed Al-Masari, slagging off the Saudi Government; and the Saudi's simply pulled the plug and said, "we are not funding this; we are not paying for somebody to slag us off"—forgive the vernacular. In those intervening years, there was definitely a vacuum. The only television that Arabs could watch was the very turgid state television, which was dreadful. However, up popped Aljazeera, who said, "thanks very much; we will have all the journalists laid off by the BBC". A lot of people said, "Qatar—where?" Qatar has proved everybody wrong; it is a major force in international affairs, Aljazeera. The joke in the Gulf is that Aljazeera is the capital of Qatar. It is a very powerful and influential satellite network, and others have tried to copy it—Abu Dhabi Television, Al Arabia. BBC Arabic Television has really got its work cut out for it; it is coming late to the party. It will be interesting to see if it works. What I would say, in a very clear answer to "what more should we be doing?"—the British Government needs to get more Arabic-speaking people, be they Muslim or Christian, on to the Arabic channels. You had a thing called the Islamic Media Unit; you had a very good spokesman—Gerald Russell, who spoke perfect Arabic—and then he was laid off or moved, and it has more or less collapsed. While we are sitting here, there are people on air, live, criticising Britain and criticising Western policy; and there is hardly ever anybody to defend it. It needs to be somebody with good Arabic, who has spent time there, who understands the Middle East—and you need lots of these people. This is something that should have been done long ago, but I am astounded that, four years after 9/11, it has not been done. It is a real failure of government policy. You need to get more people out there, in their language, speaking in the way that they know. The Israelis are brilliant at it. Look at Netanyahu: on the first anniversary of 9/11 I was up on the rooftop above Ground Zero, and there was Netanyahu going from one channel to another, speaking the language that Americans like. He has got their dialect and vernacular. It was very easy for Americans to say, "I can understand what he is saying." In many ways, the Arab world and the

rest are so far apart on this—they understand us much better than we understand them, so there needs to be more understanding there, I think.

Q161 Mr Purchase: I want to touch on this Aljazeera phenomenon. As I understand it, it is the only programme that is widely believed in the Middle East and Gulf regions, and BBC and CNN are just not on the agenda any more. When you say that it will be interesting to see how the BBC copes with that, I think you could have found another form of words which would equally have been in the vernacular. Putting that to one side, you interestingly suggest that perhaps we should be trying to get Arabic speakers, with a message—however it is put across—into the Aljazeera networks, in order to make an impact on people who have come to believe that only Aljazeera can tell them the truth. But would Aljazeera be prepared to hear that message?

Mr Gardner: I think so. They are quite broad-minded. Even though, if you were to do a straw poll of every producer and correspondent in Aljazeera, they would all be very hostile or anti the invasion or occupation of Iraq, a lot of them, even before that, were relatively anti Western policy, because of the Israeli/Palestinian question. A lot of them are Palestinians. Remember that Aljazeera was one of the networks that were broadcasting those dreadful pictures of Mohammed Al-Dura, the 10-year old Palestinian boy who was shot in that crossfire in Gaza. To some extent, the news they are putting out is playing to the gallery, both in terms of the people who are putting it out and the people who are watching it; and ultimately it is events on the ground that will make a difference. The withdrawal from Gaza was something that meant a lot to people in the Arab world because they are so sick of promises and talking. I spent years covering all the negotiations at Sharm El-Sheikh over the Arab/Israeli peace thing, and there is a lot of talking but not a great deal of action. I am not pointing fingers of blame here, but I am just saying that Arabs are rather tired of hearing talking. Having said that, there is this vacuum with very few people to defend Western policy. Aljazeera does interview Israeli ministers. A lot of their audience think they should not, and complain. They say: “Why are you talking to the enemy?” But Aljazeera say, “No, we have got to do this. If we are going to air something from bin Laden, let us hear from the other side of the spectrum.”

Q162 Mr Purchase: Do you feel sufficiently strongly about that, that we ought to be making some kind of recommendation in our report about getting people on to Aljazeera?

Mr Gardner: Not just Aljazeera, but you need to be making people available for the Arab media *per se*—not just Aljazeera but the print media, the online media, radio. There should not be just Frances Guy and her Islamic World Awareness thing in the Foreign Office; there should be a room this big. Take the media seriously. I am not saying that because I am in the media; I am saying it because I have seen the effect of it. A classic example is that I used to go

down to these summits in Sharm El-Sheikh in 2000–01, and there would be King Abdullah there and Clinton and whoever—Arafat and all the various leaders—and the Israelis would bring with them a whole panel of people, all usually retired generals with perfect English. They would come to us and say, “we have General so-and-so here; would you like to have him available for interview?” In the media you often have very little time, particularly in broadcasting, and you are on air in 17 minutes—“great, we need a clip from this guy—quick, get somebody in”. Could we ever get the Palestinians? We would be lucky to doorstep somebody in his language, not in ours, as he got in and out of his limousine. They are still hopelessly disorganised in terms of media. It gave the Israeli delegations a great advantage in terms of getting their message across, and that in a way is what is happening with the West. We often interview Arabs who speak very good English, but there are very, very few English, British people who can speak good enough Arabic to be on these things; so you need to have people available to try and explain what government policy is.

Q163 Sir John Stanley: Have you any firm evidence, as opposed to speculation, that has appeared in the press that the US has used Saudi Arabia as a place where torture under interrogation is carried out under the US extraordinary rendition procedures?

Mr Gardner: No, I have seen no evidence of that, nor have I heard that. I have heard unconfirmed reports that that goes on in Egypt, Jordan and Syria, but not in Saudi Arabia.

Q164 Sandra Osborne: Can you tell us something about the security situation in the United Arab Emirates and where that country fits into the international war against terrorism?

Mr Gardner: Yes. We lived in the UAE from September 1997 to January 2000. Since we left nearly six years ago, Dubai has changed exponentially. Every time people think that it cannot build another skyscraper, you blink and it has built another 10. That place is changing very fast. Security has not been a big issue there. The internal security situation used to be an issue in the past, in that there was a bit of friction between the Al-Makhtoums, the ruling family of Dubai, and the Al-Nahyans, the ruling family of Abu Dhabi; but they have long ago resolved any differences, and it is this federation of seven United Arab Emirates, what used to be the Trucial States under British protection. Dubai particularly is an international conduit for both good and bad things. It was long a centre for smuggling gold into India. It has often been used as a place for money-laundering, particularly by Russians who were coming out of the CIS states with just wads of cash, and buying up electronics and going back. Nobody ever asked where the money came from. I used to live in Bahrain as well, and Bahrain had a very tight financial system because they had close links with the Bank of England, so the monetary agency worked very closely and was very strict on money-laundering. Dubai did not have those tight, stricter

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controls. When I used to be a banker, we were always rather wary of doing business in Dubai because we could not be sure of where the money came from. It is very much a home of Hawala transactions, which are paperless, record-less transactions, all done over the phone. I will explain how this works. I have a sum of money, and I go to you, a money dealer, in a back street in Dubai, and I say: "I want to send this money to my brother in Pakistan." I hand you over the money, say \$20,000, and he makes a phone call. At the other end of the phone is his mate, another money dealer, who hands over \$20,000 to my brother in Pakistan. There are no auditable records of this; it is all done on trust. It is done very much on trust. It is an ancient system and it allows people to evade strict financial controls. There has been a lot of concern that this has helped terrorists to get funding. It is known for a fact that some of the funding for the 9/11 attacks did pass through a bank in Dubai, not through the Hawala system, but through an actual bank. It has surprised a lot of people that Dubai has not yet been hit by a terrorist attack, but Dubai is a huge melting pot. If al Qaeda hit Dubai, it would be an own goal. There is evidence that the UAE authorities have acted against al Qaeda-linked terrorism there. Somebody was arrested at Dubai Airport after a tip-off by Western intelligence services. He was a North African and was brought back to France. It has not been a problem until now. I am quite certain that al Qaeda has supporters, possibly even operatives there, but there have been no signs so far that they have chosen to make any big attacks. It would be disastrous for everybody but also for the Makhtoums. A lot of the UAE ruling families are merchant families, who used to love going hunting in Afghanistan and Pakistan—falconing. They would take their birds with them and fly off to Belushistan or to Afghanistan. Some of them even used to go hunting with Osama bin Laden in the 1990s, so there are links there, simply in terms of friendship links, rather than financial.

Q165 Sandra Osborne: Are you aware of the government taking any measures to tighten up the financial situation?

Mr Gardner: They have, but I have not studied them in detail. They have made some attempts. If you talk to the Foreign Office you will find that there are a number of people in Customs and Excise who, every now and then, are stationed in the British Embassy in Dubai. It is the only country that I know of where Britain has two embassies. There is an embassy in Abu Dhabi and another actual embassy, not a consulate, in Dubai, so as not to upset the Makhtoums. That is how it works.

Q166 Chairman: Given the geographical location of UAE between Saudi Arabia and Iran, and concerns about Wahhabism on one side and the Iranian Hezbollah link on the other side, from your perspective is there a threat of terrorism coming through from the Iranian side as well as the Saudi side?

Mr Gardner: If there was, I do not think it would come through UAE; it would more likely come through Bahrain, which has a Shi'ite majority. Roughly 65% of Bahrainis are Shi'ites. There was a problem with Iran; Iran used to claim Bahrain as its own, and there was a big problem there in the nineties when about 33 policemen died altogether in a low-level insurgency there. The UAE is essentially non-political. I have never met any Emirati who is interested in politics: he wants his plot of land, his villa, his four-wheel drive, and his holidays twice a year to Orlando or Paris. They are not interested in politics there.

Chairman: It sounds like a good life, if you can get it! Thank you very much, Mr Gardner, for coming along and answering our questions. We look forward to seeing you again at some future time.

Witness: **Dr Mai Yamani**, Research Fellow of the Middle East Programme, Chatham House, examined.

Chairman: Thank you for joining us, Dr Mai Yamani.

Q167 Mr Maples: I wonder if you could talk to us a bit about Saudi reform and what is and is not happening or what might happen. We have seen some developments; there are very limited elections to municipal councils, but with no women being allowed to participate in those. Some I think hoped that when the old King died that we would see some changes. We have not yet. One keeps hearing that there is a younger generation in the Royal Family that understands what needs to be done. We all feel that those sorts of developments are likely to help Saudi Arabia to develop. On the other hand, the alternatives now, all over the Middle East, to the ruling despotic families or regimes seem to be religious extremists. One wonders whether, if there were free democratic elections in Saudi Arabia

tomorrow, the people who would get elected would be the people Frank Gardner has just been talking about, the religious extremists. We have seen this vacuum in Iraq by religious extremism, and in Iran. What is happening, and what kind of reforms is it sensible to expect, or indeed for the West to promote or help on their way?

Dr Yamani: The reforms that have taken place until now in Saudi Arabia are inadequate, too little for the demands of the people. They have had partial municipal elections that we saw in February to April, which were not inclusive. About one-quarter of the male population participated. Half the members were appointed, and the whole female population was excluded. To jump to the final part of your question, the results showed at the time that the Islamists had won. That was a victory tailor-made to warn the West, especially the United States, that if we have elections, the Islamists will win. This is all over the Middle East. I think the fact that they

have excluded so many people, especially women and the liberal educated people—and many were in gaol at the time—they have concentrated on the neo Salafi, Wahhabi group, which I will explain later. They gave us those results. There were the partial municipal elections.

Q168 Mr Maples: Are you saying it suited the Saudi Government to have this result?

Dr Yamani: Originally, yes, because when Abdullah, Crown Prince at the time, now King Abdullah, arrived in May to visit President Bush, he said: “You see, we have had the elections. We had the Islamists, but we are controlling and managing the situation.” That was very good for the whole talk about reform and democracy in the Middle East. What we see now as a result of this particular attempt at reform, or partial elections, is that those who were supposed to have been appointed have not been named yet. Those who were elected have not met yet. There are very small details, such as the fact that they are going to have cinema twice a week for women and children—cartoons. There are small attempts so that perhaps woman will be able to vote in the future. I will talk about the economic reforms separately because that seems to be much easier, especially with the high price of oil. The second important part of reform has been the National Dialogue that King Abdullah has initiated. They saw that in Iraq and in the region in general, there is this whole idea of pluralism and a pluralist society, where you have to recognise diversity. So they had a national dialogue where they brought these different people together, whether Wahhabi, Salafi, or those from the Hijaz, or the Shi’a—people who never talked to each other before; they had them in one room and they talked. That was a good step. But nothing has been legitimised subsequently by the religious establishment, so nothing really changed. The same goes for the consultative council, Majlis Ash-Shura. They increased the number of male members of the council from 120 to 150, but they cannot be elected; they cannot legislate; they cannot decide on the budget; they cannot even look at the expenses of the Princes. In Saudi Arabia they have made some limited, careful steps towards reform, but if you talk about competitive elections, freedom of expression, of assembly, of organisation, reforms of the educational system or the judiciary, they are more serious—and the policy of discrimination, on the basis of religious sect or tribe is still very much visible in the country.

Q169 Mr Maples: Are we seeing any reforms at a slightly different level, in institutions or government? Some people would argue that democratic voting is the last piece to put in place; that before that you need a transparent and incorrupt government, the rule of law, and institutions that have some kind of authority, whether universities or professional bodies. Are we seeing any of those kinds of developments?

Dr Yamani: There are important economic reforms opening up investments—the Chamber of Commerce. This, as we all know, is a very good time

for Saudi Arabia in terms of oil prices and revenues. We have seen the opening up of economics, and that is always much easier for them. What I have been looking at for the last few days in order to come and talk to you, and asking people in Saudi Arabia about the reforms, everyone said that King Abdullah has to look first at reform within the Royal Family, the largest royal family in the world; there are between 20–22,000 of them. He needs to look at, first, general house-cleaning. They have divisions. There are schisms, and the distribution of power among the younger generations and the power that has been concentrated on the branch of Al-Fahd, the brothers of the late King Fahd, known here also as the Suderi Seven. King Abdullah has been seen as the reformer who wanted to look especially to the West and internationally, as the champion of reform in Saudi Arabia. He is no longer the *de facto* ruler, but he is the King and for him the biggest challenge is to face the religious establishment, the Wahhabi religious establishment, and then the more conservative and powerful princes in the country; the distribution of jobs and the end of corruption within the Royal Family. That is an important first step, and then obviously freedom of assembly or organisations and civil society. They have established a human rights committee, which is governmental. They have made so many attempts, but it is always through the Royal Family and the important older princes in this absolute monarchy.

Q170 Mr Purchase: You rightly say that the ruling elite, the Royal Family in Saudi, consistently say that should there be anything resembling free and fair elections, that the Islamicists would win. They are right, are they not? If they did not, despite the awfulness of the present regime, in democratic terms, would it not be even worse with the Islamicists in control?

Dr Yamani: The ruling family of Saudi Arabia have allied themselves with the Wahhabi religious establishment. It is in many ways a coalition government, and the Wahhabis are *co-de facto* rulers and control the most important levers of power: the judiciary, the ministries and the educational system. They did have a very good relationship. There were tensions, but there was a sharing of power. Today we have a problem that some of the new generation—and I am talking about the 50s and 60s because Saudi Arabia is a country where 60 is very, very young for power—this new wave of neo-Wahhabis, neo-Salafi, who are still important in the country and are on the payroll, are a challenge. They want to be the state, and they propagate their ideas that are more political through the Internet. They are also in contact with the underground, violent jihadi, in order to control them. This is the situation of the religious relationship with the political situation. But you tell me that Saudi Arabia then would be, or the majority, an Islamist country. That is not true. The Wahhabis are a minority in Saudi Arabia. Saudi Arabia is a country of minorities. The Shi’a in the Eastern Province are a minority. They are only 15% of the population; they are 75% of the population of the oil-rich province. To the east you have Shi’a; in

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the centre you have the Wahhabis in Al-Qasim and that area of Nejd, where the Royal Family come from. In Mecca and Medina, previously the Kingdom of Hijaz there are not really many Wahhabis; they are of the different Sunni sects of Islam, with movements like Sufis and a different expression of Islam. It is more liberal, more open, than the inlanders in the Nejd. Then you have the various Ismailis and the tribes of Najran and Jisan—Giran. This is a country of minorities. Al-Saud in the centre of Nejd have successfully balanced and controlled Islam, oil—and have kept the thing together. Recent developments, internal, regional and international, and this war on terrorism, has made this very difficult to manage, and there are new challenges. If you have free elections tomorrow in Saudi Arabia, competitive free elections, would it be a country of Islamists? No.

Q171 Mr Purchase: They are wrong.

Dr Yamani: I do not think that that is the case.

Q172 Mr Purchase: The Royal Family are wrong, then. This is what they say!

Dr Yamani: The Royal Family themselves have a range of—if you are a family of five, you are going to have differences in your family, with different people. Can you imagine a family that large? You have people who are more liberal and educated; you have those who are very conservative; you have those who are radical—you have a range of expression. Even among the brothers, the top people now, the question for the Royal Family and the new King, and for us as the international community and within Saudi Arabia, is who is going to be appointed after the King and the Crown Prince? What direction are we going in—a younger, more liberal, educated prince, with less authority and interference by the religious establishment, especially the new wave? There are so many questions that are imminent now to ask. At the moment I do not think that if you have a vote you are going to have just the Islamists.

The Committee suspended from 3.41 pm to 4.33 pm for divisions in the House

Q173 Chairman: In regard to the economic reform programme in Saudi Arabia, will the economic problems and growing unemployment lead to greater radicalism and extremism?

Dr Yamani: The economic situation is the best news for Saudi Arabia at the moment. Oil prices are high. Saudi Arabia is the largest oil producer in the world with the biggest spare capacity, producing 10 million barrels. It has spare capacity, and many believe that they can maintain that. The problem here is that, as we know, oil prices go up and then they go down; and to rely only on oil revenues in the long term is problematic. The second thing is that in the absence of inclusive reform, reform in the educational system, you need people to have jobs and join the global economy. Despite all the wealth that has come in, you still have corruption in the bureaucracy and there are policies of discrimination. Having said

that, at the moment unemployment is decreasing. King Abdullah, when he became King, increased the salaries of all public employees. There are 10,000 students who have been sent to the United States to study. More jobs have been created and they are paying debts, so there is more foreign investment; and people from the outside look at the prosperity of Saudi Arabia and putting money into Saudi Arabia. Oil revenues is the good news, and the economic side of things is good at the moment.

Q174 Chairman: What about the fact that historically the Saudi economy has been dependent upon expatriate workers, or people who have come to live in the Kingdom, who have no say in the way the society is run, but they are there to work, whether they come from Pakistan or elsewhere in the Arab world or from any other part of the world? Is there a potential for tension on those questions as well?

Dr Yamani: We know that in Saudi Arabia, like the other five Gulf countries, GCC countries: Qatar, Oman, United Arab Emirates, Bahrain and Kuwait, the percentage of expatriates to the native population is very high. We know that each one of these countries—and we are talking about Saudi Arabia now, that has a policy of Saudi-isation, and that is replacing the expatriate workers by the indigenous population. That has not succeeded very much. According to every five-year plan nothing much has changed, and that has been blamed on the ethics of the profession, or education and the fact that the foreigners come to work and need less salaries. There has been no policy of homogenisation. The expatriates' children have to go to schools that are separate. There are separate compounds. Unlike the other GCC countries, where they are allowed facilities like cinemas, in Saudi Arabia, because of the very strict Wahhabi religious system that is imposed on all of the population, for expatriates it is very difficult. You have members of the committee for the ordering of the good and the forbidding of the evil known as the mutawa, who make checks to see that expatriate women and men have the right dress and follow all the rules. It is obviously a matter of choice, but now they have a problem because of the fear of terrorist attacks. Also there are gradings of foreigners. An Egyptian doctor will get less than an English doctor, and the English will get less than the American. There are categorisations other than Muslim versus non-Muslim. They still need foreign expertise and technology, and I do not think that that is a big problem for Saudi Arabia at the moment in terms of security or their economy.

Q175 Mr Purchase: I want to return to a theme that you were partly offering to us earlier about reform and the ability of the family to push through reform now that King Abdullah is there, *de facto*. Is he in any position within the family to push forward the reforms which he was reputed to be in favour of?

Dr Yamani: Abdullah still does not have full authority. He is King; he took steps when he became King at the beginning of August. First, he freed some of the liberal educated reformists who were in

gaol, which his brother, the Minister of the Interior, had put in gaol; so that was a good sign. He still did not force his own appointments. One of the signs we see is that he cannot really decide on who is going to be the second deputy, who is the person right after the Crown Prince—and that is very important to see the future direction. There are some positions that are alarmingly vacant such as the Minister of Defence or Head of the National Guard. He is still waiting and playing for time. But Abdullah has tried to push his own agenda for reform. His problem is that he is not on very good terms with the head of the judiciary, which is part of the religious establishment, or some of the members of the Wahhabi religious establishment. The other camp, headed by Prince Naif, the Minister of the Interior, and some of the Al-Fahd brothers, are obstructing some of Abdullah's attempts. At the moment the schism is more obvious, the divisions between the main two camps in the Royal Family. People in the country know now that Abdullah's group are so-and-so among the Princes. As we said before, the first test would be the reorganisation and distribution of jobs within the Royal Family itself; minimising the expenditures of the young generation of Princes—their princely salaries and their expectations of privileges. During his days as Crown Prince, Abdullah made efforts in that area, but this is a struggle that is going on between the hardliners and those who are more inclined towards reform. We see it in everyday messages that are happening in the debate.

Q176 Mr Purchase: Are these divisions, differences or arguments between two sides, and maybe more, in your opinion, likely to prevent reform or not?

Dr Yamani: I think that they are preventing some of the important reforms. The Royal Family agree on one thing: they agree on fighting terrorism, because they are targeting them. They also agree that the Al-Saud should remain in power. There are very obvious decisions that are seen, examples of reforms. There are those who even talk about constitutional monarchy, such as the Minister of Foreign Affairs, Saud Al-Faisal, and people like Prince Bandar bin Abdulaziz. However, when the petitioners, university professors, wrote about it and all the other signed, they were put in gaol for saying that. The Royal Family perceive the threat to their rule and to Saudi Arabia as jihadis, violent jihadis on one side, and liberal reformers on the other. At the moment we are still seeing that they are more afraid of the liberal reformers. They have been able to quieten them, silence them, even gaol them; while the websites of these neo-Islamist or neo-Salafis that I mentioned—those with fatwas about legitimising jihad in Iraq—there are so many fatwas that are online, but the websites are still operating and they have a problem of silencing those guys. The real task for the King is to bring this balance of allowing more of the educated liberal men and women in the country to participate so that there is a balance between the Islamists and the more moderate Islamists and more liberal.

Q177 Mr Purchase: You mentioned constitutional monarchy: whilst the threat of terror is clearly real in that region and obvious, is there also a danger that in trying to press ahead with reforms, even mimicking the very brave attempts of the Bahraini population off the coast who have moved towards a constitutional monarchy with two houses, it offers an opportunity for the growth of terrorist activities whilst the Royal Family and others are distracted by the need to move forward for reform?

Dr Yamani: If you compare Saudi Arabia to small Bahrain or some of those other countries that have moved ahead with their token democracies, it has a much more complicated task because of the diversity of their population. They only became the Kingdom of Saudi Arabia, united under the Al-Saud Family, and gave their name to the population in 1932. To control the tribes and the different sects, at a time now when this national identity is very vulnerable—being Saudi is becoming very vulnerable and fragile, in the sense that people are tribal—“I am a Shihri . . .” The Shammar Tribe, for example, who are in the same territory of Iraq, Syria and Saudi Arabia, believe that they are Shammar—it does not matter which passport they hold. These are the problems that they are facing, and also in terms of fighting the war on terrorism. Unfortunately, they have focused first on the fight for the war on terrorism, especially with the powerful Minister of the Interior, Naif, and dealt with the reforms later. That is where they have to come in. In fact the war on terrorism and the security concerns have delayed reform. The money coming in made them also—and it is easier for King Abdullah now because the system of patrimony, that is paying the tribes and the people with oil money so that there is no taxation no representation—you have all this—slows down the pace of reform. At the moment things are fine. Economically the war on terror, as we heard from Frank Gardner, is making progress. I think that people are not as sure of the competence of the security forces or the state's ability to fight terrorism, because we have seen clashes where there are a few men sitting in a villa in Dammam and hundreds of security forces, helicopters and police are sitting for six days trying to get rid of these few, determined, violent Salafis. Frank Gardner also said that they are mostly from the same families and tribes. Take Al-Ghamdi—one of them was September 11—some of them were caught in Iraq. There are about 6,000 Al-Ghamdi. There are about a thousand Al-Ghamdi of the same name, all cousins. Some work in the Ministry of the Interior and some have become jihadis. You have the war on terrorism and some progress that has been made, but you also have these questions about inclusion of people in Saudi Arabia. The most important thing is what is happening in the neighbourhood. There is the situation of violence in Iraq, and 61% out of foreign insurgents in Iraq are apparently Saudi. There is a very big threat of them coming back.

Q178 Mr Purchase: Can I leave that point there? I am getting the message that you feel that some reforms could be achieved, without losing sight of

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the anti-terrorist measures, but that it would be difficult. Can I finally ask about the future of the Consultative Council, the Ash-Shura Council. Does it have a future worth talking about in terms of the democratic development of Saudi?

Dr Yamani: The religious establishment in Saudi Arabia, co-*de facto* rulers, do not believe in the word “democracy”; they do not believe that democracy is compatible with Islam. That is peculiar to the Wahhabis, because there are many Muslim scholars that believe that Islam is compatible with democracy. In the first place you have the religious establishment. They do not acknowledge democracy, and some of the Princes, who do not believe that you can have the vote or that the Majlis Ash-Shura, the Consultative Council members, should be elected. They are appointed and not much has changed in their role. In this very young parliament what rights would they have in the future? We have not seen much progress in that and it is not clear, except for the fact that their numbers have increased. The reforms basically—I think it is really inclusive, and I think they need to have more space for the educated, liberal sections of society and population of Saudi Arabia.

Q179 Mr Purchase: That would move it forward.

Dr Yamani: I think that will help. Many Saudis know what they want and would be capable, and they still want to see unity and stability of the country.

Q180 Sir John Stanley: Dr Yamani, of the obviously very small minority of Saudis that have been drawn into, and have become actively involved in terrorism—you gave the figure that 61% of the jihadis from outside Iraq come from Saudi Arabia—in your view does that group have any common denominators? Do they come from a particular region or town? There was a suggestion you made that a certain family might be producing more than a large quota of terrorists. Do they come from particular economic groups? What are the common denominators, if any, that lie behind those who have been drawn into terrorism from Saudi Arabia?

Dr Yamani: Initially, on 9/11, the 15 out of 19 hijackers who were Saudi, five came from Hijaz, and 10 from Asir. That is where Osama bin Laden comes from, and he refers to himself as a Hijazi with Yemeni origin. That whole region is very connected to Yemen as well. At the beginning of the jihad initiative in the eighties the majority who went for jihad in Afghanistan to fight the Soviet infidels were from that region. Interestingly, this has become more spread out and many of the tribes in the north have joined. The thing has grown, like some cancer that went into the country. At the moment, they are from most regions and classes, except the Shi’a. A Shi’a told me last year, when I was doing some research: “Prince Naif, the Minister of the Interior, brought his Salafi Wahhabis to guard the oil region and Dammam and other oil cities because he did not trust us, and got us out.” You know about the tensions between the Salafi, Wahhabi and the Shi’a who are considered apostate and heretical. They

have remained outside this jihadi movement. In fact, it is interesting that since 9/11 terrorism internationally—and look at Iraq—has become a Sunni enterprise; and the Shi’a, who used to be the more violent among Muslims—and this is very important for Saudi Arabia—in fact as a threat to the regime—the balance of power between the Shi’a and the Sunni in the Muslim world, but in that region and especially in relation to oil—people are worried about the Shi’a presence. This balance of power has changed for good since the war on Iraq. This is a challenge for the Saudi regime, which is very strongly, militantly Sunni/Salafi. I could not say who. Was it a problem of a sense of discrimination? How many people felt, or perceived themselves to be marginalised politically or economically? Certainly the group who went on 9/11 were not poor; none of them were. But the people who are joining see themselves as deprived, and the motives are very strange. Two weeks ago in the *Herald Tribune* there was an article about the fatwa online and how this particular fatwa on a Saudi website forbid the playing of football by the rules. To give the details of why they should not play like the infidels, a young athlete, football player, who was 21 years old, ended up in Iraq. He has gone for jihad. The educational system has gone through some reforms and they did cut out some of those defensive parts from it; but there are still a lot of websites and a lot of fatwas, and the whole atmosphere is still conducive to this type of mentality and they need to cross the border to find their brothers; and then they come back with more anger. That is why I keep thinking of more inclusive, more serious reforms.

Q181 Mr Maples: If one steps back and looks at the strategic picture in the Gulf at the moment, it seems to be shifting, interestingly, as you said, in favour of the Shi’a; but secondly in a quite dangerous way from the point of view of the West and oil supplies and that sort of thing where you have what seems to me to be a very radical government in Iran at the moment, which has taken steps backwards from where they were two or three years ago. It looks as though they are going to end up controlling southern Iraq, or have a proxy government in southern Iraq. It looks as though the Iranians will have a proxy, or very friendly government at least in southern Iraq, where most of the oil is. You have Iran apparently developing nuclear weapons, although we do not know for sure. We therefore end up with a very strong Iran, developing nuclear weapons, being extremely unfriendly to the West; a fragmented and weak Iraq, with its oil supplies in a region where the Iranians have a huge amount of influence, if not control it; and our one remaining friend in the region is Saudi Arabia. I have for a long time been an advocate of pursuing reform in Saudi Arabia, but are we not running a danger—the Americans, the French, the West—of having all three major countries in the Gulf region, the three major oil suppliers as well, in extremely unfriendly hands?

Dr Yamani: Saudi Arabia has—you could use the word “benefited in terms of oil, from the problems in Iraq. When it comes to oil, if there was an attempt

to minimise dependency on Saudi oil by freeing Iraq, this has been delayed because we know that Iraq has not even been back to the pre-war quota, or is not making any difference in the market because of the violence. Saudi Arabia remains the biggest oil producer of the world, and the ruling family are fulfilling their role in increasing capacity and answering all the demands, especially from the United States. The ruling family know that the Bush administration—even if it was Democrats—will do everything to protect the Saudi regime. The only problem is that this security umbrella is leaking. The most important thing is that the Saudis themselves have to deal with their security problems. When it comes to the influence of Iran, for the first time after all the silence about the war in Iraq, Prince Saud Al-Faisal, the Minister of Foreign Affairs, three weeks ago talked about the danger of the Iranian interference and influence in southern Iraq. That is real, and it does threaten the Saudi hegemony as the leading Sunni state; but also in the long term, in terms of the oil producers, they do not want to be marginalised. When you are looking at the region, it is certainly Saudi Arabia that is the country that has stability, and the oil supply. The oil installations in Saudi Arabia are said to be secure. Most people say that they are very heavily guarded. Despite the fact that Osama bin Laden in 2004 called for attacks on oil installations in Iraq and Saudi Arabia, and Al-Zawahiri has reiterated the same thing. That seems to be secure. For the next five years, Saudi Arabia—you have the bad, evil Iran; you have an evil Syria—you have the axis of evil and you have the axis of oil. The axis of oil is treated very carefully. Do not push them. It is an Islamic country. It is all right if there are some abusers because you do not want to push them; and the axis of evil is treated differently.

Q182 Mr Maples: Two members of the axis of oil, Iraq and Iran, are now also members of the axis of evil, and this seems to me to be a large part of our problem. We are left with Saudi Arabia, which presumably will start to feel quite threatened by Iran.

Dr Yamani: You have in your axis of oil—you have Qatar and gas in Qatar, and United Arab Emirates are still important, and Kuwait. You still have Bahrain, less so; but you still have a good group there of the axis of oil. But they are moving forward; they are protecting themselves—the Qataris are, despite Aljazeera.

Q183 Mr Purchase: The ones you have mentioned are reforming.

Dr Yamani: They are reforming. The problem is that Saudi Arabia is, in a way, still stuck. The more the United States or Britain or the EU turn a blind eye to the very slow pace of reform, or this cosmetic reform, or what is going on inside the country, or the insurgents—we hear about Syria and its borders but we do not hear very much about Saudi Arabia. We do not hear very much about the role of Saudi Arabia in continuing to feed—they turned a blind eye for a very long time to the Islamists in their midst and the radical Islamists. But we, in the West, also

turned a blind eye to the fact that they were producing them. The problem is, if you are looking at the Saudi Royal Family, that you have the old guys sitting there, sitting with their Wahhabis, and they cannot divorce from the Wahhabis. This has been the contract from the beginning that underpinned the foundation of the country in 1932.

Q184 Sandra Osborne: We are getting the clear idea that you are in favour of more serious reforms, but you have also discussed the concern for unity and stability. How fragile is the situation? Is there a danger that the push for reforms could completely destabilise the country?

Dr Yamani: On the contrary. First, I have to say that I do not think there is a problem of stability at the moment. If you look at the next five years at least, you will see the Al-Saud rulers. The foundation is weak. There are still problems. I do not think that terrorism or the violence within the country at the moment poses any serious threats. Despite this outlining some of the dangers and the splits, and the breaking up of the country—we cannot see it now, but that would be really Shi'a demanding their own state. However, it depends on what happens in Iraq and the region. There are people in Mecca and Medina and that whole area that are very different. The reforms in the country would still be like a coalition of the different groups, new educated middle class, getting together in support of the Royal Family, as long as the Royal Family want to be sharing power, and being prepared to listen to their people and giving them better citizenship rights. Talks of constitutional monarchy, or areas where they should allow people to have more freedom of expression of assembly, of organisation, of more economic and political space in the country, in the long term would be the only solution. Repression rather than integration will not work in the long term, in the absence of high oil prices.

Q185 Sandra Osborne: Can I follow that up by asking you what the prospects are for reform as far as the place of women in the society is concerned? Is there a push for reform in that direction, and how does it compare with other more liberal countries in the area?

Dr Yamani: In Saudi Arabia they blame everything on Islam because they have Mecca and Medina; so it is the only country in the world where women are not legally allowed to drive cars or travel between one city and another without permission of their guardian. Obviously, it is the only country where women are not allowed to vote. Women voted in Iraq and in Egypt, and the Palestinian women. The whole region had the vote, because this was somehow the year of the election; everybody had elections and women voted. This is not about Islam, because even at the beginning of the 20th century—and in Mecca, where I come from, the women did not have to go into black veils, and it was much more open and liberal. The fact is that they are imposing a more strict segregation of the genders, which we can see in the educational system; and they are imposing this on the women. Unemployment for

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women remains at 95%. There is some progress though; King Abdullah is planning to have more jobs created for women, but it is very gender segregated and still has to comply to the definition by the Wahhabi clerics of the nature of women.

Q186 Chairman: When King Abdullah was Crown Prince in 2002 he launched an initiative in the Middle East that was stalled because of other developments. Do you think that Saudi Arabia has a potential role at this moment, following the Israeli withdrawal from Gaza, in moving to a position of playing a key role in a comprehensive settlement, including the road map and changing the politics in the region, for a two-state solution?

Dr Yamani: There is talk that they want to be pioneers and go ahead with King Abdullah and his peace initiative. How is he going to manage it? Three years ago, when it was announced in Beirut, and Thomas Friedman wrote about it in the *Herald Tribune* and talked about normalisation, King Abdullah, Crown Prince at the time, had very big problems with this whole idea of normalisation with

Israel. It is very important for the Al-Saud for Saudi Arabia to play a bigger role, regionally and internationally, in the peace initiative with Israel. How they are going to do it with this population is difficult to see. Paying money for the reconstruction of Gaza is easier. Economic reforms and paying money is always easier. The Palestinian problem has been used constantly by Saudi Arabia to delay reforms. "We cannot have reforms because of the Palestinian problem." King Abdullah of Jordan, when he spoke in Davos three years ago, said, "We have to wait until we have solved the Palestinian problems". All the members of the Arab league meet in Sharm-al-Sheikh or somewhere, and they all get together in their robes and talk to you about the Palestinian problems; and they all leave. They do not talk about internal reforms in their own countries, but about the Palestinian problems, and they did nothing to help the Palestinians.

Chairman: We appreciate your time. Thank you. Our Committee members will be visiting Saudi Arabia in a few weeks' time. Others of us will be going to meet with the Israelis and Palestinians. We are very grateful to you for coming along.

Wednesday 15 March 2006

Members present:

Mike Gapes, in the Chair

Mr Fabian Hamilton	Sandra Osborne
Mr David Heathcoat-Amory	Mr Greg Pope
Mr John Horam	Mr Ken Purchase
Mr Eric Illsley	Sir John Stanley
Mr Paul Keetch	Ms Gisela Stuart
Andrew Mackinlay	

Witnesses: **Rt Hon Jack Straw**, a Member of the House, Secretary of State for Foreign and Commonwealth Affairs, **Mr David Richmond CMG**, Director-General, Defence and Intelligence, and **Dr Peter Gooderham**, Director, Middle East and North Africa, Foreign and Commonwealth Office, gave evidence.

Q187 Chairman: Can I welcome you, Foreign Secretary, and your colleagues this afternoon. We are very grateful, once again, to you for coming before us. You were with us a few weeks ago to talk about Iran, we will come on to questions on Iran later on. If I could perhaps begin with the very serious situation which has arisen in Gaza and the West Bank, and the crisis relating to Jericho. Could you perhaps give us an update on the current situation and also how you see the political situation between the Israelis and the Palestinians developing?

Mr Straw: If I could just introduce the officials who are with me. Peter Gooderham is Director of the Middle East and North Africa, and David Richmond is Director-General for Defence and Intelligence. There is not a great deal to add to what I said to the Commons yesterday, or what the Prime Minister said during lunchtime at Prime Minister's Questions. I set out yesterday in my statement in the Commons the circumstances in which I have reluctantly decided that our monitors had to be withdrawn. That was principally because of concerns about their security. That was tied in to repeated concerns that the Palestinian Authority security personnel were not meeting the clear conditions of the Ramallah Agreement and the possibility of the monitors then having to insist on them meeting the Ramallah Agreement was placing them in further difficulty. Representations about this had been going on for many months. Then, with my agreement, the Consul General for the United Kingdom along with the Consul General for the United States wrote formally to Abu Mazen—Mahmoud Abbas—the President of the Palestinian Authority, exactly a week ago setting out what needed to be done and making it clear that there would be a withdrawal of the monitors with immediate effect if there was not an improvement. John Jenkins, who is our Consul General in Jerusalem, on four separate occasions, after the despatch of the letter, phoned the Chief of Staff of Abu Mazen to check the letter had been received and understood and to ask for a response. He was told on two occasions that the President of the Palestinian Authority had noted the letter and was aware of its contents, and indeed when I spoke to Mahmoud Abbas yesterday he confirmed that he

was aware of the letter. So there is no question that it had not been noted. The problem was the lack of response. On the issue of the timing of the response, the letter said that we would withdraw with immediate effect and in the English language the words are pretty clear “with immediate effect” means with immediate effect. We gave them some days to respond. There was no indication of a response. As I explained to the House, Chairman, we decided, quite deliberately, not to give a timetable for withdrawal and I am quite sure that was the right thing to do for two reasons. First is that if we had given a timetable to the Palestinian Authority that would have become known to the prisoners, without any question, and so the monitors themselves could have been at direct risk. Secondly, in giving notice to the Palestinian Authority, in practice you give notice to the Israelis because they monitor all telephone calls and much else besides in the Occupied Territories. That would have given them more notice than they had—they had no notice—to move in, and again could have placed our monitors at risk. For that reason, no notice was given and that was the right thing to do. The final thing I would say is this: by the Ramallah Agreement, and as I spelt out to the House of Commons on 29 April 2002, my principal concern was the security of the monitors, but the responsibility for their security rested with the Palestinian Authority, and they knew that. They failed to meet the conditions of the Ramallah Agreement and they placed the monitors in circumstances where their security was being compromised. What has happened is tragic, but I am afraid to say the responsibility has to rest with the Palestinian Authority and with the prisoners themselves, who pushed their luck in terms of wilfully breaking the terms of the Ramallah Agreement. They knew, everybody knew, that this arrangement with the prisoners being held in a Jericho prison under international supervision was an alternative to only one thing, namely incarceration in an Israeli jail, and I think they made the wrong choices.

Q188 Chairman: Can I ask for some clarification. You said that communications were made to the President of the Palestinian Authority. In your

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answer yesterday in the House you mentioned the differences between the response in Ramallah from the response in Jericho. Is this more symptomatic of a general problem of lack of authority of President Mahmoud Abbas and the Palestinian Authority generally and their inability to give directions to people on the ground, or is it a reflection of the fact that Hamas is now a factor in this equation and that people are expecting the release of these people under a Hamas administration?

Mr Straw: I think a bit of both is the answer. The problem of the writ of the government in Ramallah running across the Occupied Territories has been an endemic problem, and that was certainly the problem before the elections in the Palestinian Legislative Assembly at the end of January. Security concerns were exacerbated by the fact that Hamas had indicated in interviews that they were going to seek the release of all (as they call them) political prisoners, which would plainly make the position of the monitors completely untenable, so that added to the risk.

Q189 Chairman: What about the reaction to our personnel in the British Council and their offices? What is the current position with regard to the British people who are, for example in the British Council office in Ramallah, which we visited in December, and also the locally engaged staff who looked after us when we were driven from Gaza city down to the Rampa Crossing?

Mr Straw: My understanding is that all the permanent staff of the British Council in Gaza and also in Ramallah are locally engaged Palestinians.

Q190 Chairman: There are British citizens in Ramallah. We met them.

Mr Straw: My information is as I have just offered it. In any event, there have been no reports of any staff, whether they are Palestinian or British, being injured or placed at risk. They got wind of the fact there was likely to be a demonstration and so they withdrew.

Q191 Sir John Stanley: Foreign Secretary, can I turn to the wider issues between Israel and the Palestinians. As we all know, the fundamental objective behind the Road Map was the achievement of a freely negotiated land settlement between Israel and the Palestinians. The fundamental change of policy which took place in the last period of Prime Minister Sharon's premiership was that the Israeli Government gave up on that concept and made it clear they were going to go down the route of imposing, unilaterally, the final land settlement. That was confirmed to us by every single shade of Israeli opinion which the Committee encountered when we went to Israel and the Palestinian Territories just before the end of last year. May I ask you, what is the British Government's policy in terms of preventing the unilateral imposition of a new land border settlement between Israel and the Palestinian States?

Mr Straw: First of all, we remain committed to the key resolutions, Security Council resolution 242 and 338, and on 1373. That is our position and we have actively supported the policy set out in the Road Map, and that remains our position. As far as the withdrawal from Gaza was concerned, since there was, in a sense, a happy coincidence between the requirements of the Road Map (the withdrawal from Gaza) and the requirements of the policy then being pursued by the Israeli Government, I did not object to the withdrawal from Gaza because the withdrawal from Gaza has to happen if you are going to set up a separate and viable state of Palestine. In particular, I welcomed the decision by the Sharon Government to take down more settlements in the Gaza. That was just welcomed, full stop. We would object if there were efforts—and some of those have been talked about more recently—both to collate and confirm facts on the ground and to say, “Well, we might have negotiated over borders, but now we're simply going to impose them.” I think you will have seen, Sir John, the statement of the Quartet a few weeks ago, which repeated the position of all four parties to the Quartet against the extension of settlements and the building of the barrier, and that remains our position. As to the amount of international pressure which could be applied to Israel, the more Hamas show themselves willing and able to do what the Quartet has asked, which is to respect existing international agreements and to agree on the non-violent path, the more pressure we can put on the Israelis; the reverse is also true.

Q192 Sir John Stanley: Would you not agree that all the hand-wringing that has gone on from the Quartet and others, and all the noise and objections, have had absolutely no impact whatsoever on the remorseless process of re-defining the border along the line of the barrier and the walling in of East Jerusalem which the Israeli Government has undertaken?

Mr Straw: No, I do not agree with that. I do not agree with your pessimistic assessment of it. The effect of this international pressure is bound to be limited, but the pressure has produced a result which would not have been there had it not been for the pressure, I am quite clear about that. After all, there are many people in Israel who do not want the state of Palestine at all and many who would be happy just to see the Palestinian population corralled or exiled, so they cannot follow that policy. There was good hope about the future of Gaza following the withdrawal, and we are still putting in a lot of money and effort under the Wolfensohn plan better to assist the people of Gaza. A lot has been going on, but at any one time the Israeli Government is going to make judgments about what it judges is in the interests of the Israeli people and what is necessary in terms of their security and, bluntly, also, what it thinks the international community will tolerate. The more you have a Palestinian Authority Government which is committed to international laws, the more pressure we can in turn put on the Israelis.

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Q193 Mr Purchase: Given all that is known about this situation and our great experience and knowledge of affairs there, and I mention simply the PA's lack of authority, its lack of resources, the turbulence of recent elections and the known Israeli predilection for direct action, was this outcome not entirely predictable and was it not entirely preventable, given all that we know, and could measures not have been taken to protect those interests which we felt were most vulnerable?

Mr Straw: You are talking about the situation in Jericho?

Q194 Mr Purchase: Yes.

Mr Straw: We did anticipate that there would be difficulties, and certainly it was always anticipated, Mr Purchase, that if we withdrew the monitors the Israeli authorities would move in. The Palestinian Authority knew that and the prisoners knew that.

Q195 Mr Purchase: And we knew it.

Mr Straw: Yes, we did know it, but we are not talking here about British or American prison guards, we are talking about a dozen monitors unarmed and very vulnerable. The responsibility for what happened has to rest with those who breached the Ramallah Agreement, let us be quite clear about that. It was not the British Government, it was the Palestinian Authority, egged on by the prisoners, and they have to take responsibility for that. My responsibility was for the safety of those staff and had I had to go to the House of Commons yesterday not to announce the withdrawal of these monitors but instead to announce their kidnapping, their injury or their death, this Select Committee would have been the first to suggest I had acted irresponsibly.

Q196 Chairman: Can I ask you about the process the Quartet are engaged in, or not engaged in with regard to deciding what to do with Hamas and given the Israelis have stopped the customs payments and that the United States has said that it will not provide financial assistance for the Palestinian Authority, the 140,000 people who are paid for through the Palestinian Authority (which is reliant upon international finances) how can they be kept from adding to the unemployment, and also people with guns from the Palestinian Security Services who will become unemployed, how can they be prevented from adding to this sense of unrest and disintegration?

Mr Straw: First of all, the Quartet (which includes the United States as well as the Russian Federation, the EU and the UN) has set out some broad conditions for the Hamas Government. They are not difficult, in my judgment, to achieve. Meanwhile, as you will be aware, payments of aid by the European Union, the United Kingdom and other European bilateral donors continues. In the case of the United Kingdom, we have continued our payments at 100 per cent. The European Union originally decided (I might say against my advice) to cut their payments to 50 per cent, but they then said they would hope to increase it to 100 per cent

after a matter of weeks. My view is that since there was not at the time a Hamas Government, we had a responsibility, Chairman, as you have indicated, to do everything we could to ensure that gratuitously the very large number of people who depend on Palestinian Authority funds did not lose their salaries or livelihoods and that we should carry on paying the aid which we had pledged until it became essential for us to withdraw if there was a Hamas Government which refused to meet the Quartet conditions. That is the current position as far as the United Kingdom is concerned. I also believe the Israeli Government should pay over these custom dues, which are actually Palestinian money. There is a quite separate issue about what the Israelis do in respect of any aid or assistance they provide, but they are acting as the tax collector. I do not think it is appropriate for them to withhold it. I will ask Mr Gooderham if he has got more information about that, but I think much of their aid has continued in practice, has it not?

Dr Gooderham: Indeed. If I may, just generally on the Quartet, it is important to stress that they continue to liaise very closely and, in fact, there will be a meeting of the envoys of the Quartet members tomorrow in Brussels when they will have a further opportunity to look at the set of issues. It is important to distinguish in terms of assistance between the direct assistance which we have been giving, together with others, to the PA's Ministry of Finance in the form of budgetary support. It was that which was frozen back in December; it had nothing to do with the PLC elections it was for technical reasons because the World Bank (which supervises the assistance directly to the Ministry of Finance) concluded, rightly in our view, that the terms and conditions of that funding had not been met by the Palestinian Authority. It had not put in place various measures which we needed to see in respect of auditing and other measures the international community were looking for. Since then, they have managed to put in place a sufficient number of those provisions to allow the World Bank and ourselves, and others, to re-start that funding. As the Foreign Secretary was saying, that has now been provided. The second set of funding is humanitarian assistance and that has continued throughout. I think it is fair to say that the Quartet are all agreed that it should continue, irrespective of the position of the Hamas-led Palestinian Authority. There is a clear consensus, I think, across the international community that the Palestinian people themselves should not suffer, as it were, that there should be no cutting off of that humanitarian assistance, we expect that that will continue.

Q197 Chairman: Can I put it to you, Foreign Secretary, you said "the current arrangements from the European Union", let us say, for the sake of argument, that we have a Hamas-led Government established at the end of the month in a coalition with some elements from elsewhere, but in essence we have a government in the Palestinian Authority

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which rejects Israel, which says it will not negotiate and has not given the commitment the Quartet have asked for, at that point, what do we do?

Mr Straw: We are not going to get to that point. The Quartet conditions have been carefully phrased, and I think phrased in a way that a Hamas-dominated government can meet them rather than not meet them. We are all being realistic about this and we anticipate that the best judge of the direction of travel of Hamas is likely to be their actions rather than their words. It is not realistic to expect Hamas to tear up its charter the day after it assumes office, any more than it is realistic to expect Sinn Fein to tear up its formal statements of position the day after it has entered into negotiation with the British Government. It is, however, realistic to expect it to acknowledge Israel's existence. We are not asking it to celebrate Israel's existence but to acknowledge that it exists and to understand that democracy involves responsibility and you cannot lead democratic government, at the same time as sponsoring actively terrorism. These two are not compatible. The problem, Chairman, is that we do not want to be in a position where aid is suspended to the Palestinian Authority. We talk about this continuously inside the European Union and with the Americans and we want to do everything we can to avoid that, including looking at alternative conduits for funds which to a degree would bypass a Hamas government but the money would still go to the Palestinian people. What this Committee would regard as intolerable, I believe, certainly the British taxpayer would, is if we were then not able to say to the British tax-payer, "Your money is not going to fund terrorism." What are we supposed to do in that situation if there was no guarantee that it was leeching through in that way? That is the problem. I hope that when there is a government, which will be Hamas-dominated for certain, and it assumes the burdens and the responsibilities of office, it does send out signals indicating not that it expects them to stand on their heads, but that it appreciates what it has to do to respond to what the Quartet has said.

Q198 Chairman: If the money is cut off and the Hamas government then goes to countries elsewhere in the region—Saudi Arabia has been considered, Iran has been mentioned—do you think realistically it will be able to get the financial support to compensate for the European Union/Israeli customs revenues and American funding?

Mr Straw: I doubt it is the answer. Certainly the history of pledges from elsewhere in the Arab world is that there are many pledges but rather less in terms of money paid over, and for all the talk today about the fact that the United Kingdom has been unhelpful to the Palestinians, it is worth the Palestinians being reminded that we have been the second largest donor to the Palestinian people. We have been keeping Palestinians alive and we shall continue to do so, whilst others have been making paper pledges and doing absolutely nothing, or precious little. I do not want to be in a position at

all where we are forced to suspend significant sums of our aid and with Hilary Benn, whom I talk to a great deal about this—and we are in exactly the same place—we are applying all our imagination, and so are our officials, to avoid that. It does require some exercise of responsibility by the people who have just been elected.

Chairman: Thank you. I think we want to move on to Iran.

Q199 Mr Hamilton: Foreign Secretary, obviously apart from what happened yesterday, this is a very pressing international matter for all of us, I think. We were in Vienna in January, where we met Mohamed ElBaradei and discussed the current situation as it was then and the possibility obviously of the IAEA referring this to the Security Council. We also met in New York, just at the end of last month, Javad Zarif, who is still the Iranian Ambassador to the United Nations, though for how much longer we do not know. He was very forthright in defence of his country, as you would expect, citing to us the declaration (the Fatwa I think he called it) by the Supreme Leader Ayatollah Khomeini that the development of nuclear weapons would be un-Islamic and would go against the Holy Koran. The fact is, though, that President Ahmadinejad has clearly stated that he wants to see Israel wiped off the map, and then we know that there is a fuel cycle, an enrichment cycle going on in Iran as part of their plans for civil nuclear power, and that is what is causing the concern. In spite of declarations by ambassadors and officials that this is an un-Islamic thing to do, to develop nuclear weapons, the very fact that the President of Iran has made it clear what his intention is and that they are obviously trying to develop some sort of nuclear weapon do you think this poses an extreme danger to not just regional peace but world peace?

Mr Straw: To be fair to President Ahmadinejad, he did not ever threaten Israel with nuclear weapons and a nuclear strike against Israel would be the craziest thing imaginable because it would kill millions of people of the Muslim faith as well as Jewish people of the Jewish faith and it would probably do more damage in that way as well as, of course, poisoning the whole region. The concerns about Iran's nuclear ambitions are more to do with the strategic instability which would be caused if they were to acquire a nuclear weapon rather than any specific target they might have in mind, and we have no information about that. I know what Ambassador Zarif has said and this has been said to us repeatedly, but the Iranians also acknowledge that the international community has good grounds for suspicion. The evidence is circumstantial. I have never said that it is categorical and I will not unless and until it is categorical, but let me just summarise the evidence. First of all, it is 20 years of basic deception of the IAEA in breach of their treaty obligations, saying that they were not doing anything significant in respect of the fuel cycle when they were building these very large plants at Natanz and Isfahan. Then the fact that, as it emerged, they have been experimenting with

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plutonium and polonium, which are not really of much use when it comes to generating electricity by nuclear means. There is the discovery by the IAEA inspectors, which they¹ have yet properly to explain, of a significant manual from AQ Khan, the nuclear proliferator, about the design and manufacture of depleted uranium hemispheres, which have a purpose only in nuclear bombs and not in nuclear power stations. And the fact that they are developing the Shehab-3 missile system and analysts suggest that this could be used with a nuclear warhead. You add all this up together. You add up, also, the fact that Dr ElBaradei in his latest report of 27 February complained that after three years of intensive verification and inspection they are still not able to come to a conclusion about Iran's intentions and you have grounds for suspicion, and those suspicions are widespread. They could be allayed if Iran came into compliance, and the whole purpose of the E3 negotiations was to bring Iran into compliance. Since the change of government they have decided on a different course.

Q200 Mr Hamilton: Do you think that reference to the Security Council and the possibility of sanctions will make any difference to the aims and ambitions of the current regime in Iran?

Mr Straw: Over time, yes. I am quite clear that we have no alternative but to refer the dossier to the Security Council, and in doing so to reinforce the authority of the IAEA. Of course there are questions of, would this lead to the Iranians doing what they threatened to do, which is to resume suspension? They did not have to do that. We offered them endless opportunities to re-suspend enrichment-related activities in a way which was consistent with their national dignity, but we did not achieve that. What we are seeking to do here are two things: first is to bring Iran into compliance with the Non-Proliferation Treaty, and secondly to preserve and sustain the integrity of the whole non-proliferation regime. That is why we have had to go to the Security Council.

Q201 Mr Hamilton: What chance do you think there is that Iran might, in a fit of pique if you like, in reaction to being referred to the Security Council, withdraw from the Non-Proliferation Treaty?

Mr Straw: I think those chances are limited, although (as ever with Iranian spokespeople) you can usually find some quotation which fits with the particular sentiment. But overall—and I have some quotation somewhere here—they have recognised it would be very unwise to withdraw from the Non-Proliferation Treaty because, after all, if they were to do that it would seem to confirm everybody's suspicions.

Mr Hamilton: Precisely. Thank you.

Q202 Mr Heathcoat-Amory: If Iran did agree to safeguards and to keep its fuel cycle within what is permitted for a civil nuclear programme without

going over the line to a nuclear weapons capability, and this was verified and monitored by the IAEA, would that satisfy you?

Mr Straw: We have never said to the Iranians that we think Iran should be banned for ever from running a fuel cycle. What we have said to them is that their right to run it should be suspended until there are what we described as "objective guarantees" that it had a peaceful purpose, and we were talking there for some years but not forever at all. We were reinforced in that judgment by the fact that Iran only has one nuclear power station under construction, the one at Bushehr, and that has been under construction for 25 years plus, a very long time. All the fuel for the next 10 years, the first 10 years of its operation, will come from the Russians by contract and the Russians have offered to supply fuel for the remaining life of the power station, which I guess will be another 20 years or so. Even if the Iranians make a credible argument that they want to ensure their own supply, they would have no need for fuel for a good 10 years. What we have been seeking to do, working closely with the Russians, was to ensure that there were other ways in which Iran could be guaranteed a fuel supply whilst the international community had its confidence built up that Iran was not seeking to use its fuel cycle for military purposes. That includes the Russian offer. It also could tie in with proposals which separately Dr ElBaradei and the American Government have made for international guarantees to countries which are members of the NPT who do not want to develop their own fuel cycles. All of that could be achieved. What I may say I am against, and we in the E3 are against, is Iran for the time being going in for what has been called "research and development" on enrichment. It is because it is not actually research and development. The research is available on the internet as to how you enrich uranium, that has all been done years ago. This is essentially a practice and you start with 20 or so centrifuges and have a practice and then once you iron out those problems you then move up to 200, and we are objecting to that because it would lead from small-scale to large-scale enrichment in conditions in which we could not be satisfied about the ultimate end use.

Q203 Mr Heathcoat-Amory: If you were satisfied you would permit a civil programme in Iran and you do not share, therefore, the American concern that this would simply be a precursor to a nuclear weapons programme which we would not be able to stop because they would have the capability?

Mr Straw: The Non-Proliferation Treaty allows non-nuclear weapon states access to and the use of nuclear technology and, in principle, that includes the fuel cycle, provided the exercise of those rights under Article 4 of the NPT do not conflict with the obligations under Article 2 not to do anything which could lead to a nuclear weapons capability. Iran is in a jam at the moment because the international community has judged that they are, indeed, in potential breach of their obligations under Article 2 and the only way they can deal with that breach is by having their fuel cycle activity

¹ The Iranians.

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suspended for a period. It has to be a period of years because we are talking here of technologies which take some time to develop. Down the track, we accepted in the proposals we made last August that in due course—and, as I say, we may be talking five to 10 years here—if Iran provided those objective guarantees to the international community, it would indeed be able to resume or start the fuel cycle. For the reasons I have explained, this would not inconvenience their programme for regeneration of electricity by nuclear power.

Q204 Mr Heathcoat-Amory: If the worst happens and Iran does step over the line and develops a nuclear weapons programme, you have ruled out the use of force in any circumstances. In a meeting which this Committee had in New York, a difference was noted between your position and that of the Prime Minister, who has not been explicit in ruling out force. Can you explain your exact position on this without, please, resorting to the cliché that it is not on the agenda. We know it has not been planned, but I just want to get from you your view as to whether there are any circumstances in which force might not be necessary against a nuclear armed Iran?

Mr Straw: The circumstances in which force might be necessary against any country are those in which the country concerned offers up a *casus belli* to countries which may be the victims of aggression under Article 51 of the UN Charter; everybody knows that. When I said it is inconceivable, certainly I do not conceive that those circumstances will arise in respect of the United Kingdom; nor do I believe that because there is a problem here—and there is a problem—the way forward for this is either by contemplating or threatening military action. As I have said, it is a serious situation, but there are plenty of other serious situations. There is a serious situation between Syria and the Lebanon and just because a situation is serious it does not follow that the way to resolve the situation is by either the threat of force or the use of force, and I do not judge it to be appropriate. Of course, if there is no *casus belli*, there could be no legal base for the use of force in any event. We are bound to be asked this question, Mr Heathcoat-Amory, not least because of the recent history in respect of Iraq, and I understand that. If Iraq had not happened, I think people would be a lot more relaxed about asking to some extent theoretical questions about this, but I am happy to answer them and to explain the British Government's position. If Iran attacked another country, if it was to attack us or we were facing a clear threat then a right of self-defence arises and nothing I have said contradicts that. In the absence of that—and I do not conceive that to be possible or likely—then I think this is something which has to be resolved by all sorts of means of pressure on the Iranian Government, but I do not think the military action has a purpose in that, which is why it is not on the agenda. That is not a cliché, it is absolutely true, it is not on the agenda.

Q205 Mr Heathcoat-Amory: It is not consistent with what we did in Iraq. We were not attacked by Iraq. The doctrine has altered. We used military action, and have recently, against countries before they attack other countries. Are you ruling this out in the case of Iran?

Mr Straw: With great respect, so far as Iraq is concerned, I know that this is controversial and it has been discussed often enough in this Committee, Iran is not Iraq. We have a problem with Iran, but in respect of Iraq, just to remind you, Iraq had launched missile attacks on five of its neighbours; it had invaded two of its neighbours and it had had a nuclear weapons programme. It was not a matter of speculation, it had one. It had had a chemical weapons programme and had used chemical weapons. It had had a biological weapons programme. Moreover, because of its actions, it was the subject of about a dozen or more Chapter 7 resolutions, at least two of which authorised the international community to use all necessary means, for example military action, to deal with the threat. That is a very different circumstance from where we are with Iran, and if you can anticipate a circumstance in which we end up with a Chapter 7 resolution authorising all necessary means against Iran, well, that is fine, but that is beyond my imagination.

Q206 Andrew Mackinlay: In your parliamentary replies yesterday, the FCO question time, you alluded at one stage to Iran being either promoters of terrorism or terrorism emanating from Iran. I wonder if you can elaborate on that, because I think that is a very material point and you said that at the Despatch Box—I think it was lost in the context of other things—but I really would like to hear you on this.

Mr Straw: They are active supporters and funders of Hezbollah which, as it happens, I banned as a terrorist organisation in this country. They are also known to give support to other rejectionist terrorist groups operating out of the Occupied Territories against Israel and if you talk to them they have a very equivocal view of terrorism. On the one hand, as they demanded of me as Home Secretary, they object thoroughly to any terrorism taking place within Iran and asked the international community to ban the MEK organisation, which I may say I did, at the request of the late Robin Cook, and Robin was right to ask me to do so.

Q207 Andrew Mackinlay: Which we have discussed before.

Mr Straw: Yes. On the other hand, they are supporters of Hezbollah and of other rejectionist terrorist organisations, and funders of them.

Q208 Andrew Mackinlay: Is there any evidence of them either directly or indirectly bringing terrorism to Western Europe?

Mr Straw: There have been incidents in the past, including the incident in Germany—I think it was a murder attempt but I will have to get you some details of that—but not recently, is the answer.

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Q209 Andrew Mackinlay: Okay, if you could let us have that.² The other thing is that in reply to Mr Heathcoat-Amory you referred to Lebanon and Syria, and I think one ought to fully realise around the world and in that region there is a number of hot spots, but in terms of a league table of gravity this must surely be one of the most serious international crises since the fall of the Berlin Wall.
Mr Straw: Which one, the Syria and Lebanon one?

Q210 Andrew Mackinlay: No, I meant in relation to Iran developing nuclear weapons, where we are at. You legitimately pointed and referred to Syria and the Lebanon saying that there are other things going on, point taken, but I am saying this stands out in the sense of gravity as enormous. Just to complete this, because I want to put it to you, whilst I agree with you, and I think most people here would, that military intervention is not an option which could either be justified or would be prudent, the clock is ticking because even the most moderate Israeli Government would probably take a different view. Firstly, I wanted to put that to you, and the final part of this is to say, therefore, are we sending the right signals robustly and swiftly enough? The programme of sanctions would you support? Is there preparatory work being done as to what could be targeted sanctions? Ought we not to indicate that to Iran? Indeed this very afternoon, is there not a case for you stating, "These are the consequences," in order to avoid not military conflict even between the United States but between Israel and Iran?

Mr Straw: The situation is serious, I do not want to put it in relative scale, but I have to say—and it is very important that I emphasise this—the evidence of Iran's intentions is circumstantial; it is not conclusive. If it becomes conclusive, I will tell Parliament and tell this Committee, but it is not conclusive at the moment. It is my working assumption, too, and it is everybody else's that I know internationally, but I am very conscious of the fact that misjudgments have been made in the past and it is extremely important that we do not make them for the future. That is the first point. Secondly, what the Security Council is willing to do depends on achieving a consensus from the Security Council, so I honestly do not think there is a lot of point speculating about measures not under Article 51 but under Article 41, which are the non-military measures in the Charter, in the absence of a clear consensus. I did say, and I have said this two or three times in recent days, to Iran that at each stage they have made a calculation that if they are obdurate they can split the international community and at each stage actually they have had the opposite effect. So it is a good idea for them not to miscalculate.

Q211 Ms Stuart: I read an article at the weekend which is 20 years old which was written by Jean Kirkpatrick and she made an analysis where she thought the Carter administration went wrong over

Iran. She thought the fundamental flaw was an assumption that the people were different from their leader, that what needed to be done in order to resolve the problem was to separate the people from their leader, and that all you needed to do was remove the leader and democracy would sprout naturally. Are we not making the same mistake?

Mr Straw: I do not think so, is the answer. I understand the point you are making very clearly and it is naïve to assume that just because the election process was flawed that President Ahmadinejad does not have some popular resonance for some of the positions he is striking. I certainly myself volunteered the fact that in the short term the position adopted by the Ahmadinejad government in respect of the nuclear dossier is more likely to be popular than unpopular. Indeed when they interviewed me yesterday on Iranian television about this I acknowledged that across the political spectrum this is seen very much as a nationalistic issue. Some in Iran also say, "Why shouldn't we have nuclear weapons? If we'd had nuclear weapons, it's unlikely that Saddam would have invaded in the way that he did," so I understand that. What I hope we have been able to achieve, not least because we have maintained diplomatic relations with Iran all the way through this period, is a much subtler appreciation of what is going on in Iran. Certainly I sought to do that myself by talking a lot to Iranians and by reading a great deal about its history, trying to understand why they have this very powerful sense of national dignity and a willing determination not to be humiliated, how they feel as part of their psyche, as much as their political history, that they have been pushed around for too long by great powers, which includes the United Kingdom, the Soviet Union, Russia, and the United States particularly. I understand that. Also, the fact that the Shia religion or denomination is as much about Iranian nationalism as it is about Islam; the one gets completely subsumed into the other. I hope we have got a more subtle appreciation of the situation as well as of the flaws of what is presented as a democracy but, as one of our officials said, is a theocracy with some tendencies towards aspects of democracy.

Q212 Ms Stuart: Given what you have just said and given that when we were in the United States some people suggested that Iran could quite easily withstand sanctions for five, 10, 15 years economically, what kinds of sanctions would work, which would have an impact on the public opinion in Iran?

Mr Straw: For similar reasons which I offered to Mr Mackinlay, if you will excuse me, I do not want to get into speculating about different measures. What I would say, however, Ms Stuart, is that the Iranian Government has already imposed sanctions itself. The position it has adopted internationally, which is to defy the International Atomic Energy Agency, has not been without a cost to them. That is already happening. You have got a significant

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drop in the Tehran Stock Exchange when others around the world over the same period have gone up, you have got a flight of people out of Iran, young people leaving the country, and it is a big, big problem to the Iranian Government to find three-quarters of a million new jobs each year. Having the oil price at \$60 a barrel helps them, for sure, for the time being, but it does not deal with some of the endemic economic and social problems which they face. They will get worse as long as they are isolated. They could easily get much better if they came in from the cold.

Q213 Mr Purchase: Given that non-proliferation has at least slowed down the spread of the access to nuclear weapons, but that the world has changed and that communication, globalisation and all those other matters which we have become familiar with now make it absolutely possible for as many nations as want to develop, capture or, in fact, buy one way or another nuclear devices, in this new situation it may not be possible to capture what is going on in a new Non-Proliferation Treaty unless we first accept that we may have to live with the idea that as many nations as wish to have nuclear devices can have them, but under a new regime and under a new method of monitoring all of this is going on. In the short-term, it seems inevitable to me that people will proceed down this track. Will Britain and the UN live with the idea that Iran (and maybe others following quickly behind) will have nuclear weapons? What will we do?

Mr Straw: I accept the statement at the beginning of your question that the non-proliferation regime has slowed down proliferation very significantly.

Q214 Mr Purchase: It has been absolutely tremendous.

Mr Straw: It has been. President Kennedy suggested in the early 60s that there could be, I think the figure was, 25 to 30 nuclear weapon states just by the end of the 1970s. Thirty years after that, it is either eight or nine, according to whether you judge that North Korea has got a weapon.

Q215 Mr Purchase: It is a huge achievement.

Mr Straw: It is a huge achievement. I remain optimistic about this. I think we are doing the right things in terms of enforcing the non-proliferation regime. To those who say, "Well, we should put military action on the table, or we should do other things," I simply say, "If you have got a better strategy, let's see it." I am not saying that there is no alternative, I am just saying that if there is a better strategy, I have not seen it, and it is about managing the situation and raising the price to Iran of having a nuclear weapon system if indeed that is their intention and purpose. Right at the beginning of this discussion, Mr Purchase, I said that there were two purposes in pursuing this: one was to deal with Iran, the other was to maintain the integrity of the non-proliferation system, and I think we have to be relentless in getting Iran into compliance not only in respect of Iran but also *pour encourager les autres* to ensure that others do not

go down that path. What has happened in recent years has been good rather than bad. Two states, Iraq and Libya, had nuclear weapons programmes; they do not any more. Going back a further distance, South Africa had nuclear weapons; they do not any more. That is good news rather than bad.

Q216 Mr Purchase: In this scenario, what do you make of President Bush's visit to India and Pakistan to virtually welcome them into the club?

Mr Straw: What I make of it is that it is an effort by the Government of the United States to bring the non-proliferation regime to a country which up to now has refused to sign up to it. There are three countries which refused to sign up to the NPT. They have all acquired nuclear weapon systems, Israel, Pakistan and India. Then we are left with the issue that we cannot accuse them of not meeting their obligations because they did not sign up to these obligations in the first place.

Q217 Mr Purchase: So it is okay? Once you have got it, you can sign up, that is great?

Mr Straw: No, no, it is not okay, but it happens to be the case that once you have got it, it is much more difficult to deal with, which is why we are trying to deal with Iran at this stage. That is just a reality everybody understands. It is not okay. The United Kingdom was co-sponsor of a Security Council resolution (I think under the Conservative government) calling on India and Pakistan to give up on their nuclear weapons ambitions. So it is not okay at all, but it is a reality which we have got to deal with. You either become blind to this situation or you take active steps to bring the country concerned into a non-proliferation regime, and that is what the United States is seeking to do.

Q218 Chairman: If I could just take you back to the answer you gave to Gisela Stuart. On Monday you gave a very interesting speech at the International Institute of Strategic Studies, in which you seem to be calling for international communication, dialogue with the Iranian people, to give them a sense that the world was not against the Iranian people. Do you think it would be very helpful if the United States was to adopt that approach? I remember watching this television programme the other day about their closed embassy for the last 25 years. American diplomats whom we met when we were in Washington said to us, "Well, we don't have any real close contact. We don't have people there. You know more about Iran than we do." Is there not a case for the US giving the Iranians what they really want, which is a sense of security guarantee that they will not be threatened, and thereby taking away one of the motivating factors of why Iran is going down this route of its nuclear programme?

Mr Straw: It would be much better if there were diplomatic relations and just closer relations altogether between the United States and Iran. The United States has put out quite a number of olive branches in that respect, which the Iranians these

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days seem to forget, but maybe I could enunciate them. Under what was called the Tehran Agreement, the October 2003 one, and the Paris Agreement of November 2004, we entered into detailed negotiations with the Iranians and last May, just 10 months ago, in Geneva, in return for Iran agreeing to continue the suspension of uranium enrichment related activities the American Government authorised me to say that the American Government would lift the block on access by Iran to World Trade Organisation negotiations and also lift the ban on the export of spare parts for aircraft, which may sound a trivial issue but which is fundamental to them with the bad safety record of Iranian aircraft. In the proposals we put forward in August of last year there were hints and suggestions about security guarantees and discussions about this. So there was a big agenda there. It is just, in my view, tragic that our timing (which we had agreed with the Iranians) coincided with the transfer of power from the Khatami regime to the Ahmadinejad regime and they have taken a very different and harder line. The American Government will have to speak for itself, but presumably if the conditions were right it is in its interests to resume diplomatic relations. I have to say there is a lot of institutional hostility to the United States in Iran, as you may have noticed.

Q219 Chairman: Finally, before we move on to another area, can I take it then that you will be sympathetic to funding the Farsi BBC World Service television station if that proposal came forward as a way to engage with the population of Iran?

Mr Straw: The BBC is doing some work for us at the moment on scoping this. I am sympathetic to funding it, in fact I would be delighted to fund it. The only difficulty is I do not have the cheque book, which is held in the Treasury under arrangements which we have in the British Government.

Mr Purchase: You speak as though it is a foreign power, the British Government!

Q220 Mr Keetch: The Treasury, I think, is the foreign power, not the British Government!

Mr Straw: We have some diplomatic relations with the Treasury!

Chairman: We were going to move on to Iraq, but a quick question on Afghanistan first.

Q221 Sir John Stanley: Thank you very much, Foreign Secretary, and thank you colleagues. I have a Westminster Hall debate, so I am grateful to you for taking me out of order, Chairman. Foreign Secretary, yesterday *The Independent* carried a report of evidence given by the Director of the US Defence Intelligence Agency, Lieutenant General Michael Maples, and he was giving evidence to the Senate Armed Forces Committee in Washington. He expressed the view that the Taliban and their allies were at their most powerful since the official end of the war five years ago. It goes on to say that he and other

US and British commanders expect a major Taliban offensive starting in the spring. That view very much accords with a very wide range of reports which have appeared in the British press from independent journalists out in Afghanistan, who have been reporting the rise in Taliban militancy and insurgency, sadly but characteristically directed against the education system, with schools being told that if they do not close their doors to girls reprisals will follow, reports of the beheading of teachers where those intimidatory instructions have not been followed, and also taking the position that the only appropriate education for boys is in the Madrasses. I think many would agree that one of the big problems and mistakes perhaps which we made in Iraq is that we never had enough security forces on the ground to provide adequate security for the Iraqi civilian population. The question I must put to you is, are we about to repeat the same mistake in Afghanistan of simply not having sufficient security forces there, our own and Afghan trained forces, to be able to cope with the degree of tide of militancy and ruthless activities which show alarming signs of growing now in Afghanistan?

Mr Straw: I do not think so, is the answer. A great deal of work has gone on in a different environment as well in Afghanistan. This is not an invasion to remove a government; it is done with the full compliance of the legitimate and elected Karzai Government. Decisions about the exact numbers of troops have to be made by the Defence Secretary on the advice of the Chief of Defence Staff and not by me, but obviously I have discussed it with John Reid at some length and I think he is satisfied—and he spelt this out to the House in a statement he made just six weeks ago on 26 January—about his assessment that these troops would be there in sufficient number, aside from anything else to ensure their own protection. So I think we have made the right judgment and a huge amount of careful work has gone into this. This, of course, is part of the ISAF³ stage 3 process with other international partners.

Q222 Sir John Stanley: Do you agree with the view that there is now a clear rising tide of Taliban militancy, and indeed terrorism, which is taking place in Afghanistan at this moment?

Mr Straw: The Taliban threat is certainly at least as severe as at any stage since the original removal of the Taliban four years ago. I cannot say exactly whether it is worse than at any other period. I do not know whether my two colleagues want to offer their two penn'orth. Let me say that it is serious and that is understood, and it is serious down in the Helmand province. It is one of the reasons we are going down there, because if we want to try and establish the writ of the elected government and deal with the drugs problem, we have to deal with the Taliban.

Chairman: Thank you very much. If we have got time, we will come back to Afghanistan later, but I will take Paul Keetch now on Iraq, because I am conscious we want to cover a number of areas.

³ International Security Assistance Force.

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Q223 Mr Keetch: Foreign Secretary, you are hearing about some of our travels today and we actually went to Iraq, or some of us went to Iraq, in January and for those of us who had been before (and most of us had) we found it a depressing experience for a number of reasons. The security situation has clearly declined, and other things. There are a number of positive aspects, of course. The election turnout was huge, more than we had in our own General Election. The politicians and the President we met, and the people clearly are committed to their own country and are very, very talented individuals, but really life for the average Iraqi on the ground in many respects is worse now than it was three years ago. That is certainly the view of some of the religious leaders we met in Basra. Organised crime is rampant, smuggling is an epidemic, kidnap and ransom are major industries, and undoubtedly there is a feeling that we have not delivered on reconstruction in a way that we would have liked to, partly because of corruption, partly because of the security situation. What concerned us most, though, was that we had great optimism that the new government might be formed soon and yet in the course of the two months that we have been away there does not appear to have been much progress on the formation of that government. Could you tell us when you think that government will be formed, because quite clearly there are very talented, very able Iraqi politicians and until they have a government the people on the ground, the ordinary Iraqis, I do not believe will start to see some of the infrastructure changes and some of the day to day improvements that quite clearly they need to see before we can see a result?

Mr Straw: I spoke to President Talabani just before I came over for this evidence session. He was actually being quite upbeat about the current situation and the possibility of reaching agreement over the Prime Minister. That has been the key blocker in recent weeks. He has called a meeting of the Council of Representatives. It was going to be on the 12th, it was then moved to the 19th, and it is now, I think, back to the 16th, which is tomorrow. It was not so clear, because the line was so bad, whether it was definite. Both myself and my Private Secretary were listening, and it literally was not clear, because the line was bad, whether it was definitely going ahead tomorrow, but he was, as I say, bullish about the prospects. Let me say that I share your frustration. I have been there three times since November. The last time I was there was three weeks ago and I was there on the Monday and Tuesday of the week when on the Wednesday there was the attack on the Holy Shrine in Samarra. As I left, the word that was ringing in my ears was "optimistic", because that was the adjective used by one of the Sunni leaders with whom I had had a pretty intensive relationship, but going back to last year quite a difficult relationship when I first started to get to know him but gradually it warmed up, and I was one of those who encouraged him and his party to take part in the elections. So he was saying, to my astonishment, to be honest, "I am optimistic about the future." He then had this attack on Samarra and I think there

have been 500 deaths since then. It has been terrible, a very determined effort by the terrorists to sabotage the democratic process. But they are extraordinarily resilient, the Iraqis, which is great. The vast majority of people in the country are showing faith in democracy. The only problem is that they do have this tendency to do things at the last minute and certainly for us in the British system, where we are used to governments being formed in the space of 24 or 48 hours, it is very odd. Anyway, we have got to stick with it. Of course, I agree with you that it is this vacuum in terms of governance which is certainly making much else in the country more difficult.

Q224 Mr Keetch: We also discovered what we perceived to be a slight difference in approach by the British and the American authorities in relation to the Iraqis who are held without trial or process, some 14,000 I think held in the US sector but just 40 in the British sector. Is there a difference of approach, and can we try and persuade our American coalition partners that if they were able to process these individuals as speedily and quickly as we appear to be able to do, that actually again would give more faith to the Iraqi people that this is not an army of occupation but actually an army which is there for their good?

Mr Straw: There is obviously a quantitative difference; the Americans have 14,000 in detention and we have 40 or so. The security situations are very different, of course. I have not got a confessional breakdown of the 14,000, but I think it is highly probable that most of those would be people who are of the Sunni confessional grouping rather than Shia; not all of them, but most of them. It is also the case that the Americans are responsible for security in the Baghdad area, where the bulk of the terrorism arises. It is hardly secret that there is a difference of approach, partly because their circumstances are different. There are discussions taking place at the moment between the Americans and the Iraqis about the future of these detainees but, Mr Keetch, it should not be assumed that there is unanimity amongst either Iraqi politicians, or amongst the Iraqi public, about whether these people should be released. There are vocal calls always by some groups for the release of some detainees, but alongside that there will be very strong demands by other groups who may have been the victims of terrorism by a particular faction for these people to stay locked up.

Q225 Mr Keetch: Very swiftly, a different subject. We were also astonished at the large number of private security operations which are going on out there.

Mr Straw: Do you mean overseas funded or—

Q226 Mr Keetch: No, I mean private security staff protecting the British Embassy, protecting British staff, et cetera, many of whom seem to be coming from my constituency, I have to say. You actually promised in a White Paper some time ago new legislation on the way in which private security companies are organised and the way in which they

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are dealt with. That has not been forthcoming, yet we are relying upon these individuals day in, day out, not just in Iraq but in Afghanistan and other places. When are we likely to see such legislation?

Mr Straw: I am glad you reminded me of this. I will pass on to business managers and others, should the Committee wish it, the concern of your Committee because I, too, wish to see legislation in hand and I have been working on this for the last two weeks. There is a discussion going on about the precise architecture for control. I frankly do not think this is too difficult an issue, because under the Security Industries Act (which I may say was mine when I was Home Secretary) there is the Security Industries Authority which has now got experience of regulating security cameras operating within the UK. Certainly my proposal is to have the same body do the regulation of British companies operating overseas, and indeed some of the ones who operate domestically also operate overseas and that is essentially to determine whether the companies are fit and proper people to operate. Then there is the issue of whether you license individual activities. You can do that, I think, at another adjunct to the arms control arrangements. So I do not think it is a difficult administrative or intellectual challenge, but as ever there is always a queue. So if the Committee wishes to say something on this, I would be happy to receive it, as I am of all the recommendations of the Committee, I must say.

Q227 Chairman: Can I take you back to the impressions we got during our visit in January? I think four of us here were on that visit.

Mr Straw: Who was it who visited, Mr Gapes?

Q228 Chairman: Mr Keetch, Mr Pope, Mr Illsley, myself and two others who are not with us today. I want to ask about Basra. I have been to Basra three times now and I am quite worried about the change in the mood. While we were there in January there was a problem relating to incidents whereby some people had been arrested and the Governor had basically broken off contact. We did, however, meet members of the Provincial Council and we met people from both the Sunni and Shia religious leaders. The message we got at that time was, "It's okay. There are particular problems with the Governor, but other people are engaged. The process is a bit difficult, but nevertheless it will be solved." Then a few days later all contact was broken off and the Provincial Council was also in a similar position. Can you update us? Where are we now compared with January? Has the situation improved since we were there in January, or has it got worse, and what is now the feeling amongst our people in Basra about the local community and its attitude towards the British presence in Basra?

Mr Straw: Kim Howells was there last week, three days ago, and he met the Governor, so I do not think the situation has got worse. It is a complicated situation. Part of the problem with the Provincial Council has been in respect of the detainees, because although the number of detainees which we hold is only 40, some of these people are quite significant. I

did not go to Basra on this last occasion, but when I was there in January I was lobbied by the Governor for the release of some of these individuals, so it is complicated. What has got worse, certainly compared with two or three years ago, is the overall security situation, so it is more difficult for our staff to travel around and that is a matter of great regret.

Mr Richmond: I think the visit of Dr Howells has helped considerably, and I think there are signs that we are now getting back to normal in terms of the relationship with the Provincial Council and some signs of getting back to normal with the Governor as well, though he is more difficult.

Q229 Chairman: Can I also throw in something in relation to the discussion about Iran earlier? My impression was that the people in Basra, ironically, who were the most sympathetic to the coalition and most engaged with us were actually the people who were denounced in Iraqi politics as being pro-Iranian, the SCIRI Badr people, whereas the more nationalistic and more, therefore, hostile to the Iranian people were the most difficult for us to work with. Is this not, therefore, potentially a very dangerous situation should the situation with Iran deteriorate, that the people in the Shia community who have been most co-operative in the transition process will actually become less co-operative and therefore we might have a more difficult problem even than we have got now?

Mr Straw: I understand what you are saying and it runs into the point Ms Stuart was making earlier. I have been very careful not to denounce groups because they are pro-Iranian. It is just a fact of life. First of all, there is bound to be a natural association between the Shia in Iran and the Shia in Iraq, although it does not mean that the Shia in Iraq are in the pocket of the Iranians.

Q230 Chairman: No. I wished to make that distinction between different Shia groups, between the Sadirists, who were anti-Iranian—

Mr Straw: The Sadirists are very nationalistic, but all of the groups who were opposed to Saddam, quite sensibly, developed good relations with Iran and many of them actually lived in Iran. So that was also true for both the PUK and the KDP, the Kurdish groups, the Taliban, Infasani and that lot, as well as both the SCIRI, the Sadirists and the Da'a wa, Dr Al-Jaafari's party, and some of the other parties. As for relationships, I think I have got good relations with Dr Al-Jaafari, the current Prime Minister, but also with Ayatollah Al-Hakim, who is of SCIRI, and Ahmed Minai, who has been one of the vice-presidents of the government. I think it is very important we do maintain these relations and do not assume that just because parties have got historic associations with the Iranians we therefore should deal with them. That is certainly no part of our approach. Iran is nationalistic. There is also a variety of opinions in Iran. It is entirely legitimate for Iran to take an interest in its neighbour Iraq. It is not legitimate for it to interfere with it, but if it was our neighbour we would be taking an interest in it.

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Chairman: Thank you. Could we then move on to some questions relating to what I could call human rights matters.

Q231 Mr Illsley: Foreign Secretary, you would not want to come before the Foreign Affairs Committee without having had the opportunity to be questioned on extraordinary rendition!

Mr Straw: I think I have got another appointment, actually, just now!

Q232 Mr Illsley: We will not let the opportunity pass!

Mr Straw: How about a secret session?

Q233 Mr Illsley: One of your colleagues last week appeared to admit that the Ministry of Defence actually knew that certain flights travelling in and out of the UK were registered to the CIA in spite of previous denials, which again has added weight to the argument that perhaps the British Government still has not released its full knowledge of rendition issues. Just a simple question: do you have anything to add to your previous robust denials of Government involvement in view of that admission?

Mr Straw: No. By the way, I have not got the answer in front of me from Adam Ingram, but it did not add a scintilla of evidence in support of the claim that there had been secret CIA flights coming through here with prisoners on them about whom we knew nothing. Not a scintilla. I was talking to one of our parliamentary colleagues, who was irritated about all this, who said to local journalists, "Show us your evidence. Where is the evidence?" It does not follow for a second that because there are flights here with CIA aeroplanes that on those aeroplanes, in breach of undertakings given by successive American administrations, there were people being rendered through UK air space or territory without our agreement. I just say, Mr Illsley, if there had been people who were being rendered in this way, I think it is a fair bet that somebody would have spotted this, somebody on the ground, or somebody would have told somebody. No one has come forward, nobody at all. A bit of paper might have leaked out of the US administration to make us look silly, or worse. I have said to the Committee before that we conducted the most thorough of searches through the records and I have given the Committee the evidence that I have. If further evidence comes to light, I will bring it before the Committee. The only thing I am currently considering in this respect is a request for the names of the people whom I authorised for rendition back in 1998 and the chances are that I will publish them, but there are some data protection issues there.

Q234 Mr Illsley: A couple of weeks ago in the United States two of the more interesting exchanges the Committee had related to Guantanamo Bay, the first of which, with John Bellinger, was an invitation for this Committee to actually visit that facility, which we hope we might be able to take up. Another was a meeting with Senator McCane, who actually said that he believed it is now time for a process for

the people detained at Guantanamo, to bring some sort of legal process into that. Our own Prime Minister has said that Guantanamo is an anomaly and perhaps should be closed. Is that the Government's position?

Mr Straw: Yes.

Q235 Mr Illsley: Does the Government agree that there should be an early closure of Guantanamo? As a fall-back, what would your comment be on Senator McCane's position that perhaps there is now time for some process?

Mr Straw: The American Government is committed to bringing Guantanamo to an end. It begs the question of when. You are better off in a sense asking them rather than me, but the problem they face is what to do with these individuals, which countries they go back to. In the case of British citizens, it would be straightforward, we would have them back here. I was able to negotiate that, and that has been true for citizens of a number of other countries, but their concern is that quite a number of these are Afghans. Do they go back to Afghanistan? Some are Pakistanis. Do they go back to other countries? In what circumstances can they transfer them? There is a process taking place. I think we all understand the concerns about Guantanamo Bay. I think the American Government understands them pretty acutely.

Q236 Mr Illsley: Is there any possibility that the Government will now make louder calls for the closure of Guantanamo?

Mr Straw: I do not think this is an issue where the effectiveness of the call is related to its volume, to be honest. The American Government know our opinion on this. I talk about the issue quite regularly to my American counterparts. They are also well aware of opinion around the world and in the United States on it, but they have just got practical problems they have got to deal with, and if we were in that situation we would have a practical problem, too. I do just say that if September 11 had happened in this country rather than the United States, it would have changed our politics and security parameters just as it has changed the Americans'. It just would have done.

Q237 Mr Keetch: Is not the reality, Foreign Secretary, about Guantanamo Bay and also about rendition that this is a huge public relations blunder for the United States and therefore for Britain in terms of our ongoing campaign, our ongoing war against terrorism? Certainly that was accepted by Members of Congress whom we spoke to last week about Guantanamo, and it is certainly, I think, the case about rendition. Even if we accept everything you say—and we do, of course—that there is not actually a problem, why are you still saying that you would not allow this Committee to actually investigate that problem, because surely if there is nothing to hide, if there is no rendition, why would you not allow this Committee, as you said on 13 December to this Committee, not to actually properly investigate this? Does this not just add to

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the suspicion which members of the press and other people may have that there is a problem which is somehow being concealed?

Mr Straw: I know that some people in the press believe that there is a problem being concealed and it is logically impossible finally to prove a negative. Every so often you get shock, horror headlines and when you read the story there is absolutely nothing there. Could I just say, Mr Keetch, it is really important to separate rendition from Guantanamo Bay. The circumstances in which the British Government has been involved in rendition have been spelt out, as I recall, on two occasions where the authorisation fell to me as Home Secretary and I think there were two occasions where they were refused, one by Mr Cook and one by me, all in 1998. As I have said, I am as satisfied as I can be that there have been no renditions by us, obviously not by us, but not through the United Kingdom territory or air space—and by “territory” I include overseas territories—since the Bush administration came into office. Again, I just repeat the point I made earlier: if there had been hundreds of people, or even one or two who had come through the UK without the British Government knowing, or with our connivance which we then decided wilfully to keep from the Committee, I rather fancy that somebody would have produced some evidence about this; apart from the fact that I am not in the habit of telling fibs to Committees or to the House. On Guantanamo Bay, just to repeat it, it is an anomaly which, as the Prime Minister said, will come to an end and should come to an end sooner or later, we all hope sooner. The American Government is aware of that and it is working on it, but again I simply, at the risk of repetition, say that they have practical problems. On the issue of damage to the United States’ reputation, I think views vary but it is just worth bearing in mind that the September 11 terrorist atrocities actually happened and they were not caused by the CIA or Mossad but by al Qaeda.

Q238 Mr Keetch: In terms of that ongoing campaign, when you were Home Secretary you introduced in 2000 the Terrorism Act.

Mr Straw: One of a number, or a library of excellent pieces of legislation!

Q239 Mr Keetch: I read them all regularly, Foreign Secretary! Under Schedule 7 of that Act you actually made it a mandatory requirement of any aircraft transiting the UK in respect of either Ireland or Northern Ireland to fill in a general aviation report detailing the names of passengers and the purpose of that flight, et cetera.

Mr Straw: Another liberal measure!

Q240 Mr Keetch: Indeed, and one which I remember at the time commenting on. If that was necessary in respect of the fight against terrorism in Northern Ireland to do that, would that not be something you should consider in respect of the ongoing fight against international terrorism? That would actually assist not only in that campaign but also put to rest once and for all accusations of rendition.

Mr Straw: This is about getting access to the manifests of, I think, ships as well as aircraft. I do not think it just applied to Northern Ireland. I think it was more general, as I recall, because the purpose of that Act was to introduce legislation to deal with terrorism worldwide, whereas the previous legislation simply dealt with terrorism coming from Northern Ireland. Just to deal with this issue of rendition, the United States Government, or any other government, if they were intending to bring people through UK territory or air space, are under an obligation to seek our permission to do so, because this is not bringing voluntary passengers through but people who are by definition the opposite of volunteers. I do not think there is a need for any further legislation. This would satisfy people who believe that renditions have been taking place on a kind of industrial scale because they would then say, “Well, the United States have broken the rules.” There is, as I say, a minor industry out there which believes that this has been taking place on a large scale. There is no evidence that it has. I am quite clear that it has not, but it will go on for a period and then it will fall away. As I say, the obligation is already on a country like the United States if they are seeking to render, which is why in the past when they have required permission they sought it.

Q241 Chairman: I understand the European Parliament has set up a temporary committee to look at these issues. Are you going to co-operate with that committee?

Mr Straw: Yes. The Council of Europe has already done so, and I had a long letter from Terry Davies, a former colleague, the Secretary-General. I wrote in reply to him saying we will co-operate with it, yes. I am sorry, Mr Keetch, you asked me about whether I was stopping the Committee from holding an investigation. What the Committee investigates is a matter for the Committee. I will try and be as delicate as I can. What I have given to the Committee have been as comprehensive answers as possible on this issue. There is an issue about which committee is appropriate for investigating the work of the intelligence and security agencies, so I know it is a sensitive issue, but it is the Intelligence and Security Committee. So it is not that I am denying it—

Q242 Chairman: Foreign Secretary, I think we will pursue this issue with you in a more detailed way.

Mr Straw: Okay. Well, that is the answer.

Q243 Andrew Mackinlay: He says it is and I say it is not a parliamentary committee. There is no parliamentary oversight—

Mr Straw: I was trying to avoid it.

Q244 Chairman: There are issues here relating to our status as a Committee and we will pursue it with you rather than opening up the general issue now.

Mr Straw: Let me say, I try to be very respectful to the Committee. I know that some concern was expressed, I believe in a letter from you, Chairman, about the fact that I had given answers to

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Opposition spokesman rather to the Committee. It was simply that the Opposition spokesman had asked me a series of questions. If you had asked the same questions, I would have given you the same answers, but I always make sure that if I give an answer to one colleague in the House it is then made available for the Committee and more generally.

Q245 Chairman: We will come back to this issue, I am sure. Can I take you back in the time we have got left to an area we touched on with John Stanley's questions earlier about Afghanistan? Are you confident about the way that international communities' engagement in Afghanistan is going, or are you concerned that some countries are very reluctant to give support in the numbers and in the way necessary to make the operation in Afghanistan a success?

Mr Straw: I think the operation in Afghanistan will be a success. It is not without risk, of course, and that was spelt out by John Reid. A lot of preparatory work has been going on building this base, ensuring force protection. Almost by definition you would not need this many troops with this kind of equipment if there were no security challenge, but I think it has been planned as well as possible. One could always do with more offers of help from international partners and there is a wider issue, which is that within Europe the nominal roles of other European countries' armed forces are very large. The numbers, however, from those nominal roles which came forward for any active service is very limited, and the willingness of their governments and parliaments sometimes is even more limited, but that is a continuing problem which we have.

Q246 Mr Heathcoat-Amory: Could I, further to the Chairman's question, link Iraq and Afghanistan in this respect: we have two cauldrons of violence made much worse by a lot of external interference. We know that Iran is interfering in Iraq. We heard in Washington that most of the suicide bombers there are imported from outside Iraq. We have ferocious violence between the two wings of the Muslim religion, and in Afghanistan there is an echo of this and also a drug problem which they export, and yet the two main countries engaging on this are predominantly white, Christian countries from a very long way away. What reliable support are we getting from our supposed allies in the region? Are they in practical terms helping us sort out what is, after all, a problem right on their doorstep, because it seems that we are taking the casualties? We have nominal support from a number of other regional powers, but what are they actually doing to help?

Mr Straw: Could I just deal with Afghanistan first, if I may? So far as their neighbours are concerned, as I said in my speech on Monday, Iran has been constructive in dealings with Afghanistan and with the international community in Afghanistan. It is perhaps an illustration of some ambiguity of Iranian policy, but it has been. They have, too, an identity of interest with Western Europe and with the United

Kingdom over the issue of drugs because almost all the heroin from Afghanistan goes through Iran and I am told that there are up to two million Iranians who are heroin addicts, so it is a really serious problem. Then you have the eastern border of Afghanistan and you have Pakistan, where relations currently between the two governments are strained and there would not be any case for there to be Pakistani troops in Afghanistan. That would be very strongly resisted by the Afghanistan Government. If you move further east, you have got India and relations between the Northern Alliance and India are always very close indeed, but as far as I know no request whatever has been made to India to put its own troops into Afghanistan, and they would be a target by virtue of being Indian, if you follow me, because they would be seen as being quite partisan. So in that circumstance you have got to look slightly further afield and it has been really as an adjunct to the Bonn process that it was Western Europe which provided the bulk of the troops for ISAF with the United States providing the call for Operation Enduring Freedom in the south. Alongside the United States, it is other NATO countries, plus countries like Japan and Australia or South Korea which have the greatest capabilities in terms of armed forces. Some of the other states are involved in the United Nations peace-keeping operations. Bangladesh has quite a number deployed in peace-keeping operations and quite a number of others, so I do not think one should necessarily criticise those countries because they are not involved in Afghanistan. It is sort of horses for courses. We would like to see a build-up of peace-keeping and peace-making trained forces in the Arab world as well. Some are deployed and some are not.

Q247 Mr Heathcoat-Amory: Would you say that the Muslim world in the Middle East has not pulled its weight in trying to solve what is at least in part a regional problem?

Mr Straw: I would not put it in that way. I do not think it is necessarily a religious specific thing because, after all, Bangladesh has traditionally deployed many forces. Whether it is a function of the instability of the region is another matter. Mr Gooderham, do you have any comment to make on that?

Dr Gooderham: I think there are some instinctive suspicions, certainly in Iraq and I think the same would be true of Afghanistan, of actually having forces from neighbouring countries deployed in Iraq, or in Afghanistan, because of concern about interference. I think you have got to be careful about suggesting that Pakistan or Iran is not doing enough. I do not think they would actually be welcome in terms of supplying forces.

Q248 Ms Stuart: Just to return to Afghanistan and the internal security, for a number of years one of the things which we found was that it is all very well putting in a code of law, training judges, but as I understand it they still do not have any decent prisons which could securely hold any of the warlords or the big drug dealers. If they caught them

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and brought them to justice, they would still be able to buy their way out. Until you have actually put something as fundamental as secure prisons in Afghanistan, all the other efforts actually will come to nothing. Am I wrong?

Mr Straw: I think they have got some secure prisons. I am afraid I have not got detailed information, but I could provide a letter to the Committee if that is okay.⁴

Ms Stuart: That would be helpful, thank you.

Q249 Mr Hamilton: Again on Afghanistan, Foreign Secretary, I know this may sound quite trivial given what we have been talking about, but it seems to me one of the ways we are going to stop the drugs trade and improve the lives of ordinary Afghans is through economic activity, legitimate economic activity, with trades and skills which can be exported. I do not know if you were there yesterday, but in the Strangers' Dining Room there was a sale of Afghan carpets—it is kind of Fair Trade carpets—made by trainees being trained through a charity, a British-based and Afghan-based charity, where the trainees were making the rugs and exporting them direct to people like us or anybody else who wants to buy them. It is very small-scale, but I wondered whether it is something which the Foreign Office together with the International Development Department could pursue, because it seemed to me that if we can afford the prices they are charging, which are a lot less than anything you would find in retail shops in London, and the money is going straight to the people who are learning these skills, if we can magnify that up not just in Kabul but in other parts of Afghanistan, you could really start to have a level of economic activity which would completely see out the drugs trade and make people want to concentrate on legitimate trade, something they are really good at doing and are skills which can be learnt. At the same time, by the way, the charity is educating the young men and woman to learn to read and write.

Mr Straw: I was not aware of it, and it is very welcome. I am sorry I missed the chance of buying one.

Mr Purchase: We bought the stock up between us!

Mr Hamilton: He bought the stock.

Mr Purchase: For my wife.

Q250 Mr Hamilton: But this is brilliant, do you not think?

Mr Straw: Yes, it is very good.

Q251 Mr Hamilton: But it is too small a scale at present. It needs a lot more help.

Mr Straw: A great deal of thought and money is going into the creation of alternative livelihoods in Afghanistan and it is something which we are leading on for the UK, an awful lot of work and money, and there is no doubt that the long-term solution to drugs is the general raising of living standards and the creation of alternative livelihoods, as well as creating a secure environment. So I

applaud this and the more we can do the better. Other countries which have been relatively successful in dealing with the drugs trade—Thailand is one—have shown that you have got to raise overall living standards if you are to have any chance of eliminating reliance on drugs. I have just been passed a note in partial answer to Ms Stuart's question, which is that the United Kingdom is a major donor, £1.1 million to the United Nations' Office on Drugs and Crime project to build a secure detention wing of a Kabul prison. Her Majesty's Prison Service are advising the wing is due for completion in August of this year. The UK has also deployed a five-person prison training team to train three-quarters of 60 prison officers in high security techniques. I will send more details about the prison situation.

Q252 Mr Keetch: I understand there is a new detention centre being built at Bagram as well, I think, in addition to what is going on in Kabul. On the drugs, the situation is clearly very, very bad. The opium harvest in 2006 was as big as 2005 according to the UN and in the Helmand province, where we are deploying, 72% of the interviewees of a survey done by the UK Foreign Office said that they had actually increased poppy production over the last 12 months, and yet British ministers say that we are not going there to knock down crops. I accept that it is not primarily the role of the British Army in its deployment to Helmand to actually get rid of opium production, but surely if we come across it while we are there that is something we should do, because until this trade is stamped out certainly Afghanistan will not be secure, it will not be prosperous, and it seems to many people ridiculous that we are deploying a large number of troops for understandable reasons but almost trying to avoid knocking down the poppy crops if they come across them?

Mr Straw: I am not familiar with the detailed rules of engagement of our troops, but again I can get information—⁵

Q253 Mr Keetch: I was quoting Kim Howells, one of your ministers.

Mr Straw: I am not suggesting you were being inaccurate. I will let the Committee have a note about that. We have been careful on the issue of forced eradication. We have certainly opposed aerial eradication because of its indiscriminate nature and the fact that it can eradicate other crops as well. I think it will be for the commanders on the ground, in consultation with the local authorities, to make judgments about any particular case if they come across a field full of poppies, what efforts are made to deal with that immediate problem, but I will get the Committee a note on that.

Mr Richmond: I think it is just worth making the point that I think there is a distinction to be made between eradication and interdiction. There is some eradication going on at this very moment in the Helmand province, but it is being carried out by

⁴ Ev 68

⁵ Ev 69

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the Afghan authorities themselves and I think the judgment is that eradication is best done by the Afghans, and that is indeed what is happening at the moment, but the interdiction of the actual trade in narcotics production of the opium, and so on, that is an area where I think British forces could play a role.

Q254 Chairman: Foreign Secretary, did you want to add anything to that?

Mr Straw: He is more or less word-perfect, actually!

Q255 Chairman: I saw the paper and I just wondered.

Mr Straw: It says: "UK troops are being deployed in support of a UN authorised NATO-led mission, the International Security Assistance Force as part of the international coalition. They will work to counter insurgency and help appropriate authorities to build security for government institutions to continue the progress of recent years. Above all, their presence will help the Afghans create the environment in which economic development and institutional reform, both essential to the elimination of the opium industry, can take place."

Q256 Chairman: I want to ask a different question, which relates to the wider war against terrorism. How do you react when a major ally which is very helpful in the Gulf and which has played a big role in helping us in, for example, the training of the Iraqi forces is prevented from owning ports, or companies from that country are prevented from owning ports in the United States? We were really surprised, when we were in the States, of the huge American media about this Dubai Ports takeover of P&O, which was a non-issue in this country and yet in the United States has caused enormous furore and led to, in effect, the government of President Bush having to find ways to get off the hook. Are you as surprised by that as we were?

Mr Straw: It reflects the much greater concern in the United States about their internal security. It all goes back to September 11, and I simply say that if September 11 had happened here that kind of concern would have been reflected by British parliamentarians. So I was not really surprised. There has always been a sort of higher propensity to protectionism in the United States than there has here, and of course that has very strong echoes across the Channel as well because we are seeing this what is called economic patriotism (aka protectionism) now being followed variously by France, by some other European countries and by Spain. All I would say is that generally the United States is open with its economy, notwithstanding some of the protectionist pressures. As far as Europe is concerned, I think it ill-behoves France (whose utility companies have sought to buy up utility companies elsewhere in Europe, including the United Kingdom) to be as protectionist as it is, nor Spain either, and I think these countries need to think very carefully. There is, of course, a wider economic argument, which is that certainly as far as the United Kingdom is concerned—I think these

countries need to learn the argument for themselves—the evidence is that where there are foreign buyers of British companies, those companies then have high levels of productivity and overall output, and of course in turn bring in capital which can then be used elsewhere in the British economy.

Q257 Chairman: I am more concerned, though, of the signal it sends to the Arab world and to those countries in the region which are actually our allies in this process that somehow because they are Arabs they are not to be trusted to own American assets.

Mr Straw: I understand that, and I think the United States Government was alive to that, which is why it resisted suggestions that there should be restrictions put on the Dubai Ports company from buying up P&O and running these ports in the United States.

Q258 Andrew Mackinlay: In fairness, Chairman, it was not the United States Government, it was the Legislature—

Mr Straw: You are absolutely right, but even the United Kingdom does not have an entirely compliant Parliament!

Q259 Andrew Mackinlay: I asked a Parliamentary Question of you recently and I did not use this word in the question, but subsequently from our visit to the United States it is about patriotic hacking from China. The distinct impression I got from your parliamentary reply was that your Department did not want me to go there. This is where there has been from China deliberate sabotage or intrusion of government computers, including, I understand, this Parliament's, and others. The reply I got kind of closed us down. We then raised it in the United States and they were very alive to this and what is incontrovertible is that from China this is happening. I cannot help feeling that the Chinese Government authorities are either the inspirers of this or with full knowledge and with full consent allowed this to happen from China and that for wider foreign policy reasons your Department—I make the distinction between yourself and your Department—do not want this raised. This is a very serious matter. It is an act of terrorism and it is emanating from China. What say you?

Mr Straw: I do not recall the details of the answer, but I recall the question. You will have to excuse me, but I am not intending to add to anything I have already said on this issue, which I know is not a great deal. I note what you say about the reaction of the United States, but if you will excuse me I will not comment further on it.

Q260 Andrew Mackinlay: At all, or for the time being?

Mr Straw: I cannot say for ever and a day.

Q261 Andrew Mackinlay: I am not being facetious, but clearly you do not want us to go there?

Mr Straw: Where you go is a matter entirely for you, Mr Mackinlay, I would not presume to determine that. I try to be as forthcoming as I can, but—

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Q262 Andrew Mackinlay: Okay. I did not mean that facetiously, I just wanted to understand whether you wanted more time to find out about it or—

Mr Straw: No, not necessarily, thank you.

Chairman: If, on reflection, you think there is anything more you can tell us, you will send us a note. Could I now just conclude today's session. We

have given you a lot of questions covering a huge range of areas, including some you probably were not expecting, but I am grateful to you for once again coming along. We will no doubt see you again in the not too distant future to probe these matters further. Thank you to your colleagues and yourself, Foreign Secretary.

Letter to the Chairman of the Committee from the Secretary of State for Foreign and Commonwealth Affairs

At the evidence session on 15 March in relation to your ongoing inquiry into the War against Terrorism, I undertook to write to the Committee with further information.

When I appeared before the Committee, Mr Mackinlay asked what evidence there was of the Iranian authorities directly or indirectly bringing terrorism into Western Europe. I said that there had been incidents in the past, and promised to provide details.

The Iranian authorities are believed to have been directly involved in the murder of Iranian dissidents and opposition figures in Europe during the 1980s and 1990s.

In April 1997, a German court convicted four men of offences relating to the September 1992 murder of the Secretary-General of the Kurdish Democratic Party of Iran, Sadeq Sharifkindi, and three associates at the Mykonos cafe in Berlin. The presiding judge said that the murders had been ordered by a "Committee for Special Affairs" comprising the Supreme Leader of Iran (Ali Khamenei), the President (then Ali-Akbar Hashemi Rafsanjani), the Minister of Intelligence and Security (then Ali Fallahian), the Foreign Minister (then Ali Akbar Velayati) and representatives of the security apparatus and other organisations responsible for foreign policy.

Other prominent figures murdered in Europe, allegedly with the involvement of the Iranian authorities, include another Secretary-General of the Kurdish Democratic Party of Iran, Abdul Rahman Ghassemlou, who was killed in Vienna in July 1989, and Shahpour Bakhtiar, the Shah's last Prime Minister, who was murdered in Paris in August 1991.

Iran's intelligence services were significantly reformed during the Presidency of Mohammad Khatami from 1997 to 2005, although a number of senior figures who left the Ministry of Intelligence during that time have returned to frontline politics in Abmadinejad's government.

The Iranian authorities were also involved in attempts to murder Salman Rushdie and others associated with his book *The Satanic Verses* following Ruhollah Khomeini's fatwa in February 1989.

Iran's approach changed following the election of President Khatami. In September 1998 the then Foreign Minister Kamal Kharrazi announced that the Iranian Government would take no action to threaten the life of Mr Rushdie or anybody associated with his work; nor would it encourage or assist anybody to do so. This set in train the events that ultimately led to the restoration of full diplomatic relations between the UK and Iran at Ambassadorial level.

For more than two decades the Iranian authorities have helped to fund and arm Lebanese Hizballah as well as Palestinian Islamic Jihad and other Palestinian rejectionist groups. We have longstanding concerns that these groups may use Western Europe as a base for the planning of terrorist activity.

During my appearance before the Foreign Affairs Committee I also said I would write to you about the provision of secure prison accommodation in Afghanistan.

As I said at the meeting, the United Kingdom is a major donor to a United Nations Office for Drugs and Crime project to build a secure prison facility adjacent to the main prison in Pol-i-Charki, just outside Kabul. We have provided £1.3 million towards this project, which is also supported by Canada and Belgium. This facility will be used to house those convicted of serious drug trafficking offences. The facility will be ready to receive prisoners from the beginning of August. Her Majesty's Prison Service have been advising the United Nations Office for Drugs and Crime during the design of this facility and a team of five UK prison officers is currently deployed to Kabul to train three courses of 60 Afghan prison officers in high security prison techniques. They are also training the trainers from the Afghan prison academy.

The United States is also planning to build a secure detention facility near Kabul airport as part of a Counter-Narcotics Justice Centre. This facility will house suspects from the time of their arrest to the end of their trial. If they are convicted then they will be moved to the secure prison block within the Counter Narcotics Justice Centre that we are helping to fund. The Counter-Narcotics Justice Centre will also house offices for the investigators, prosecutors and judges of the Criminal Justice Task Force.

The Criminal Justice Task Force has national jurisdiction to deal with serious drug offences and the Counter-Narcotics Tribunal will operate out of a secure courthouse within the Counter-Narcotics Justice Centre compound. We expect the Counter-Narcotics Justice Centre to be opened early next year.

These two facilities will enable the Afghan authorities to hold the most dangerous drug offenders. The Afghan authorities are also currently considering their infrastructure and training needs for the remainder of their prison estate and we will consider what further assistance we can provide to them, particularly in respect of increasing their capacity to house drug offenders at provincial level.

On military engagement in Afghanistan Counter Narcotics, our troops are being deployed in support of a UN authorised, NATO-led mission, the International Security Assistance Force (ISAF), and as part of the international coalition. They will work to counter insurgency and help the appropriate authorities build security and government institutions to continue the progress of recent years. Above all, their presence will help the Afghans create the environment in which economic development and institutional reform—both essential to the elimination of the opium industry—can take place. ISAF will be able to help with the provision of training to Afghan counter-narcotics forces and will, within means and capabilities, provide support to their operations. They will also help the Afghan Government explain their policies to the Afghan people. ISAF forces will not take part in the eradication of opium poppy or in pre-planned and direct military action against the drugs trade. As President Karzai has pointed out, this is a job for the Government of Afghanistan.

I hope this answers satisfactorily your Committee's outstanding questions.

Rt Hon Jack Straw MP
Secretary of State for Foreign and Commonwealth Affairs

27 April 2006

Wednesday 29 March 2006

Members present

Mike Gapes, in the Chair

Mr Fabian Hamilton
Mr David Heathcote-Amory
Mr John Horam
Mr Eric Illsley
Sandra Osborne

Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart
Richard Younger-Ross

Witnesses: **Mr Yahia Said**, Research Fellow, London School of Economics, and **Mr Zaki Chehab**, Political Editor, Al Hayat-LBC TV, gave evidence.

Q263 Chairman: Could I apologise to our witnesses. Unfortunately we have no control over votes and votes tend to disrupt us on Wednesday afternoons. May I thank both of you for coming along. In January some members of the Committee were in Iraq and we have been closely following the situation for some time. It was important to get people who were not necessarily participants in the political process there but also not from our Government to give us the view from the outside of the situation. Knowing that both of you are regularly visiting Iraq and know many of the people there, we thought this was a very good opportunity to get an update on the situation. When you respond initially, please could you say who you are and what you do, which will be helpful for the people making the notes of the meeting. Could I begin with the security situation. When we were there in January, the situation in Basra, certainly from my perspective, seemed to be worse than it had been the last time I was there, in December 2004. Since then, we have noticed the appalling violence that took place on 22 February. Some Iraqi politicians have talked about civil war. What is your own assessment? Is Iraq now close to a civil war or in a civil war, or is it exaggeration to say that?

Mr Chehab: My name is Zaki Chehab, I am the Political Editor of an Arab daily newspaper based here in London called Al Hayat. It is similar to the Herald Tribune. I work as well for the Lebanese Broadcasting Corporation—that is television. I have been following the situation in Iraq since 1978. My first assignment as a journalist was the Arab summit which was held after President Sadat visited Jerusalem, and which took place in Baghdad. Saddam Hussein was then the vice-president. Since then I have been visiting Iraq regularly. My intensive interest in Iraq started after the invasion of Kuwait. I may be one of the few who has very good relationships or personal relationships with all the leaders of Iraq from different sects—Sunni, Shi'a, Kurds—in the opposition and even the government, because of my regular visits. Talking about the security situation and the sectarian situation, it was really a difficult situation. It became, for the outside world, very obvious after the bombing of Samarra as something of importance, but the sectarian killing started in Iraq straight after the fall of the regime. Many of us, including myself, felt a bit ashamed to talk about the sectarian cleansing in Iraq taking

place straight away, and it was under different shapes: people wanted to take the houses of others and they are saying . . . You know, you are a Sunni living in a Shi'a area and people want to kick you out, and it was the easiest thing to say, "You are part of the Ba'ath regime" or "You are x" because you are scared. It was on this scale. The kind of killing you are seeing today, there was something similar happening, also on a larger scale, but nobody mentioned it because most of the victims were Ba'athist or high ranking officers, all taking place on a similar scale in Baghdad and in other places, and around the same figures. We are talking today about an average of 50 killings per day. Iraq was seeing, straight after the fall of the regime, similar numbers of killings, but nobody took notice of that. Knowing Iraq very well and knowing Sunni/Shi'a/Kurds political leadership and religious leadership, one importance I felt in Iraq that is different from any other country is the large percentage of mixed marriages in Iraq. Many politicians told me it is maybe between 30 and 50% Shi'a married to Sunnis and Sunnis married to Shi'a. Many believe that this is really a guarantee that Iraq will never slip into a sectarian war in spite of the killings which are taking place today. Others also, and myself, believe that it is only Zarqawi and the al Qaeda organisation who have an interest in seeing Iraq slipping into a civil war. I believe the bombing of Samarra, the religious site, was carried out by Zarqawi after he felt that Sunnis for the first time in Iraq started having some kind of dialogue with the Americans—especially the influential Sunni tribes and the ones who are close to the insurgency. Because my feeling—and I am sure al Qaeda and others know—if any kind of progress and stability in the Sunni Triangle, especially in al-Anbar Province and Mosel, started between the American forces and the main influential Sunni tribes in the area then I do not think there will be a place for al Qaeda and its numbers of sympathisers. The only environment where Zarqawi can benefit is from seeing a Sunni-Shi'a sectarian war taking place. In terms of the influence Zarqawi has in Iraq, I suspect that the number of his followers increased more than a few hundred. He always relied on the anger of the population, mainly the Sunni population, and on the very small militant Sunni organisation in Falluja and Ramadi, and some of them as well started in Baghdad and even up towards Kirkuk. The background of these

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organisations: they were in Iraq before or during Saddam Hussein's leadership, and the first confrontation took place between these groups, I remember, in 1993, when Saddam tried to introduce some kind of changes in the way people lived in Falluja, and because of the background of the population there they confronted him. So this extremism has got some background. The influence which we hear about in the media—I mean the attacks where al Qaeda say, "We have carried this out"—I suspect al Qaeda have the skills to carry out very sophisticated attacks in Iraq for one single reason: because most of the followers who join al Qaeda in Iraq, either they go through Saudi Arabia or Yemen or Jordan or Lebanon, or Palestinians or from Sudan, and they are young, ill-trained and they just go to carry some maybe very limited kind of operation: drive a tank and go through this area. Either they know about it or they do not know, and somebody will just explode the vehicle. So many incidents happen and I can mention one I know about which happened a year and a half ago, the one in which the target was exploded next to the Jordanian Embassy: the driver was a Saudi and he was seriously injured because he was driving a petrol tanker. From the investigation of him which was carried out by a friend of mine, who is the head of intelligence at the Ministry of Interior, he questioned him, and he told him that he did not know that there were explosives in the tank. He was followed by someone on the promise that they were delivering this tank from one area to another, but when they passed through the Jordanian Embassy the tanker exploded. So the majority of attacks are carried out by either army, ex-army or Ba'athists, who have the knowledge and experience and the knowledge; let us say, if you want to talk about the Green Zone, to say where is the American Embassy or the al-Rasheed Hotel or the conference centre or specific areas. I suspect a Saudi who just joined al Qaeda in Iraq doesn't know how to target these specific places or to target a plane trying to land at Baghdad airport. This only can be carried by the Iraqi military personnel who knows exactly what he is after. But many know in Iraq that these Ba'athists—and I believe still today that the Ba'ath Party is the most organised party in Iraq—many of them do not like Saddam Hussein, but they opted, after his arrest, to start to regroup and to work on their own. But because of their political interest, they do not want to be involved in fighting for their political ambitions. They do not want to say, "We are against the Americans" so they do not mind that Zarqawi is responsible for . . .

Q264 Chairman: Thank you. We have a lot of areas to cover. Could I ask Yahia Said to give his take on the security situation as it is at the moment.

Mr Said: Yahia Said, Research Fellow of the Centre for the Study of Global Governance here at the LSE. I have been in exile from Iraq since 1979. My parents were involved in the opposition to Saddam Hussein's regime. Since the invasion in 2003, I have been travelling there regularly, in part thanks to generous funding by the Westminster Foundation

for Democracy. To answer your question about civil war, I think the answer depends on how one defines civil war. If civil war is defined in terms of loss of security, in terms of the fact that there is a myriad of arms factions, militias, armed groups, and that the threat to Iraqi civilian lives and property can come from any of these groups—and in a way the groups are becoming increasingly difficult to distinguish from one another: for example, terrorists dressed as policemen; Shi'a militias working through the police units; Sunni insurgents dressed as military units—a situation like that could be defined as civil war, as a breakdown of the state's monopoly on legitimate violence and pervasive and systemic violence. However, if one looks at civil war and thinks "Bosnia: a sort of all-out sectarian war" then Iraq is not there yet. However, Iraq is getting very close to that moment because, increasingly, not only are political elites, who have started to define themselves in ethnic terms, confronting each other, but also society is beginning to get polarised along ethnic and sectarian lines. Iraq did not have a history of ethnic or sectarian conflict, although the successive regimes in Iraq tried to emphasise sectarian identities as a way to defining their power base, however we have seen sectarianism grow in Iraq, especially over the last three years. There have been many factors that have played a role in that. The most important among them is of course al Qaeda terrorism, which was always designed to foment sectarian war—always that was the intention of al Qaeda—however, there were other factors. Unfortunately a lot of the actions of Multinational Forces in Iraq have contributed to increasing sectarian polarisation; for example, using Iraqi units comprised mainly of Shi'a and Kurdish militias in Sunni areas or defining Shi'a parties and Kurdish parties as allies and defining Sunni parties as enemies. This has contributed to the polarisation. This policy had been reversed over the last six months as it became evident how counter-productive it is. However, it may be too late to prevent an all-out sectarian polarisation in the country.

Q265 Sandra Osborne: There is a general assumption that the centre of violence is around Baghdad and the so-called Sunni Triangle. Is that the case? What is the security situation like in the rest of the country?

Mr Said: It is one way to define the violence as concentrated in the Baghdad and Sunni Triangle but a better way to define it is that the violence is concentrated in mixed areas. Everywhere where there is a co-existence of the various components of the Iraqi society there is violence: Mosul, Kirkuk, Hella, Baghdad and the areas around it. Indeed, the western areas, the ethnically homogenous, western areas of Iraq are relatively quiet, apart from insurgency operations against coalition troops and counterinsurgency operations by these troops. But, in terms of the violence we have seen against civilians and of the various communities against each other and the general breakdown of law and order that is predominant in the ethnically mixed areas, that is another warning sign of an impending civil war.

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Mr Chehab: Many of the attacks or incidents which take place in Iraq go unreported. I would just highlight one thing: I was an observer for the referendum and I visited Kirkuk. I was with American diplomats or ex-diplomats, some Westerners and Arab journalists, and we were advised that Kirkuk is a very safe area to visit with Westerners. We drove there, and, a few minutes after we left, a car exploded in the market. There were about 30 people killed. I decided that day not to report that story to see if any of these things would appear in the media. Nothing happened. On so many occasions—I know of cases in Tikrit and even in Baghdad itself and Mosel—so many incidents go unreported. Somebody has to be there and to call and to ask, or someone to be connected with the media or who knows a journalist to bring this to the outside. Due to the security risks, coverage is very difficult. To give you an example: the road from Baghdad airport to the capital is about 20 minutes' drive, but, believe me, no one feels safe. Even if you drive in a convoy with five Humphys, no one feels safe. Around the airport, I think there are just American military bases, and, to the capital, if 20 minutes' drive is not clear and is not safe for everyone, what about the main roads? Not a single road which connects the capital with any of the main cities in Iraq is safe.

Q266 Sandra Osborne: Who do the ordinary Iraqis blame for the violence?

Mr Said: There are many parties. This is what I was trying to allude to earlier. The danger to Iraqi life and limb and property can come from any corner. It can come as collateral damage from counterinsurgency operations; it can come from criminal elements—and criminality is a very important factor in the violence taking place in Iraq today, criminality, either in its own right or dressed up as ethnic sectarian violence or as insurgency operations; it can come from rogue elements in the security forces; it can come from terrorists affiliated with al Qaeda. So there is a myriad of actors. This is the most frustrating thing for Iraqi civilians today, that they do not feel safe. Under Saddam's regime violence was quite significant, but it was, if you like, uni-directional: it came from a certain address and it was targeting a certain kind of people, whether they were ethnically opposed to Saddam or politically, or whether they were involved in some business dealings that encroached on his turf. Today, violence for most Iraqi civilians is inexplicable: they do not understand why they are being targeted and for what reason.

Q267 Mr Pope: Is the presence of the British forces and American forces part of the problem or is it part of the solution? Are we a focus for the insurgency or all that stands between Iraq and a bloody civil war? Do you think it would help if we set a timetable for withdrawing, or would that in itself be a focus for the insurgency?

Mr Said: If you had asked me this question about a month or two months ago, I would have definitely answered that it is necessary to get into an

accelerated timetable for withdrawal and that a lot of the multinational forces' actions are causing more harm than good. However, the situation is very dynamic now in Iraq. There have been significant changes over the last few months and especially since the attack on Samarra, and, with an impending threat of sectarian civil war, there is a clear case for a multinational force to protect civilians and to prevent a slide into civil war. However, the modus of operation, the way the multinational forces have been working in Iraq over the last three years, has to change significantly. There has to be a focus on protecting civilians. The attitude expressed by Donald Rumsfeld in the aftermath of the Samarra attack, of sitting back and letting Iraqi forces deal with the situation, is not acceptable in this case and it is very similar to the sit and wait attitude that was adopted when the looting started immediately after the invasion. Should the forces stay at the moment? I think there is a clear answer in favour of that. However, the forces will have to carry their mandate as stipulated by the UN Security Council Resolution, which is to provide law and order. It is a luxury now to try to think that the forces can sit back and allow Iraqi forces to take care of it. Finally, I still think there is a benefit from having a timetable for withdrawal, albeit an extended one. That is because a big part of the violence in Iraq and a big irritant in Iraq is a suspicion that the forces are there to stay, that Iraq will never be free. So the timetable will offer a signal to Iraqis that these forces will leave as soon as the situation stabilises.

Mr Chehab: I think the issue of withdrawal and timetable usually raised in Iraq depends on the situation. When there is some kind of dialogue between the Sunni tribes or Sunni influential figures and the American forces or commanders, nobody mentions it. I think the more there is involvement in dialogue, the issue of the timetable is not of relevance. When you want to talk about the timetable, we always make a connection between: We will withdraw when we feel that the Iraqi forces are capable of looking after the security. The Defence Secretary is a very close friend of mine. I saw him some time ago and he invited me and he said, "When is the last time you were in Iraq?" I said that it was only in January, and he said, "Now it is worse" and when I tried to interview him he had to say something different on the record. But the fact is that no one would have an idea about how far we have succeeded in rebuilding Iraqi Security Forces. The kind of forces the Interior Minister have, even the Americans themselves, three years after the fall of the regime, are complaining about how sectarian the system is there. So it means we have to start from scratch. If the Shi'a militia or Kurdish militia are part of the security situation, still we are far from the interest. Whoever is in the police force deals with all Iraqis on the same foot, but still they are thinking that we are Shi'a militia so we have to look after Shi'a interests, not as Iraq united, Iraq for all. So we are still far away. Sometimes one of the units in the army is 1,000 soldiers, and maybe, after they get their salaries, the unit the next day is at 300 soldiers.

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Q268 Mr Pope: Maybe part of the solution here is to set a timetable based on events rather than dates. Rather than saying that coalition forces will withdraw by the summer or the turn of the year, we might say that we will consider withdrawal based on the competence of the Iraqi forces to create law and order. In that context, I would be interested in your assessment as to how capable Iraqi forces are of policing the streets, maintaining law and order, without British and American forces side by side. We know there has been a rapid expansion in the training of the Iraqi forces, but it seems to me that there is a Catch-22, in that the insurgency focuses on attacking the training of Iraqi forces, knowing that the better trained they are the more likely it is that the Americans and the British can withdraw.

Mr Chehab: A policeman who should give the population a sense of security is standing in the streets of Baghdad and he is covering his face because he is worried that when he goes home or to his neighbourhood somebody might recognise him and kill him. This is the kind of police force we are seeing in Baghdad. 80% of the Iraqi police force fears being recognised. Even I was wondering why we hear about 10 policemen killed and 50 policemen killed. You do not have to think too much about it: when you drive in the streets of Baghdad you can find out easily why they are killed in large numbers, because when they are patrolling somewhere they do not take fighting positions and are not ready, they just huddle together, five or 10 or 15, and it is easy for somebody to pass by and shoot them because they are scared to be far away from each other. And this is really to justify that they were ill-trained. When they started to be sent to Jordan, the cost of training a policeman for two weeks or four weeks in Jordan was more expensive than sending someone to study in the Massachusetts Institute.

Mr Said: There is no simple answer to the issue of the Iraqi Security Forces. There is a dilemma here. Security Forces are a matter of nationalism. Security Forces ride not necessarily on equipment and efficiency but on legitimacy, and it is very difficult to build legitimate armed forces and Security Forces under foreign tutelage—especially if the issue of the foreign presence is so contentious in society. The problems we see with the training of Iraqi armed forces are a product of that. As long as the Americans were trying to build the Iraqi Armed Forces in a rigorous way, trying to avoid the incorporation of militias, trying to build an ethnically mixed armed force with loyalty to the state, the process was going very slowly, because very few of Iraqi nationalists or patriots were willing to join the Armed Forces and people were joining them for material gain more than anything else. As soon as the Americans started to accelerate that timetable by trying to incorporate the militias, that process went faster, but these people had an entirely different motivation than that one would expect from the Armed Forces. They were joining it to pursue their own agenda, their own sectarian and ethnic agenda. As we see today, especially in the recent events in recent days, these Armed Forces are very happy to break ranks with the Americans and

the British who have trained them, as long as they perceive any conflict of interest there. In terms of putting milestones for the withdrawal, which I believe is very important, I do not think these milestones should be associated with the building of Iraqi Armed Forces, because in many ways this process is almost impossible under foreign tutelage. The multinational forces in Iraq should create the conditions for Iraqis to take control of the situation and build their own Armed Forces. The multinational forces are in Iraq primarily to protect Iraqi people. It is to protect civilians from sectarian attacks, from terrorist attacks, from crime and violence. This is a huge undertaking, and it may sound easier to train x number of soldiers and officers, but, as we have seen over the last three years, this process is impossible without the involvement of legitimate public authority in Iraq.

Mr Chehab: Can I give three facts?

Q269 Chairman: Briefly, as we have to move on.

Mr Chehab: Yesterday the American forces have announced that they have arrested more than 40 Iraqi policemen who were involved in death squads. Two weeks ago, the Ministry of the Interior came out to say, “We managed to arrest 450 people who have joined the police force and they were part of al Qaeda or something, and they were trying to plan to attack the Green Zone.” A few weeks before that, the Minister of the Interior himself Bayan Jabr’s sister was kidnapped. A few weeks before that, his brother was kidnapped and he had to negotiate with militias. So if the Minister of the Interior is in this kind of trouble and could not secure his family—and that is a simple example—what about the normal Iraqis?

Q270 Sir John Stanley: To what extent do you consider that Iran is or is not fomenting the insurgency in Iraq?

Mr Said: Iran has a very big footprint in Iraq, a big influence. It goes through a variety of channels. It has channels to a variety of the actors in Iraq. Certain groups that enjoy Iranian support have been instrumental in fomenting sectarian violence in Iraq. Specifically I would mention the Supreme Council of Islamic Revolution in Iraq and the associated Badr Brigade. These are two organisations that have been established in Iran and have benefited from direct Iranian material and moral support for many years. However, the Iranian involvement in Iraq is more complex than that. They have been supporting nationalist group, insurgents group and so on. Iran, I believe, views Iraq as an insurance policy, as a card that it could use should it be subjected to a form of perceived or expected aggression from the United States, and therefore, what Iranian influence in Iraq has been over the three years is to try to keep the situation at a certain level of instability, so that it could use it as leverage in relation with the United States.

Mr Chehab: I think Iran is in a unique situation. They have the biggest influence in Iraq, even without sending their own army or militias, because they have Iraqis there who are fully pro-Iran in terms of

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politics, from Al-Sadur, who has militia, taking salaries for each who joined the army and everyone knows that it is Iranian money. You mentioned as well al-Hakim, and everyone knows his background and how the Badr Brigade was first established on Iranian soil and the kind of relationship which Abdul Aziz al-Hakim has with the Iran leadership. And the same thing with the present Prime Minister al-Jaafari. Knowing and hearing American briefings, they were definitely shocked at the way things were going. They were hoping at some stage after this last election to see some change in Iraq. They were hoping that Allawi with Chalabi and others can make a bloc which will take power away from these pro-Iran groups, but unfortunately it was not like this. That is why it was a shock in the Green Zone, when this religious Shi'a secured the majority. That is why the Americans are saying now that they are not going to finance or train or spend the taxpayer's money on supporting what they call security ministers, like the Minister of the Interior, who are definitely known to be pro-Iranian. One of the important things that happened in Iraq straight after the fall of the regime is the attacks and burning of offices and the documents about things like the land registry, and this left matters especially the areas in the South, open for heavy Iranian influence, because at some stage Saddam had expelled tens of thousands of people who were of Iranian origin to Iran. Straight after the fall of the regime, people say even more Iranians, those that had been expelled and others, started moving back to Iraq where nobody can question their backgrounds to see if they are really Iraqis or not as the records were destroyed. Many of them, they talk about their involvement in voting and the election and the influence they would have. There is no document to say this, because everything was burned in Iraq.

Q271 Richard Younger-Ross: Do you think it is possible that there are some provinces where we could effectively withdraw coalition forces now? Are there particular provinces, perhaps outside of Basra, where that might be feasible—that is, where there is enough self-governance?

Mr Said: That was the situation for some time now, that there are provinces like the Muthanna province, and, to a lesser degree, Thi Qar, Nasiriya province, which were pretty peaceful. The situation now has changed because there is a real threat of a complete breakdown or paralysis in the Government in Baghdad and this may reverberate in terms of instability, even into areas which have been stable until now. I honestly cannot recommend—and it pains me greatly, because I have been a great opponent of a speedy withdrawal of foreign forces from Iraq—the withdrawal of forces anywhere in Iraq at this moment. I believe it is possible, in these provinces which are quiet, for the forces to take a lower profile, to hand more competences to Iraqi forces and to attend to other matters. One problem, for example, that was perceived acutely in the relatively stable provinces, is that, despite the stability in these provinces, there was very little in

terms of economic reconstruction, so there are other tasks there that could be carried out with the help of the multinational forces.

Q272 Richard Younger-Ross: In January, we were advised that there were some Sunni insurgent groups which were thinking of coming on the inside, laying down their arms and becoming part of the democratic process. Are you aware of that? Had that come through to you? If that was the case, are you aware whether that has changed now, post the Sumarra bombing?

Mr Chehab: I suspect that at some stage some groups are willing to surrender. It was reported in the media here, it was even in some Arabic media and the American media, but, knowing people there—and I sent people who work for me to al-Ramadi and others—they denied that there is any change. There was some hope. The kind of approach that the Americans started in the last few months was of importance. They managed at least to start getting through to the influential Sunni tribes, but there are no concrete agreements yet. They are still testing the water. And the best test on this front was the election. In spite of the threats made by Zarqawi a few days before the last election, nothing happened, because he realised that Sunnis for the first time were willing to participate in the political process. What really happened in the last few weeks is this kind of progress in the dialogue between the Americans and the Sunnis. Shi'a have looked at it from a different way because they thought now the Americans are trying to improve the relation with the Sunni at the expense of the Shi'a. I think that is where we need a much better balanced approach, so you can convince the Shi's that it is in the interests of the country and their interests that we are doing such a thing, not to do this because we felt or the Americans felt at some stage that we have to forget about the Shi'a because we found out they are pro-Iranians, there is no hope for them, they will not support our policies in Iraq. That is why it is a very delicate situation. The call for withdrawal at some stage was at its best maybe before the election, but, after the election, because of the kind of communications going and because of the regular meetings between the American ambassadors and influential Sunni leaders in Iraq, I have not heard any calls to see American withdrawal. I think the more there is engagement for both parties in the political process, the more people will say, "Okay, let's put it aside, let's prepare the ground." That is what we have started to say: Why do you not think of policies to see what we are going to do with the militias, either Shi'as or Kurds or the insurgency? because until today there is no solution for the Sunni insurgency. The majority of them are ex-Army officers, soldiers, and these ones have no jobs, no income, so we have to find a way of solving their problems. The de-Ba'athification policy is when you ban more than one million members of the Ba'ath party from taking any job in the government. So why should we do that? Especially since a large number of them have nothing to do with Saddam Hussein's policies: they just joined the Ba'ath Party

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for them to get a job in the government and to manage to get scholarships for their kids. So we have to find solutions. If Sunni in the Sunni Triangle find that there is some hope for them to get involved in daily life and to feel that they have a say in the political future of their country I think then we can make progress. Still today we have seen nothing of this.

Q273 Ms Stuart: Let us try to move on from a greater understanding of the problem and see whether there are some solutions, following on from what Mr Pope said of the withdrawal of troops and events. One of the big problems Iraq faces is that, where you have Security Forces which have a personal loyalty, once you remove that personal loyalty people will look for other units to identify with. The western idea of functioning democracies is that our loyalty is to the institutions and to the rule of law. Is there at the moment anything within Iraq where you could have that transfer of loyalty in the absence of a functioning government? What would be your advice to any of the Security Forces? What do you owe your loyalty to, given that you cannot identify with government? Secondly, I am very struck that we talk about Sunnis and Shia's and I have not heard anything about the Kurds so far. Does that mean there is no problem or is it a different kind of problem? The third observation is that we heard from the United States of a document which they produced in terms of media and development of the media. It seemed to me there are masses of newspapers, masses of radio stations, masses of television stations there, yet, Mr Chehab, you say we do not know what is going on. That does not quite add up in my mind. I wonder whether Mr Said would like to answer first.

Mr Said: There are two problems here with the situation. There is a need to transition thinking about Iraq from the insurgency/counterinsurgency situation to a civil war situation. Even if civil war is not taking place now, this is the major threat in Iraq today and this is where the situation is shifting. Even when we talk about engaging the Sunnis politically and also security-wise, bringing Sunni insurgents into the Armed Forces, this is happening under the wrong set of premises. This is happening as providing the third leg of the pot, if you like, of allowing the Sunnis to have their own militia, their own security structure, to defend their own corner, but this is exacerbating sectarian tensions. This is further deepening polarisation. You have rightly suggested that it is important to build institutions that everyone in Iraq believes belong to them. This does not really begin with the Armed Forces and Security Forces but with the government itself. Unfortunately, the two successive elections which took place in Iraq and the adoption of the constitution, as positive as they were in their own right, have produced a Parliament and government that is defined in sectarian terms, defined in sectarian corners.

Q274 Ms Stuart: Sectarian rather than federal?

Mr Said: Yes.

Q275 Ms Stuart: They use the word "federal" but you do not think it is a federal structure.

Mr Said: I do not think Iraq is yet in a federal mode. Federalism is about sharing resources, about sharing power. Iraqi politicians, and the elites that have been produced through the political process and are now legitimately elected representatives, are thinking about dividing resources, about dividing power. The contentious negotiations on the formation of government are a case in point: it is all about who gets what—who gets which part of the security structures, who gets which part of the resources; who gets which part of the media. You mentioned the media: in Iraq there are very few national media outlets. There are regional and even the ones which have federal coverage or national coverage are biased in sectarian ways, including the national Iraqi television. The political process is currently producing a picture that will further deepen division within society. It is quite a dilemma how you reverse that in the absence of political leaders who are willing to look at Iraq as a nation and try to build institutions that are common to all Iraqis. But, just to go back to your question, you cannot start this process through the Armed Forces and the Security Forces. You need political legitimacy that is based on a different understanding of Iraq from the one that is prevailing today in terms of Kurdis-Shia-Sunni.

Q276 Mr Horam: Mr Said, you talked earlier about the paralysis in Baghdad and you paint rather a bleak picture of the increasing sectarian grab of bits of government. Is it as hopeless as that? For example, they formed a National Security Council, which you could argue is some recognition of the need to keep the country together and to bring in people of whatever background and ethnic origin. Is it hopeless?

Mr Said: It is not entirely hopeless, obviously, and the move to set up a Security Council is in some respects a positive step. It is a step in the right direction but it is a very technical step. First of all, the Security Council enshrines the power that the party leaders have over the political process. All the major decisions in Iraq were taking place in meetings between Jalal Talabani, Barazani, Jaafari—

Q277 Mr Horam: So it formalises—

Mr Said: It formalises that process. The hope from that is that once that process is formalised it is possible to build a government that looks more like a team than like a power division deal. The paralysis in Baghdad over the last year was because the Minister of the Interior does not owe any allegiance to the Prime Minister. The Minister of the Interior is a representative of al-Hakim; he does what al-Hakim tells him to do. The Minister of Foreign Affairs is the representative of Barazani; he does what Barazani tells him to do. The Prime Minister has his own agenda.

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Q278 Mr Horam: How do they get out of the trap?

Mr Said: The move to the Security Council may open the door to that because it moves the political bargaining, horse trading, into the Security Council, and hopefully will allow the creation of a national government of technocrats. One issue is where hope is in Iraq. Hope in Iraq is if you remove the top of the political establishment. There is a lot of hope below in Iraq: Iraqi professionals, Iraqi civil servants, Iraqi intellectuals, academics and so on, who are abhorred by what they see being done to their country today, people who stayed in Iraq over the decades and kept their country ticking, despite the madness at the top from Saddam and his cronies. But these people are disempowered by a system that has propelled these politicians to the top who are seeking to define themselves, who are choosing to define themselves in ethnic and sectarian terms.

Q279 Mr Horam: You want government by civil servants and technocrats?

Mr Said: This is what happened and why Japan and Germany were a success after World War Two, because they were run not necessarily by politicians but by technocrats, by people who decided to move on and rebuild their country. The tragedy of Iraq today is it is run largely by exiled politicians who increasingly define themselves in ethnic and sectarian terms and find it convenient. One of the problems with Iraq is that you have these politicians who have very little grass roots support, apart from Al Sadr. Nobody has a political party that works all the way to the bottom. These are people who live in the stratosphere and the only way they mobilise is through fomenting sectarian and ethnic passions. One solution may be in the Security Council, although I do not have much confidence in that, in that you move those people into that little club of theirs and maybe that will open the way to a government of technocrats.

Q280 Chairman: The picture you are painting is much bleaker than I thought when I was there in January. I was quite pessimistic when I came back in January. Is there anything significant that can be done to break this political deadlock? The elections were in December; we are almost into April and we still do not have a government. Is there something that the international community, the coalition, the UN or anybody can do to push something that will change the dynamics or do we have to rely on the internal Iraqi politicians to go through an interminable process and come up with the right answer?

Mr Said: The Iraqi political process has strayed off the right track quite a while ago. It is impossible to sit back and allow these Iraqis to work at their problems together. I must caveat that. The outbursts of violence do every now and then shock Iraqi politicians into some responsible action but even then, most recently, the events in the so-called mosque where US military forces attacked a certain militia in Baghdad, the response of the Iraqi politicians is to boycott the government forming negotiations. The country is burning and they get

upset with the Americans and punish the Iraqi people. Clearly we have a problem with the Iraqi political classes. However, the international community has leverage. Most of these politicians, as all politicians do, crave recognition and acceptance by the international community. They crave support and the membership of a club of the free markets. The international community will not accept an Iraq of desperate cantons. The international community will not accept an Iraq with a dysfunctional federal government. There could be pressure put on them to amend the constitution—and this is one of the key elements we have not addressed yet—in a way that would produce viable federalism as opposed to a loose club of regions. There is definitely a need for robust action on the Iraqi armed forces, Iraqi rogue security forces and militias. Lastly, there is a need to increase and ratchet up work to protect civilians. It is not acceptable for a multinational force whose very mandate is the protection of Iraqi civilians to sit back and say, “We will let the Iraqis sort it out.”

Mr Chehab: The American ambassador and Baghdad have delivered a message to Al Hakim that the Americans have no interest in seeing Al Jaafari back in power. They are more in favour of Adela Bumathi, who is number two in the Al Hakim party. He is well known for his good relationship with the Kurds, the Americans and some other Iraqis. He is ex-Baathist. He was a Communist before, so they are hoping that his liberal open-mindedness will make a little bit of a change in terms of dealing with the others. These are the kind of approaches we are seeing which led to the chaos. It was like trial and error from day one. Otherwise we would have saved three years. Somebody asked a question about the attitude of the American or British forces on the ground. Believe me; I was there from day one and the majority of Iraqis have welcomed the American and British forces, but the kind of mistakes, the attitude, starts building up. Many decisions have been taken and now we talk about sectarianism. It is a danger. We have encouraged it. Zalmaka himself has encouraged it, even from his days in London when he was looking after the operation in London. He decided to give power to Sunnis and the Kurds. That is the kind of attitude that the Americans started from day one. It is a danger and we have to avoid it. If one talks about sectarianism, Shiite in general, they do not want it because they know that if they want to go into war with Sunnis they will end up in the south and start fighting each other. One single incident happened a few weeks ago. Al Sadr, when he heard of a call by Al Hakim for Iran to intervene so that they can negotiate with the Americans to have some kind of dialogue, Al Jaafari and Al Sadr were not happy with that. They know that if they want to end up fighting the others and having their own corner in the south they will end up fighting each other. They have an interest in being part of the whole country. If you ask any Sunni, “Do you want to see American forces leaving Iraq?” they will say no. In terms of the media, there is a large number of media organisations and so many radio stations, television stations and newspapers, but still it is very

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important. I cannot rely on a correspondent who is based in Baghdad who is a Shia to go and travel to the Sunni areas. He has no access; he is not trusted. The same things would also be applied to a Kurd or a Sunni if he wants to travel. For me as an outsider, to have a real picture about what is going on, I have to look at the story from three different angles to see what the Sunnis, the Shia and the Kurds are saying about it. The trouble with most NGOs outside is they have their own people. In the north they have Kurds. In the Sunni triangle they have Sunnis. In the south they have Shiites. Even when they work together, each one reflects his own area, not looking at Iraq as a country that is united. There is a need even in this regard to bring these people who are working in the same organisations, to get them used to each other, to get them to understand each other and work to build something. When you talk about the security organisations, the police and the army, if you visit the Ministry of Foreign Affairs in Baghdad, you hardly find someone who speaks Arabic because all the security people are Kurds. If you go to the Ministry of the Interior, they are all Shia. If you go to the Ministry of Defence, you will find Sunnis. That is the kind of institutional thing in this country today.

Q281 Mr Purchase: You paint a most awful picture of what is happening there. In other circumstances, we frequently talk about confidence building measures between communities to develop a level which might allow a proper political process to come into being and ultimately for a government to be formed. The picture you paint is so bad that we are not even at a point, are we, where people would sit down and agree what they ought to be working towards? In those circumstances, is there much point in the Americans and the British and other allied forces remaining for very much longer, if there is no willingness in Iraqi society to move forward at all, as seems to be the case?

Mr Chehab: I still believe there are means to pressurise them to get together. If you withdraw, you are just handing a victory to al Qaeda and militancy and all these elements.

Q282 Mr Purchase: We make the battle ground against al Qaeda Iraq?

Mr Chehab: It seems so. We have given al Qaeda the environment to grow. The recruitment of suicide bombers in Iraq in the last few months has been at its best. If you look at what is happening every day, to see 10 or fifteen suicide bombers a day, if it reflects one thing it reflects how these militant organisations have large numbers who are willing to die. Otherwise the kind of volunteers are very limited. They will not send fifteen to be killed in one day but there is a large number that can easily be recruited. Either they have been promised they will go to heaven or they are angry or some of their relatives have been killed.

Q283 Mr Purchase: In this battle that you suggest is going on anyway, how on earth do we keep on side the moderate Iraqi who desperately wants peace, wants to build a society fit for their children? How

can that be so if the west is recognising *de facto* that there is a battle against al Qaeda being fought out in Iraq? How do we keep other people on side?

Mr Chehab: The biggest mistake is we relied on people we knew. We tried to rely on the opposition figures who were living here. We never went for people who were influential in their own country. I do not expect an influential Sunni tribal leader who lives in Al Amghar with a very large tribe of 15,000 men behind him to wait at the gates of the American and English embassies to ask for a role in this country. We have relied on a group of people who lived here, who have no popularity there, who have money and support from outside. We have invested too much with them. If I want to invest in Allawi, how many seats in Parliament did he manage to get? 20. Al Bachali? All the money we have paid, all the support, and he did not even secure a single seat for himself in Parliament. Those are the kind of people we have invested in and we hope that they are moderate, that they will be pro-western and they have open minds. It does not mean that the Iraqis or the tribes there are extreme. They are not. People have respect and dignity.

Mr Said: What you could do to keep the Iraqis on side, the ones who want a peaceful and united nation, is to protect them. What Iraqis have not seen from the multinational forces in Iraq is enough protection. Indeed, if the multinational forces are protecting anyone in Iraq, they are protecting the political elite. These are the guys who get the escort and the 24 hour electricity, water and so on, but there are Iraqis who are committed to a national project, just below the surface of the top level of power, who need empowerment and protection. These are the key to preventing the worst from happening, but this will require a complete rethinking of the posture and the role of the multinational forces.

Q284 Mr Purchase: I agree with you. How on earth however, in these circumstances, do you build the physical infrastructure and the personnel expertise to offer that protection to the every day Iraqi who desperately wants to move on? We cannot protect the institutions that are working to develop that human and physical infrastructure, let alone deliver the service.

Mr Said: I am not suggesting there is an easy answer to this. Obviously, the posture and the profile of the forces in Iraq with 8,000 British troops among three or four million Iraqis means there is not enough footprint there to provide security for everyone. However, one can start small. Just to give you a comparison of the situation in Iraq today, think of Iraq today as the early days of the war in Bosnia. Do you really want to leave? That is when everybody was calling for the international community to intervene, to stop the bloodshed. It is a situation similar in other ways. This is sectarian bloodshed that is being heralded through free elections. The war in Yugoslavia started after a set of free elections and referenda that brought nationalists to power. We are facing very similar dilemmas. One way to approach this is not to remove the political echelons

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that have been legitimately elected and brought to power but to punish those who clearly violate the rules of the game. The Minister of the Interior has been accused in successive UN reports and state department reports of running a terror campaign. Why are the multinational forces, who are in charge of security and ultimately responsible for security in Iraq, not taking action against that man?

Q285 Mr Heathcoat-Amory: Is a secular democracy as we understand it possible in Iraq? The civic institutions are very weak. Democracy is seen by some as a western import anyway. We are spending all this effort in building up political parties, a Parliament, ministries, a government. Is there not another perhaps less ambitious way to try and recognise the religious situation there, to try and achieve some reconciliation so we will not leave behind a functional parliamentary democracy but maybe something else? In other words, are we not misconceived in the ambition that we have for the country which is unrealisable?

Mr Said: The format of democracy is not the matter here. To follow your line of argument, maybe the rush to have elections, constitutions and referenda was a mistake in an atmosphere of insecurity, foreign occupation, tension and terrorism. However, ultimately what democracy is about is human rights and the international community cannot leave a country, regardless of the regime that ends up in power, where there are pervasive human rights violations, whether it is a religious democracy or a sectarian country. While the final format of the political regime in Iraq may defer from a parliamentary secular democracy, at the end it will have to be a format that respects human rights. That is the ultimate goal. Iraqis have shown by their enthusiastic support for the elections and the constitutional process that they are prepared for even more than that, for a more formal democratic regime. It is just a question of how you create the environment for that process. One of the main problems with the intervention in Iraq was an attempt to micro-manage the process, to determine the outcomes, the very structure, everything from A to Z of the process. What the international community should have focused on is creating the conditions and the environment of security, most importantly, within which Iraqis can live.

Q286 Chairman: US\$32 billion has been pledged since 2003. Most of it is American money but there has been a huge expenditure, much of it on construction, water supplies and trying to deal with the infrastructure which was neglected for over 35 years, particularly in the south of the country. In the current situation, is that all irrelevant? Do the Iraqi people recognise that? Do they appreciate that? Is there any purpose in pushing more money into a dysfunctional society or should the international community be doing something else?

Mr Said: There were several problems with the drive to invest massively in Iraq from day one. First of all, a lot of the projects that were designed and had money spent on them were long term projects which

should have been left to the Iraqis to decide about. There have been some silly decisions made about things. For example, much of the power generating capacity was designed to work on natural gas which is environmentally correct, but it is a fuel that is not available in Iraq. Some of the new power stations now rely on imported fuel. These are the nicest power stations you can have and probably in the future Iraq would have benefited from them but they are not providing immediate relief. Generally, most of the large, big ticket projects did not produce immediate relief to Iraqis. However, one cannot ignore this picture. A lot of the aid should be targeted at policy and at helping Iraqis develop policies for the development of their economy, for dealing with immediate needs, rather than investing in large, big ticket projects. After all, Iraq has a lot of its own resources. The Central Bank of Iraq has \$10 billion in its coffers. Iraq is not necessarily a capital deficient country. What Iraq needs is a smarter investment and development policy. Again, it brings us back to the political process. It requires a political process that will manage the country's resources in a more efficient, equitable, transparent way.

Q287 Richard Younger-Ross: What do you see as being the main constraints on progress in reconstruction? How much of it is incompetence in Iraqi structures? How much of it is misguided policy by the coalition? How much of it is just straight corruption?

Mr Said: It is all the above. The problem in Iraq is you need to start with the politics. Development is all about politics. In Britain when you build a road or divert a road or a bypass, it takes a very lengthy consultation process. It takes a long, extensive feasibility study and analysis before a decision like that can be taken. In Iraq, decisions about major construction and development have been taken on the back of an envelope by army engineers. A lot of these projects were misguided and ended up in wastage. The amount of cash that was pumped into the Iraqi economy after the drought of the sanctions was immense. Tens of billions of dollars poured onto Iraqi streets immediately after the invasion. Of course, that is a great motivation for corruption. It creates great incentives and conditions for corruption and it has contributed to the exacerbation of conditions of corruption. Again, the solution here lies at the political and policy level. You need robust Iraqi institutions to design and decide what projects to follow. If Iraq is short of capital for those, then you can bring in aid money.

Q288 Richard Younger-Ross: Do you believe there is much corruption within the present political parties?

Mr Said: The present political parties are very corrupt. They were very corrupt from day one. For example, thousands of Iraqis have been reinstated in their jobs after they lost them under Saddam's regime for political reasons. In Iraq now with the paralysis of the economy, government employment is the main source of income for the majority of Iraqi families. Everybody in Iraq knew that they needed to

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go to one of the political parties and get a paper saying they were a prosecuted member of that party, to get reinstated at the Ministry of Health or Education and so on. I had a driver in Baghdad who had three papers from three parties to support his claim to go back to teach at secondary school.

Mr Purchase: We have that. We call them Liberal Democrats.

Chairman: We are very grateful. We have covered a lot of ground. Thank you for coming along and giving us a perspective we do not always get from other people and for being so realistic, honest and frank in your answers.

Wednesday 19 April 2006

Members present:

Mr Mike Gapes, in the Chair

Mr Fabian Hamilton
Mr David Heathcoat-Amory
Mr John Horam
Mr Eric Illsley
Mr Paul Keetch
Andrew Mackinlay
Mr John Maples

Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart
Richard Younger-Ross

Witness: **Professor Philippe Sands QC** gave evidence.

Q288 Chairman: Good afternoon everybody. Professor Sands, welcome. We have one hour so my colleagues will have to be very disciplined this afternoon. We will begin by referring to your important book, which you kindly sent to us. You have suggested in your book that the Bush Administration is trying to rewrite the rules of the international system in terms of dealing with the new threats and the current situation. Do you think that the existing global rules do need to be changed or are they all entirely adequate for the current circumstances?

Professor Sands: Firstly, thank you very much, Mr Chairman, through you to all the Members for inviting me and having an opportunity to address these important issues. The story that I have told in the book begins with a very strong American commitment to developing a system of global rules in the period during and immediately after the Second World War and which characterises the United States' engagement with the international community for much of the next 40 years. The significant change that took place pre-dated the events of September 11 and the Administration of President Bush came into office with a commitment to rewrite already some of the emerging global rules—one thinks of the criminal court and of Kyoto. My thesis is that 9/11 presented an opportunity to take forward that project and it did so in relation to essentially two sets of rules. Firstly, the rules governing the use of force, the *jus ad bellum*; and secondly, the rules governing methods and means of warfare, the *jus in bello*. In both cases, coming to your question, my own view is that present challenges certainly require governments to review the adequacy of existing rules, but on the basis of the information that I have available to me—that which is essentially in the public domain—I do not believe that the rules in their fundamental essence require significant change.

Q289 Sir John Stanley: Professor Sands, on page 182 of your book you wrote, "Tony Blair had privately signalled his commitment to regime change very early on. On 18 March 2002 Sir David Manning, Blair's Foreign Policy Adviser, had written to the Prime Minister confirming that he had told Condoleezza Rice that, 'You would not budge in your support for regime change.'" Can you tell the

Committee, in your view what was the point in time when Mr Blair had made an irrevocable commitment to Mr Bush that if Mr Bush went for regime change by military intervention the British Forces would be there with him?

Professor Sands: Thank you for that question. Again, obviously I have not been privy to absolutely all the information so I can only talk about that which is in the public domain and that which I have otherwise had sight of. My personal view is that the Prime Minister took a decision very early on, in March/April 2002, to provide unambiguous support to President Bush and that President Bush had decided at that time to remove Saddam Hussein from office, irrespective of what did or did not emerge. In terms of proof—and as a lawyer, as an English barrister obviously one is very careful in answering your question—I would say that certainly by 31 January 2003 the Prime Minister had taken his personal decision to support President Bush's decision to remove Saddam Hussein from office. I refer to that date because that is a date from a memorandum that I have referred to later in the book, at pages 272 and 273, relating to a private conversation between the President and the Prime Minister at the White House, accompanied by a small number of other individuals, at which President Bush unequivocally states that he has decided to use force, and the Prime Minister unequivocally states, "I am solidly with you." And in my view everything that happened thereafter, including the UN process, the views of the weapons inspectors, did not really matter what it turned up because the decision had been taken and the start date for war had already been pencilled in. So certainly by that date there had been, in my view, on the Prime Minister's part, an irrevocable decision. That does not of course mean that he would not have to come back and persuade Cabinet, persuade Parliament and perhaps persuade others, the Military, to support the use of force, but I think his decision had been taken and his efforts on the basis of the material that I am aware of were in that direction and unequivocally so.

Q290 Sir John Stanley: So you are saying to the Committee that in your view a significant period, several months before the Prime Minister had asked the House of Commons for consent to go to war, and

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indeed during the period when the Prime Minister was saying to the House of Commons that no decision had been taken, that privately he was committed to supporting President Bush militarily in bringing about regime change by military force in Iraq?

Professor Sands: Yes and the material is unequivocal. *The New York Times* ran a story a month after the latest edition of the book came out; they obtained confirmation from two British senior sources that the material was authentic and neither Downing Street nor the White House has challenged the authenticity of that material. That material is unequivocal and I think it follows from that that it would be, shall we say, helpful to consider very carefully what the private personal decision had been and what the public statements were. There is, regrettably in my view, a very significant gap between what was being said publicly and what had been said privately.

Q291 Mr Keetch: Professor, can I turn to another subject in which this Committee has been interested, and that is extraordinary rendition. As an eminent QC could you give us your opinion of the legality or otherwise of the practice that we generally accept as being called extraordinary rendition?

Professor Sands: The term extraordinary rendition does not have a legal definition as a term of art; you will not find it in any treaties or any domestic or other legislation. What it is typically taken to refer to is the practice of identifying an individual who may be associated with terrorist or related activities, apprehending him and removing him from the jurisdiction in which he is apprehended and taking him to another jurisdiction where he can be subject to treatment and, in particular, forms of interrogation, which may not be permitted by the law of the apprehending state.

Q292 Mr Keetch: Therefore you would say that that is an illegal act under international law?

Professor Sands: I think there is no international lawyer of whom I am aware who would say that it is justifiable in any circumstances for a State to extrajudicially or extra-legally take someone off the streets, remove them to another country and subject them to treatment, forms of interrogation which may amount to cruel, inhuman or degrading treatment or torture within the meaning of the 1984 Convention against Torture.

Q293 Mr Keetch: When we have questioned the Foreign Secretary, and indeed when we have questioned Administration officials on the other side of the Atlantic, one of the arguments has been, "Look, if this is going on why is there not evidence, why has a person not come forward and said, 'Look, this has happened to me'?" Have you actually identified anybody or a case or two or three, whatever, where you actually think that this practice has gone on? I am not talking about CIA jets flying in and out of airports but an actual clear example where you believe that extraordinary rendition, as defined by you, has actually occurred?

Professor Sands: I am going to have to be very careful what I say—I can only speak from my personal knowledge and I do not have awareness of all of the facts, and I have been very careful in making public comments on this issue—to put a caveat that one has to look at the facts and the facts plainly, if they exist, have not yet emerged. I am aware of certain cases in which the allegations have been made. Probably the leading case is the example of an individual of Canadian nationality who was flying, it is alleged, via JF Kennedy Airport in New York, who was apprehended, it is said, with the support of the Canadian and US Police Authorities and transferred, it is said, to Syria where, it is said, he was subject to treatment that did not meet the requirements of the 1984 Torture Convention in the process of interrogation. That is the best-known example that I am aware of, but again of course the facts have not yet been established so one has to have a certain caveat. There are several other cases that I am aware of but none from my own personal knowledge.

Q294 Mr Keetch: Finally, are there any of those cases that actually involve the British Government or the transition of an individual through a British airport or through a British jurisdiction, because again the Foreign Secretary has basically said to this Committee, "Look, it does not happen and if it did happen you would have heard about it somehow"?

Professor Sands: It is a difficult question because I think on many of the cases of which we are aware the full facts are not out. There are individuals who are not British nationals but who have right of residency in this country who are currently being detained at Guantanamo and it is said in relation to a couple of them that they were taken off the streets of a third country and transported eventually to Guantanamo, and it is suggested that there was some involvement of British authorities in that process. But, again, this is allegation and I do not have hard evidence—these cases have not gone to court. Another example that one might refer to—and it has been written up in his book—is a former British detainee, Moazzam Begg, whose story is told in his own book and alleges that he was taken off the streets of Pakistan, transported from Pakistan to Bagram Airbase in Afghanistan and from there transported onwards to Guantanamo. In the course of the story which he tells—and, again, it has not been tested in a court of law so one has to have a certain degree of caution—it appears that British authorities were involved in identifying his presence in Pakistan and certainly, according to his account, in questioning him very shortly after he was apprehended. That would suggest, in answer to your question, there is material that is worth investigating thoroughly. I think the most important point to make in relation to extraordinary rendition is that under the 1984 Convention against Torture Inhuman and Degrading Treatment, all States' parties, including this government, which takes its international responsibilities seriously, have a positive duty to investigate allegations of wrongdoing of this kind. To the best of my

knowledge there has not yet been a full investigation of that kind and such an investigation is required where there is credible evidence.

Q295 Mr Horam: Coming back to your main theme, your assertion that America has tried to change the system of global rules and that the UK has been part of that as well, what role, in your view, should the UK have played? What role would you like to have seen it play?

Professor Sands: One big caveat that has to be put in, which I elaborated in the book but which has not been fully brought out in the media, is I think that the situation is changing, in this sense. I think that the United States in particular has recognised that playing fast and loose with the rules comes with a price, and I think in particular in the second Administration of President Bush there has been an effort to, shall we say, re-engage with America's traditional rule of law type of approach. That is evidenced, for example, I think, in the work of Secretary of State Rice, who I believe is working very hard to ensure that the rules on torture and other rules—

Q296 Mr Horam: Accepting your caveat my question is about the UK.

Professor Sands: I am making the caveat because on the best possible case it could be said that the United Kingdom and the Prime Minister have contributed to that effort to re-engage. Again, I am not privy to all of the material that goes on behind the scenes, but let me give two examples where I think the UK has not acted as it ought to have acted. Firstly, in relation to Guantanamo, whatever may have been said privately, publicly there has been no critique at the highest level of government of the conditions under which Guantanamo has been set up and operated. I believe that has sent a signal to those in the Administration of President Bush who feel it is justifiable to proceed in this way, and I have been told by senior officials in the Administration of President Bush that Britain's silence on Guantanamo amounts, in effect, to an acceptance that that particular policy matter is justifiable. I think if the British government at the highest levels—not some junior official—the level of the Prime Minister and the Foreign Secretary had spoken out decisively in the spring of 2002 the story with Guantanamo may have been different—it may not have been, but I think it may have been. The second example, of course, is in the road to war on Iraq. I am certainly satisfied that the Prime Minister believed a second resolution from the Security Council would have been justified but, again, it seems pretty clear to me on the material that I have seen that there was no full effort at the end of the day to ensure that the United States' actions and the British actions were made fully consistent with the rule of law, and I regret on the basis of the material—some of which is described in the book—I do not have the sense that behind the scenes the interests of the United Kingdom in maintaining the rule of law and the United States'

commitment to the rule of law was put as strongly as it should have been put. That for me, personally, is a matter of considerable regret.

Q297 Mr Horam: Winding forward from that, you have no doubt heard Mr Blair's speeches in Australia and elsewhere about the use of pre-emptive force in the international global problems. How does that fit into what you are saying about how the UK should have behaved or might not behave in the future?

Professor Sands: The Prime Minister has made a number of speeches.

Q298 Mr Horam: The theme was the use of pre-emptive military force, the justification for using pre-emptive military force, which changes the post-war global rules.

Professor Sands: The Prime Minister has made a number of speeches which are not necessarily all in exactly the same direction. In some he has apparently been more supportive of pre-emptive force, in others he appears less supportive of pre-emptive force. I take it your question is concerned with those where he is more supportive of pre-emptive force consistently with the position adopted by the United States. For me that is a matter of considerable concern. On this particular aspect I share entirely the evidence that was put before this Committee by the Attorney General which indicated, I think very accurately, the circumstances in which the international rules governing the use of force can permit the use of force in self-defence where a State is subject itself to an attack or an armed attack is threatened. My own view is that the existing rules of international law justifying the use of force where an attack is threatened are sufficient to allow a State, including the United Kingdom, to act where there is credible evidence that a weapon of mass destruction is being assembled with the intent of using it in relation to, in this case, the United Kingdom. The concern that I have with the Prime Minister's statements is that they tend to suggest that the existing rules are inadequate and I believe that the existing rules are adequate at present to deal with all foreseeable situations, and I believe the Attorney General gave the same evidence to this Committee some time ago.

Chairman: I am conscious it has been indicated that we may have a vote imminently. If so we will break for 15 minutes and then come back and continue, but we will carry on until that moment.

Q299 Mr Purchase: You have, as the Chairman said earlier, made it very, very clear that you believe that the Bush Administration used the war on terrorism as a way to obfuscate the purpose of changing the rules of the game. Given that that was nothing more than opportunism, we will say, do you think there is a grand plan in which the Americans see themselves as significantly changing the rules, in order to create some advantage, of

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which I know not? But if you have in your mind a way in which the rules could be changed to advantage the USA, whom would it disadvantage? **Professor Sands:** I think the first thing I would want to say is that I have been very careful not to talk about the USA because like any country there are lots of different views, and to the extent I have a critique, which I do, it is of the Administration of President Bush.

Q300 Mr Purchase: Fair enough. For USA substitute Bush.

Professor Sands: I think there is a very significant internal battle going on even within the Bush Administration in terms of the nature and extent of its engagement with global rules. There are parts of the Bush Administration that remain very strongly committed to its traditional approach, recognising that a rules-based system has provided tremendous support and advantage to the United States over the last 50 years—in the economic field, in relation to intellectual property rights and also in relation to force. You see that, for example, in the statements of Senator McCain, a Republican senator, who has led the charge against the Administration's efforts to undo the rules. But there is also another camp that is apparently led by the Vice President and by the Secretary of Defence and formerly also by Mr Wolfowitz, who believe that the rules are a fundamental threat to the United States, that they restrain the United States. You can see that most clearly in a statement of 1997 during the Administration of President Clinton by the very individuals who now occupy these high offices, in a document called *The Project for a New American Century*. *The Project for a New American Century* has a statement of principles which basically says that international law is part of the problem, we need to get rid of it, we need to remove these constraints from ourselves, and unconstrained by rules of better international law we would better be able to protect our national security. I think left to their own devices these gentlemen would get rid of the rules altogether on the belief—mistaken in my view, mistaken in the view of Senator McCain, mistaken in the view, I think, also of Secretary Rice—that the US is somehow threatened by the global rules.

Q301 Mr Purchase: So the other side of that coin? Who gets disadvantaged?

Professor Sands: The other side of the coin is the thesis I hold to—and which I think most people would generally accept—that in a complex globalising world we have an interest in a rules-based system setting forth minimum standards of behaviour. If you start unilaterally tinkering with the rules and getting rid of the ones that you do not like, others will do the same thing in relation to the rules that they do not like. The great issue that is coming up is China. China, until the 1990s, was not a party to many of the multilateral instruments that we are very familiar with—the human rights instruments, the World Trade Organisation, the intellectual property

instruments—and the Clinton Administration and indeed the previous Bush Administration expended a great deal of political capital in trying to persuade the Chinese to ratify all of these treaties, and by the end of the 1990s the Chinese had ratified the human rights instruments, the WTO and various other instruments. At the very moment that they have ratified them all in comes a new American Administration to basically shred the rules that have been put in place. So coming to your question, I think the crucial issue within the United States that is being asked right now is to what extent are America's principal emerging competitors, including the Chinese, better off unconstrained by global rules or subject to global rules—I think that is where the debate is heading—and I think the emerging dominant group is beginning to recognise that the Administration and the United States is better off with the Chinese, with the Indians and with other emergent economic powers constrained by global rules, than acting entirely unconstrained by a rules-based system.

Q302 Mr Illsley: Following on with this theme of an assault on the international rules—and I think one of your conclusions is that the robustness of the international rules system, the international law as we have it, is such that it will withstand this assault and that eventually we will return to a situation of the pre-Iraq war whereby the international law regime will hold good. But looking at Guantanamo Bay where, for some three years now, you have a group of people who are not classed as combatants, so they are outside the Geneva Convention, they have no status within the United States Judiciary because they are outside of the American territories, and you have this group of prisoners who are simply prisoners with absolutely no status anywhere within the international regime, how confident are you that the regime will come back to normality, given that we are three years into this and there are people in America commenting that these guys could be in Guantanamo Bay for the rest of their lives?

Chairman: You have a quarter of an hour to think about the answer! We will come back in 15 minutes and continue.

*The Committee suspended from 2.59 pm to 3.13 p.m.
for a division in the House*

Q303 Chairman: Professor Sands, if you would answer Mr Illsley's question, thank you.

Professor Sands: I do not want to be unduly optimistic nor do I want to be unduly starry-eyed about the state of international law or its prospects for resolving all the ills of the world, but there are strong signs that the all-out assault has failed. Whether you look at Senator McCain's efforts successfully to get the US to reengage with its obligations under the Torture Convention or whether you look at the rules governing the use of force, which were decided by the leaders of the world at the UN Summit in September 2005 as adequate to meet all of the changes that we

presently face, including the United States, including—and it must have been rather painful for him to sign off on it—John Bolton signing the Millennium Outcomes document, I think what has concentrated minds is the recognition that if you abandon the rules you pay a significant price. The situation that we now face in Iraq is plainly worse than it would be if the rules had been followed and the present events in relation to Iran, which are beginning to concentrate the mind on the adequacy of the rules and the circumstances, if any, in which force can be used has, I think, brought even the Bush Administration back to a re-engagement with multilateralism, and even in the last 48 hours President Bush has said without excluding any other options we will go down the multilateral route of diplomacy, if we can, to sort out the Iran situation. The difficulty, of course, is that we heard precisely the same thing in relation to Iraq and we now know that whilst public words were being given on the diplomatic and multilateral route, privately other actions had already been decided upon. So there is a certain scepticism, but subject to that I think that there is a broad recognition that the rules generally serve a useful purpose and you pay a price if you abandon them.

Q304 Mr Illsley: I came back from America yesterday and running over the weekend were comments by Senator Lugar, Chairman of the Senate Foreign Relations Committee, who had called upon President Bush to negotiate directly with Iran, which might have prompted his comments on multilateral diplomacy. The Committee met with Lugar during its last visit to the USA and with Senator McCain and one of the things Senator McCain said to us was there has to be a process for Guantanamo, and he was taking the argument that whether it was the Geneva Convention or whether it is a new process there has to be a process to address this issue. Yet we are not seeing any progress in relation to that. I was wondering, given that in America now there are articles appearing and generals are being interviewed on TV setting out how many troops it would need to invade Iran and what the strategy would be for military strikes. So this is gathering momentum—and I hope this does not happen—and it looks as though in the future this type of ad hoc attack on other countries for regime change or whatever is likely to be the norm, rather than how we would expect a properly conducted war with declarations and so on, against a war against terrorism, and it is likely that this informal assault on the rules is going to continue for years to come. I take a pessimistic outlook towards it and I cannot see any end to it.

Professor Sands: I am afraid I disagree very strongly with that view. If you look at the situation in Iran, what is going on in Iran, the allegation is that it is engaged in the production of nuclear material for the purposes of producing an atomic bomb. If that is the case—and facts obviously are central—it would be in violation of its obligations under the 1968 Treaty on Non-Proliferation of

Nuclear Weapons. Imagine the scenario now in Tehran when Jack Straw or Condoleezza Rice or Tony Blair or George Bush tell the Iranians that they are not complying with their obligations under international law. The Iranians turn around and they say, “You have not been complying with your obligations in relation to Abu Ghraib, in relation to Guantanamo, in relation to the use of force in Iraq.” What has happened is that the credibility of Britain and the United States has been significantly undermined and that is broadly recognised in both countries. There is, therefore, in both countries an effort—the right effort, I think—to re-engage. If you are going to have a go at other countries for breaking the rules you need yourself to be in a situation in which you can credibly say you are meting your international obligations. Regrettably that is not the situation and I fear that it will not be the situation until we have a change of government in both this country and in the United States because the credibility of both heads of governments has gone, because of what happened in the road to war in Iraq. In the meantime the central and crucial thing to do is to re-engage public trust and I think that is what Senator Lugar and Senator McCain are trying to do, and I think they are doing it pretty successfully and they are doing it off the back, also, of an effort by others who have been very senior in the Bush Administration, who have publicly stated that they consider, for example, that Vice President Cheney has violated the rules of international law such as he himself may be a war criminal. The highest authority to have done that is Lawrence Wilkerson, who was Chief of Staff of Colin Powell throughout the entirety of the first Bush Administration, and that leads me to the answer to your question, which is that the United States is a complex country in which political processes take time, but there has been a backlash against what has happened and there is now, I think, a concerted effort to reengage with its classical traditional position and marginalize those who say you can consign people to a legal black hole, you can use force against recalcitrant States and you can do X, Y and Z. So my reading is that the situation is changing, but I think it is absolutely right to be cautious about the state in which we find ourselves.

Q305 Mr Pope: What happens when the international rules shortchange us? Intervention in Kosovo in the late 90s was probably illegal under international law but was certainly defensible morally, I would posit to you. So what happens when the rules are not good enough; the rules that were drawn up a long time ago are not fit for purpose in a modern world against failed States, rogue States. What is your view of that?

Professor Sands: Assuming the assumption that underlies that question is right then obviously States and governments have a duty to reassess the adequacy of the rules. In the case of Kosovo it is probably right that the majority of international lawyers would have said that that use of force was contrary to international law. My own view is that

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there was a decent argument to be made in circumstances where mass atrocity is happening or is likely to be about to happen that States cannot sit idly by and do nothing when the Security Council fails to act. Interestingly, in the context of Kosovo after that conflict the Security Council did act and did adopt a resolution which, in the eyes of some, myself included, amounted to an *ex post facto* justification of the use of force. Of course that has not happened in the context of Iraq, but again very sadly because of the circumstances in which the war in Iraq was arrived at, the emergent justification that States could use force to protect fundamental human rights in third countries where the Security Council does not react has been stopped in its tracks, and it is understandable why it has been stopped in its tracks because other countries around the world are highly sceptical, to speak frankly, of claims by large or middle-sized western powers that they are going to use human rights justifications to use force. So another price we have paid for Iraq, regrettably, is that it has made it much more difficult to justify the use of force in relation to Darfur or in relation to other places where a response is needed.

Q306 Mr Pope: So if Tony Blair had been successful in getting a second resolution in the spring of 2003 it would have been legal?

Professor Sands: Yes.

Q307 Mr Pope: Are you saying that the determination of legality is whether or not we can persuade the French?

Professor Sands: The determination of legality is simply whether or not we follow the rules. There are five permanent members of the Security Council; they are each entitled to exercise a veto and each has on different occasions, and it is part of the rules of the game that if one of the permanent members exercises a veto that is, according to the rules, the end of the matter. I happen to have spent some time reading very carefully the statement that President Chirac made, which was used to justify the claim that France would have vetoed a second resolution under any circumstances. He did not say that; he was very, very careful what he said. He dealt with the situation as it was in March 2003, namely on the basis of the facts then available there was no justification to authorise the use of force because there was no compelling evidence that Iraq was in further material breach. I have included further material in the book and from my perspective it would be entirely appropriate for this Committee to seek through its own methods to obtain some of that material because if I have seen it then certainly this Committee also ought to see it. But that material includes communications between the Foreign Secretary and the Prime Minister in which the Foreign Secretary recounts to the Prime Minister a telephone conversation with Colin Powell in which Colin Powell, coming to your question, says, "If there is insufficient evidence to get a second resolution then the US

should not act unilaterally." That is the same answer that I have just given you and I think it is the right answer.

Q308 Mr Pope: We can debate whether or not President Chirac said "never", which I think he did. Are you suggesting to the Committee that this, *de facto*, makes the Prime Minister a war criminal?

Professor Sands: I think the war was illegal. I think the material that has been put into the public domain, in my book and in an article in *The New York Times*, makes it clear that the decision to go to war was taken before the United Nations' process was over. In those circumstances the Deputy Legal Adviser at the Foreign Office, Elizabeth Wilmshurst, resigned, and in her resignation letter—which you will also find in the book—she makes it clear that the reason she felt compelled to resign was she could not contribute to the work of a government which was engaged on waging an illegal war that constituted the crime of aggression. In those circumstances it does indeed appear strongly arguable that those who prosecute an illegal war could be subject to investigation for the crime of aggression.

Q309 Sandra Osborne: In relation to having a rules-based international law, that can only surely work if it is seen to be fit for purpose and reform of the United Nations is at best faltering, partly due to the influence of the United States. So what is your take on the capacity of the United Nations to deliver in the modern setting?

Professor Sands: The United Nations was designed for a world as it was constructed in 1945, and I think as some of the questions of your colleagues have made clear the world has changed very significantly since 1945. There are far more States—there were only 51 States originally in 1945 and there are now about 200. There are malign non-State actors who are committed to doing very nasty things to lots of people around the world and the structure of international legal order was not really designed to deal with those types of entities. Over six decades the United Nations has evolved and last year the high level panel convened by the Secretary General of the United Nations, with the support of all the permanent members of the United Nations, produced a high level report which identified areas for political change in the structuring of the United Nations. Governments deliberated for about a year on that high level report and governments agreed on some of the changes that needed to take place, but they were not able to reach agreement on all of the changes and I think it would be wrong to identify any single permanent member or any single country as having been particularly problematic in those changes—the United States is a sovereign state, it is entitled to have its views and put them through the negotiating process; the Russians have their views, the Chinese have their views, Britain had its views, France had its views—but ultimately the changes which were adopted were regrettably very limited and I think insufficient to apply the changes that the Secretary General's high level

panel required, particularly, for example, in relation to the question of a state's responsibility to protect. What do you do when a massive and fundamental violation of human rights is taking place in another country, do you stand by and do nothing at all? The high level panel came up with reasonably specific rules to try to move the UN rules along a little bit and State said, "No, we are not having that, we are basically satisfied with the rules as they are." So at the end of the day it is very easy, I think, to point the finger at the United Nations, but State members of the United Nations have the responsibility for making the changes and in their wisdom they have decided that they are going to stick more or less with the United Nations that they have, subject to a few changes, some of which are rather cosmetic.

Q310 Sandra Osborne: We heard the view in the United States that because of that the UN in some ways could not be relied upon to take decisive action when that was necessary and that that situation could not continue. What would be your view on that?

Professor Sands: I would agree with that view in the circumstances which are described in your question. The crucial issue is: who decides whether the rules are inadequate? That in essence was the problem with Iraq and the difference between Iraq and Kosovo. In Kosovo you had, broadly speaking, a decent coalition recognising that action was needed; in Iraq that did not exist and that delegitimised what happened in Iraq. But coming back to the fundamental question: are the rules adequate to deal with the threats that we now face? My view is that they are adequate, that if the State finds itself in a situation in which a malign organisation, al Qaeda or some other entity, is assembling weapons of mass destruction, it does not have to wait until the Security Council has authorised the use of force; if it is threatened by the actual use of force it is entitled to use force in self-defence. So those rules remain adequate to deal with a changed situation. So it is the positive side of the rather amorphous nature of international law rules that they are sufficiently ambiguous to evolve with time to take into account new situations. They are not set in stone.

Q311 Sandra Osborne: If that view was really put to us in relation to Iran and the Security Council's capacity to deal with that situation what would be your view of that, and could you see a situation where military action would be legal?

Professor Sands: I think that is, with respect, a very important question. We are at the beginning of a process in which I think the first stage is to establish what the facts are. It appears, on the basis of what is already in the public domain, according to the International Atomic Energy Agency and Mr ElBaradei, that there is pretty strong evidence that Iran is engaged in an activity which is not consistent with its obligations under the Treaty on Non-Proliferation of Nuclear Weapons. Assuming those facts are correct and assuming that Iran

persists in its actions what is to happen? At the first stage we are in discussion right now of moving the debate to the Security Council and the Security Council has adopted a first declaration urging Iran to bring itself into compliance with its international obligations. You will note in particular that the Security Council was not able to reach agreement on a resolution—it is called a declaration—and part of the reason they could not reach agreement on a resolution which would have a binding effect was the concern of what had happened with Iraq. If you adopt a resolution one or two countries may then unilaterally say, "That entitles us to act in that particular way," and a number of countries were concerned that that should not happen again. Let us assume that after the declaration Iran does not bring itself into compliance what happens next? It goes back to the Security Council, the Security Council adopts, one assumes, a resolution, negotiations go on and ultimately a point may be reached in which there is a stalemate and in which the Security Council tells Iran what to do and Iran refuses. In those circumstances, which are some way down the line, the President of the United States has said that he does not exclude any options, including the use of force. I think it is premature to reach a firm view on what ought to happen in those circumstances but one can see two arguments. One argument is that when a State which is a party to the Treaty on Non-Proliferation of Nuclear Weapons violates its obligations and is found to be in violation by the Security Council, States are entitled to use force in self defence. That might be one view that could be put by the Bush Administration, adopting a particular interpretation of pre-emption. Another view would be that in those circumstances it is only for the international organisations concerned to act and that anything that falls short of a threatened use of force against an individual State or a group of States will not justify the use of force until it has been authorised by the Security Council, perhaps in association with the International Atomic Energy Agency. Judging by the statements of the Foreign Secretary he is rather hoping that in the coming months things will become clearer as to which of those two views are likely to emerge and dominate.

Q312 Richard Younger-Ross: I wonder if you could talk a little about what I call "legal creep". You talked about the international laws being amorphous—moving—and you stated earlier that the US was trying to change international law and in some cases you have stated actually flagrantly breaching international law. How far do you think their actions have changed what is regarded as legitimate action?

Professor Sands: I have talked a lot about the use of force; let me talk about another area of human rights. I wear two hats: I am an academic and I am a practising barrister and as a practising barrister most of my work involves acting for foreign States or European States so I get to work with a lot of governments. A number of governments in various parts of the world have said to me, at levels of

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Foreign Minister and President, “Since Britain and the United States now believe there is no problem of taking people off the streets and banging them up indefinitely, in circumstances which previously they had said would violate international law, we do not see why we cannot do the same thing.” That it is the flipside of legal creep, if you like; it is that very regrettably two of the countries that have been most associated with a rules-based system have engaged in actions, one rather more directly than the other, which have tended to legitimise actions of other countries which are not consistent with international law obligations. So it has had that unfortunate effect. To put it in hard terms: if the United States is able to say unilaterally there is a new category of persons who are not criminals and who are not combatants but who fall into a legal black hole such that they can be locked up indefinitely, then other countries are going to do the same thing when they find individuals who are engaged in terrorist acts or alleged terrorist acts, and so a precedent has been set, which I think is a very unfortunate precedent, and that is why my understanding is that within the Foreign Office in particular there is a concerted effort alongside various elements in the State Department in the United States to get Britain and the US batting back with the international rules because of the unfortunate precedent that has been set.

Q313 Richard Younger-Ross: You have spoken about it will change when the Bush Administration goes, you have spoken that there is hope for change when Blair eventually stands down, as he has told us he would. What other measures do you think will have to happen for us to get back to the protection of basic civil rights where you can walk along the street and not just be arbitrarily arrested?

Professor Sands: I think one of the elements that has characterised this country rather differently from the United States—and I spend amounts of time in both countries so I have seen it at first hand—is there has been a very vibrant debate in Britain over the right balance or balance to be struck between security and fundamental rights, and it is always a difficult question and I think in Britain we can be pretty comfortable that the debate, including in this House, has ensured that a wide range of views have been put forward, and I think that is the heart in a democratic society of making sure that fundamental values, security and civil liberties are protected, and I think we have had that debate in Britain and we are continuing to have that debate in Britain. I have to say that it has not happened to the same extent in the United States and famously President Bush said, “If you are not with us you are against us,” and that has tended to stifle political debate and political opposition and political challenge to things like the Patriots Act, and I think that has left the United States in a rather unhappier place than is Britain today. But I think that is the starting point and I feel rather proud as I go around the world with people recognising the extent to which there has

been a full debate with a wide range of views being expressed, and that is the starting point—that is the heart of it, I think.

Q314 Richard Younger-Ross: And the closure of places like Guantanamo Bay, the release of prisoners in Afghanistan, would also have to occur before we could move on?

Professor Sands: I think Guantanamo should be closed down tomorrow. Guantanamo is terribly undermining of a legitimate effort to protect against a serious threat and it is being used mainly as an indication of the values that our societies purport to hold dear not being followed when their vital interests are at stake, and I think it has been terribly undermining in that sense. I recall here a statement made by the great American diplomat, George Kennan, who wrote a famous telex in 1947 from Moscow, where he was posted for the State Department, on the emergent Soviet threat, and he ended that telex by saying, “The greatest threat that can befall us as a nation is to become like those who seek to destroy us.” I think that is what we have to keep our eye on, and I think pretty much we have been able to keep our eye on that in this country.

Q315 Mr Maples: I sense a dichotomy in your view about two separate kinds of intervention, but I wonder if you could perhaps clarify it for me. You seem to say that on Kosovo, which I think most international lawyers, certainly at the time, would have said was illegal—certainly in 1980 would have said was illegal—we did it not only without a UN resolution but knowingly could not get one, but you say international law moves and humanitarian intervention moves and you are perfectly happy that the humanitarian consequences of not taking action there justified taking action, but in the case of intervention to prevent or pre-empt an attack on yourself you say the existing rules of self defence are enough. But clearly if Iraq had been—which I think is a matter of dispute, although I do not personally think it was—sponsoring international terrorism, or if it had, as most people believed, been developing nuclear weapons, then the rules of self defence surely would have extended to the point of intervention. If we had known that it was developing nuclear weapons are we saying that the rules of self-defence have not extended that far? Perhaps there is not a difference in your opinion here and I am imagining it, but the UN Charter says somewhere that except for Article 51 you cannot intervene in the internal affairs of another country, and you are saying that you can on humanitarian grounds but you cannot to prevent a nuclear attack on yourself.

Professor Sands: I think that that is a very fair question. Can I just indicate my different view? I do not believe that in relation to nuclear weapons as of March 2003 the people who were in the know believed that Saddam’s government was developing them, and I do not think that is in fact the case. But putting that on one side you have asked, I think, what is a very fair question and an important

question. Classically there are two grounds to use force in international relations under international law: one, in self-defence, Articles 2(4) and 51 of the United Nations Charter; and, two, where authorised by the Security Council. In classic international law there is no third ground, but the United Nations Charter, when it was adopted in 1945, put into its preamble into Article 2 a commitment to protect fundamental human rights, which was in tension, if you like, with the fundamental sovereignty of each State—what happened if the State was violating its fundamental human rights of its nationals or of others internally? In those circumstances the classical rules of international law appeared to say that you could do nothing if the Security Council did not authorise you to act. Over a period of 50 years there have increasingly been calls by academics and by some States and by some governments to say that there is an emergent third circumstance in which the use of force would be justified. If a State is massively and systematically violating fundamental human rights, and if the Security Council has failed to act, then in those circumstances you cannot stand idly by and do nothing. I am supportive of that emergent third way, so to speak, in the development of international law rules but I recognise that States have not yet accepted unequivocally that there is such a right to use force, and crucially the issue, as with many of the issues, turns on the particular facts of the case in question, and in relation to the facts in question there is a second issue which is fundamental and that is credibility of motive. That, I think, is what links humanitarian intervention with self-defence. At the end of the day we are dependent on governments that regain the trust of their populations. If a Prime Minister or a President says, “This is the situation and this is why I have justified these actions” we want to believe that that is in fact the situation, and anything that undermines credibility and trust undermines the effectiveness of the rules-based system. Both in relation to use of force by means of self-defence if a third entity is developing weapons of mass destruction or humanitarian intervention the concern is that those justifications will be used in circumstances where the facts do not authorise them for ulterior motives, and that is the difficulty that we have.

Q316 Mr Maples: That is one of the dangers of developing it. But it seems to me—and I come back to my point—that you are saying that Kosovo was perfectly legal, there was a humanitarian disaster—although I think 30 people had been killed in Kosovo by Milosovich’s forces before we started bombing Serbia—but the possibility of a rogue State—and I think Iran probably falls into the category of rogue State by most of us by its issued threats to destroy another country, and most of us think it probably is developing nuclear weapons but we it will be very difficult ever to prove it—but it is okay to intervene after 30 people have been killed by some rogue security forces by a very unpleasant government like Serbia’s, but it is not

okay to intervene in Iran where we think maybe it is developing nuclear weapons which might kill millions of people. Similarly, I find it difficult to believe that international law cannot move to cover the so-called illegal combatants that the United States has got, mostly at Guantanamo. These are people who are not prisoners of war in the sense that they would be covered by the Geneva Conventions. They were mostly captured on a battlefield in Afghanistan (some were not but most were) and the idea that we can put all those people on trial in the civil courts in the United States seems to me to be totally impractical. First, there could be thousands of people in such a circumstance and, anyway, if you have arrested them who has got the evidence? You are not there like a policeman collecting criminal evidence. Surely international law must be able to move on these two issues as well. I am not saying that if you are in Guantanamo you are not entitled to have your human rights defended but I cannot see that international law cannot move to cover people who are neither prisoners of war covered by the Geneva Conventions nor criminals or subject to criminal charges in the normal sense, but can move on humanitarian intervention.

Professor Sands: If I can deal first with your second question, classically you bifurcate. You either go down the criminal law route, which is what Britain did in relation to the IRA, rightly in my view, and do not elevate criminals into warrior status, or you treat them as warriors. Either way there are rules which govern their treatment. I do not believe there is a third category. The individuals who have not been wearing uniforms or distinctive signs or recognising the rules of war in armed conflict do not fall into a middle category. They are combatants who are acting illegally and they can be held as security detainees in accordance with the Geneva Conventions. You do not need a Guantanamo type of place to put them in. The rules are perfectly adequate already to deal with that situation and the Red Cross, as the guardian of the treaties, has made that absolutely clear, so I do not accept that there is a need for some sort of third category. The existing categories are clear. I would add also that I think a great mistake was made by the Bush administration but not by the Blair administration in characterising the response to 9/11 as a “war on terror”. Having done that, they set aside the rules of criminal law but they also then recognised that the rules of armed conflict, humanitarian law, were inadequate and hence they had to create this third category and that is why they have got themselves into this difficult mess. The British Government does not use the concept of “war on terror” and it is one which is I think best avoided for all the reasons that have now become clear. In relation to your first question, I do not know, Chairman, whether there is time to deal with it.

Chairman: Probably not. I am conscious of time. I have three of my colleagues who have indicated that they want to ask questions. I also have another witness waiting outside. I am in your hands. If

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people feel that there is something they really want to ask and they are going to be brief and ask one question, then I will take it. Otherwise I am going to conclude things.

Q317 Mr Hamilton: Chairman, there were a few things I wanted to ask but I will stick to one. Can I follow up something you said about Iran and its membership of the Non-Proliferation Treaty to which it is a signatory? What happens in international legal terms if Iran withdraws unilaterally from the Non-Proliferation Treaty? Are they then outside the rules and there is nothing the United Nations or international law can do about their development of nuclear weapons?

Professor Sands: They are limited by the rules of international law, including the treaty itself, as to the circumstances in which they can withdraw. I have not, I am afraid, looked at the withdrawal clauses of the treaty so to be able to answer your question in full, but in simple terms they cannot simply announce that with effect from tomorrow they are no longer parties to the Treaty on Non-Proliferation of Nuclear Weapons. More significantly, in the most recent review conference, the 1995 Review Conference on the Treaty on Non-Proliferation of Nuclear Weapons, they transformed their undertaking not to develop nuclear weapons from a 30-year commitment to an indefinite commitment and that would have implications for the circumstances in which they could withdraw. But plainly you are right in this sense: states as sovereign entities are free to ratify treaties and, in accordance with the relevant rules, to opt out of them. Depending on whether opt-out is permitted, it may be that it is possible for them to withdraw, as North Korea did, from the Treaty on Non-Proliferation of Nuclear Weapons, and that, of course, would leave them in a circumstance in which they would not be open to the criticism that they are not complying with their international legal obligations and would transform, I think, the nature of the legal debate as to what can be done to respond to that situation.

Q318 Andrew Mackinlay: I want to take you back to your view, the way I understand it, which is in a sense that not only the United States but also Prime Minister Blair had committed themselves to regime change come hell or high water, as it were. It is an area which troubles me personally and all the people who voted for this. In the period just before it became clear that there was not going to be a second UN resolution I (and probably others here) met the Prime Minister with two other Members of Parliament and I put to him the question that if there was compliance—and by “compliance” I meant full disclosure, access and destroying weapons of mass destruction if they were there—would an invasion be avoided. He replied to me—and I remember it well because he referred to the President in first name terms; he referred to him as

“George”—that he put this to the President of the United States, that if there was full compliance by Saddam there would be no invasion, and he told me that the President of the United States confirmed that was so. Why I put that to you is because that particular period was an important part of my life, as with everybody else here; we shall think about it till the day we die—our decisions, our dispositions. The Prime Minister made it clear to me that if there was compliance by Saddam there would be no invasion. That was both his desire and the undertaking given to him by the President of the United States. I wanted to put that to you because I really want to find out what you think about that.

Professor Sands: The only material that I can direct you to, and indeed I would invite the committee to obtain a copy of it in order that it can inform its own view, is the memorandum of 31 January 2003 describing the meeting between President Bush and Prime Minister Blair. The *New York Times* has described it as a five-page memorandum. The President says in express terms that irrespective of what the inspectors find the war will begin on 10 March 2003, irrespective of whether there is a second resolution, and the Prime Minister says, and I quote, that “he was solidly with the President and ready to do whatever it took to disarm Saddam”. On that basis it appears that the Prime Minister’s statement to you was inconsistent with what he told the President of the United States on 31 January 2003.

Q319 Ms Stuart: Feel free to say, “I will drop you a note on that” because I genuinely want to take you back to your undergraduate days when you did Kelsen and Grundnorm, and what you said about this emerging third way for the application of the force. Can you think of another way, which will be a kind of accepted third application of the force other than an example where a country will go ahead and break the rules but is successful and then we come and accept it, in the current way the UN is structured such that we will get to a sensible set of rules which will define the right of intervention, and I use as an example Zimbabwe, and I am happy if you just drop us a note?

Professor Sands: You have raised, obviously, a hugely important and significant question. I just come back to what I said before: the law is moving in a particular direction. The crucial issue is, what are the circumstances in which that is justified and, most centrally, how can we be satisfied that motives for action are genuinely what the proponents for action say they are, but I will certainly drop you a note.¹

Chairman: Professor Sands, thank you very much for coming along. We have covered an enormous area in quite a short time and we are grateful to you.

Witness: Sir Christopher Meyer KCMG, former British Ambassador to Washington, gave evidence.

Q320 Chairman: Sir Christopher, thank you for coming this afternoon. I apologise first of all for keeping you waiting but we had a division which extended the period of the previous session and we also had to conclude all the questions we had. I also apologise in advance that I think we are about to have another vote which will potentially mean that we will have to break for 15 minutes and come back, but hopefully we can at least begin before that vote and then take it from there. We have a number of areas we would like to ask you about and I would like to begin by taking you to your assessment of your time in Washington, the relationship between the UK and the US and what influence we have as a country on the United States.

Sir Christopher Meyer: Thank you, Chairman, for inviting me to this session this afternoon. It is a great pleasure to be here. I think that the United Kingdom can have and does have quite significant influence over the conduct of American foreign policy. If you look at the history, “special relationship” as a term came into being some time in the Second World War, and if you look at its “history” you will see many ups and downs from the British point of view. The ups tend to be at a time when we have been able to exercise really quite significant influence over the making of American foreign policy. If the issues are well chosen, if the case is made strongly, this can be done. The world’s only superpower can be significantly influenced by countries and governments that are physically, if you like, significantly inferior to the US.

Q321 Chairman: Peter Riddell’s book is called *Hug Them Close*, and he talks about every Prime Minister except one, Edward Heath, having worked on a strategy of having as close a relationship with the US as possible and that every British Government since World War II had always operated on that basis with that one exception. Do you think the relationship is closer now than it has been in the past or would that be a fair assessment, that all governments except the one have had that close relationship?

Sir Christopher Meyer: I think it has been a history since 1945, as I said, of quite considerable ups and downs. These have had almost nothing to do with whichever political party is in power in Washington or in London. They have had everything to do with personalities and the issues of the moment. For example, this may not be quite the answer to your question, but John Major had a very close relationship with George Bush senior and a rather distant relationship with Bill Clinton.

Q322 Chairman: There were reasons for that, were there not?

Sir Christopher Meyer: There always are reasons, Chairman.

Q323 Chairman: It was the Intelligence Services checking files, if I remember correctly.

Sir Christopher Meyer: Yes, but that actually was untrue. It was a bum rap, to be perfectly honest. I happened to be in Downing Street as Press Secretary at the time so I sort of knew what was going on, but it was believed on the other side of the Atlantic and that was all that mattered really. LBJ’s memoirs and the tape recordings of his conversations, which have been published as books, I think at one point show his antipathy not only to Harold Wilson but also to Harold Wilson’s pipe, which was ironic because I believe that Harold Wilson did not usually smoke a pipe and preferred a cigar, so there you go. It is much more uneven, I think, than the mythology (is that the right word?) of the relationship might have you believe.

Q324 Mr Horam: One point you make in your book is that although we have a common language with the United States we should not imagine for one moment that it is a similar sort of country; in fact, it is remarkably different, and you make a lot of the exceptionalism of the United States and its sense of destiny and of its own values. How far has that been apparent in its conduct of foreign policy under the Bush administration?

Sir Christopher Meyer: I think it has been very apparent and it is one of the ways in which you can measure the differences between the two sides of the Atlantic. For example, if you look historically at American foreign policy you can very crudely speaking divide it into periods when the so-called idealists—Woodrow Wilson, for example—gained the ascendancy and when the realists, the pragmatists, gained the ascendancy, which was most of the time. When I say “idealists” I talk about either a foreign policy infused with a very high degree of moralism or a foreign policy infused with a very high degree of religiosity. The latter has, I think, been very much apparent during the two administrations of George W Bush. That is incredibly different from the European tradition of foreign policy generally and the British tradition of foreign policy in particular. When people talk about the new Conservative influence on American foreign policy today or that of Christian evangelism/fundamentalism, it is another way of saying that under George W Bush, at least in his first administration—I would make a difference for the second administration—there has been a distilled form of the idealist tradition of American foreign policy which has been there since the foundation of the republic. It means that the centre of gravity in American foreign policy since the foundation of the republic has been far more towards idealism, messianism, religiosity, whatever phrase you like to choose to include in that.

Q325 Mr Horam: Is intervention included in that?

Sir Christopher Meyer: It can well be, yes. Monroe doctrine has got some relevance to this. It is very different. It is not axiomatic, to put it mildly, therefore, that in viewing the world as a whole the

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United Kingdom's views and interests will automatically coincide with those of the United States. Sometimes they will; sometimes they will not.

Q326 Mr Heathcoat-Amory: President Bush came into office with great doubts about nation building, but then, because of 9/11 and other events, he attacked Iraq because of a perceived threat. Added to that he now seems to be developing a doctrine of building democracy on the ground that democratic states are not a threat to their neighbours. What is this new Bush doctrine? What are the rules? What guide is it to future decisions about whether to intervene or not and on what grounds and where and when?

Sir Christopher Meyer: I think it is a very rough and ready benchmark by which the detail of American foreign policy can be assessed and judged. From the very first time that I met George W Bush, and I am talking personally now about the President, which was back in 1998 when he was Governor of Texas, it was quite clear that as he was starting to think about what he would do in the world if he were to run for President. The notion of being a beacon, a progenitor of democracy around the world was already becoming very attractive to him and that developed when he became President. Although great play is made of this in the most recent National Security Strategy published a few weeks ago, I do not think there is novelty in it, and in a sense, where Afghanistan and Iraq were concerned, the democratic impulse for the President personally was almost as strong as his reaction to the horror of 9/11. In fact, the one thing, if you like, pumped up the other. Today, which is, if you like, the third phase of Bush foreign policy, the first being up to 9/11, the second being from 9/11 to roughly the end of the first administration, the third being approximately the second administration, looks to me like a foreign policy which is wrapped in the rhetoric of spreading democracy around the world where possible with the execution of this policy in the hands of Condoleezza Rice who is much more of a throwback to the realist/pragmatic tradition of US foreign policy.

Q327 Mr Heathcoat-Amory: Do you think that American power is now in decline and do you think there is a risk that President Bush's real legacy will be a reluctance on the part of a future American Government to do all this again? In other words, although we supported the Americans,—or I did; I supported the Americans to keep them engaged in the world—actually the failures in Iraq will have the opposite effect and there could be a retreat into American isolationism, as, of course, has happened several times in the past?

Sir Christopher Meyer: As far as Iraq is concerned the game has yet to be fully played out and it looks extremely depressing, it looks pretty negative, and it may well be that the whole enterprise will end severely in tears. That is what a betting man would say now. It is not necessarily what will have

happened five years from now, so the game is not yet over and it may well be that the next American President, towards the end of his or her Presidency, may be able to say, looking back, "We went through a horrible period but in the end the thing worked out reasonably well". I am not sure that I believe that is what will happen but it could happen. The lessons to be drawn from this episode by both the American people and the American political class are not yet fully formed. You say isolationism. I do not believe in any circumstances there will be a relapse, as you put it, into isolationism because the challenge in dealing with the United States is not the fear that it will become isolationist. It is the degree to which it will act unilaterally or not, unilaterally or with allies, be they formal or informal. The United States is too much involved in the world, in globalisation. In some ways it has created globalisation. Whether we are talking economically, technologically or culturally it is interwoven into the fabric of the world as a whole, so even if you get up in Congress and say, "Let us cut these links here and those links there", it cannot work. It cannot work in a world where China holds the largest amount of American debt. It simply cannot work in a world where American foreign direct investment last time I looked was more focused in Europe than in any other area of the world. It is not possible any longer to be isolationist. I do not know exactly what military conclusion they may draw from the episode in Iraq and in Afghanistan but more generally there is no question of the United States being able to shut the frontiers, bring down the shutters and become autarchic once again, as I suppose they were in the 19th century.

Q328 Sir John Stanley: Sir Christopher, Philippe Sands, who has just been giving evidence to us, on page 272 of his book says that on 31 January 2003 President Bush and Prime Minister Blair had a two-hour meeting at the White House accompanied by six close aides and advisers. For the record could you tell us whether you were one of the aides and advisers present at that meeting?

Sir Christopher Meyer: No, I was not. I was in an anteroom shooting the breeze with other members of the British and American delegations.

Q329 Sir John Stanley: Thank you. He goes on to say that the note of the meeting in the form of a letter, and I quote, "confirms that the decision to go to war had already been taken by President Bush". Could you tell the committee, from where you were as our Ambassador in Washington, at what point you believe Mr Blair made a firm commitment to be with Mr Bush should Mr Bush decide to invade Iraq?

Sir Christopher Meyer: If I can just give a bit of context as I saw it for the meeting on 31 January 2003, I had said to London first that I thought the atmosphere had changed markedly towards war after the Iraqi declaration of 7 December in which they responded to the UN's request to make a full declaration of their holdings of weapons of mass

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destruction, because that declaration was considered to be, rightly or wrongly, so mendacious that the Iraqis had run out of rope, if you like. The next very important stage was two days before that meeting of 31 January. On 29 January the President gave his State of the Union speech and after that I remember thinking and so telling London that I thought that if the President had given himself any wiggle room for not going to war he had closed that off in that speech. It was a very powerful, almost missionary statement about it being America's destiny to deal with Saddam and it looked pretty clear that this was going to be war. By the time that Tony Blair came to the meeting on 31 January I was saying that, absent a coup in Iraq or Saddam suddenly deciding to go off into exile in some hospitable place like Minsk, the die was cast for war and therefore the Prime Minister's main objective for that meeting should be to ensure that in the coming war we went into battle, if you like, in the best company possible, which is another way of saying, "Let us get a second resolution".

Q330 Sir John Stanley: That does not answer my question. Could I put it to you again? At what point do you believe Mr Blair was firmly committed to going to war with President Bush?

Sir Christopher Meyer: The way I would put it would be like this. I think Tony Blair had made a decision to support George Bush, however the cards fell, from the Crawford Summit of April 2002. This is a distinction I make in my book. This was not a decision in April 2002 at Crawford to go to war on such-and-such a date. It was not an operational decision, but Blair had decided that the right thing to do, given his own view of Saddam Hussein, was to be with the President of the United States whatever decision he chose to take. That was a decision by Blair, I think, taken to try to ensure that he had the maximum influence possible over the President. This is a very important distinction because the criticism has been levelled at both President Bush and Prime Minister Blair that from a very early stage in 2002 they had decided, come what may, that they were going to go to war against Saddam Hussein in the spring of 2003. I do not think that is true because the consequence of that is that everything that then followed in 2002, including the efforts of the United Nations, would have been simply a smokescreen for a devious plan, if you like. I do not believe that to be true. I do not believe the two leaders lied to their respective public opinions. I do believe though that they were very doubtful that Saddam would ever do the right thing and that probably it would come to war, but we did not get to the moment of truth until early 2003.

Q331 Sir John Stanley: But you are saying to the committee that, from the Crawford Summit onwards, if President Bush had decided subsequently to go to war he had been assured by Mr Blair that the British would be with him?

Sir Christopher Meyer: I cannot say to you, Sir John, that those were the words used because, as you will probably be aware, at Crawford the Prime Minister and the President were locked together, without any advisers being there, for quite a considerable period of time, and to the best of my recollection advisers were there only for a discussion of the Middle East because running in parallel to all this was an intifada that seemed to be running out of control, so I do not know exactly what transpired between President and Prime Minister, but the speech that the Prime Minister made the next day at College Station, which was one of the best speeches he made on Iraq, sounded to me like a statement of very strong support for the President, whatever he chose to do. Do not forget that, going back to 1998, Blair had been making speeches long before George W Bush came on the scene, recognising the threat that Saddam presented to the world at large and saying, "We have to deal with this man one way or another", so Blair was always a true believer in dealing with Saddam "one way or another" long before George W became President of the United States.

Q332 Mr Keetch: Just to continue this if we can, Sir Christopher, you said that you did not believe that the events of late 2002 in the UN were a smokescreen, but, again going back to the memo that we have been told about on 31 January, it is also alleged in that memo that President Bush actually set the date for the war as being 10 March 2003. Therefore, if what had happened in 2002 was not a smokescreen, was the attempt to get a second resolution and to persuade President Chirac to agree to a second resolution a smokescreen, because if it was the case that the March date had been set for the conflict, going back to the UN in a sense was a pointless exercise?

Sir Christopher Meyer: You cannot quite put it like that.

Q333 Mr Keetch: How can you put it?

Sir Christopher Meyer: The thing is, when you are looking back with the benefit of hindsight it does look like a straight linear progression which ends up with war beginning on 20 March. It was not like that; at least, it did not seem like that to me. Maybe I was too close to the action. There seemed to be a lot of zigging and zagging, so from the period, say, some time in October 2002 onwards until the time I left Washington I heard all kinds of dates for contingency planning. For a long time people were saying to us, "It is going to be"—I cannot remember the exact date—"January the something-or-other 2003. That is the contingency date against which we are doing our planning." That timing collapsed for a variety of reasons, including that they could not get the Turks to agree to let one of the American divisions transit Turkish territory. Then at the beginning of 2003 I remember one time hearing mid February, then late February, and I thought, "That is getting damn near my birthday", and then March, and 10 March appears as a date in that record of the meeting on 31 January, and

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then in the end it was 20 March. The issue is not the fact that dates specifically were being discussed that makes it seem that what followed was just a smokescreen. The question I think has to be a different one. If, against all odds, a majority of the members of the Security Council were prepared to go for a second resolution, or a majority were prepared to countenance war, say, in April or something like that, it might have changed the game. In the event all the diplomatic efforts to get members of the Security Council on board for a second resolution foundered, for well-known reasons, so that eventuality never happened. I do not think it is as clear-cut as you suggested in your question.

Q334 Mr Keetch: Let me ask one other question. Again, Philippe Sands suggested to us earlier this afternoon that when the decision to go to war was taken during those early months of 2003 the Prime Minister and the President no longer believed that Saddam Hussein probably had a WMD programme and no longer believed that he was therefore a threat to us. Did you believe at that stage that he had a WMD programme and did you think that the Prime Minister believed that?

Sir Christopher Meyer: Oh yes, I do believe that the Prime Minister thought he had a WMD programme. I believed that he had a WMD programme. I did so not on a hunch but on the basis of intelligence that I was seeing at the time. Of course, depending on whether we are talking about January or February 2003, Blix by that time had got cracking on his inspections and I think made two reports to the Security Council before war intervened. I do not think I am breaking some state secret in saying that in some of the locations where he looked for WMD he was directed there by intelligence fed to him either by the Americans or by us, and so this was being done not on the basis, "By God, the stuff is not there", but, "We think it is there and we think it is there", and then Blix did not find it. What we did not know at the time was whether this because Blix was using the intelligence slowly or poorly or not or whether it was because the Iraqis had been tipped off and were moving the stuff to another location. None of that was clear, so if that is what Philippe Sands said to you beforehand I do not think I would agree with that. I think there was a strong belief at the time that there were weapons of mass destruction somewhere and it was not until the Iraq Survey Group came back with its report in September 2004 that you had a pretty definitive statement that if there had been stuff around it was probably buried in the sand somewhere, or might be in Syria, or even, conceivably, in Iran.

Q335 Chairman: Perhaps I can say for the record that in my understanding of what Philippe Sands said he was referring to nuclear weapons. I do not think he referred to WMD, and your question referred to WMD.

Sir Christopher Meyer: There is a big difference.

Chairman: I think we ought to get that clear. He did not deal with chemical weapons.

Q336 Mr Heathcoat-Amory: He was talking about nuclear weapons.

Sir Christopher Meyer: Can I make a very brief postscript? On nukes, if I remember well, we were not at all sure if there was any evidence around of something actual in the pipeline, as it were, as is happening in Iran, but it was biological and chemical weapons which were the focus of attention.

Q337 Mr Pope: I want to be clear about this point because you obviously had privileged access to the Prime Minister in the spring of 2003, you had privileged access to intelligence data. Do you think the Prime Minister deliberately misled the House in his speech on 18 March?

Sir Christopher Meyer: Absolutely not.

Q338 Mr Pope: It is very helpful to have that on the record. I want to follow on from something that Sir John said, and this was about British influence in the run-up to the war. You suggested that Tony Blair effectively said to President Bush at Crawford, "We will be with you, come what may". "However the cards fall" was how you characterised it. Do you think we made the most of our influence and leverage from April 2002 onwards? Do you think that it was a result of British influence that America sought a second resolution?

Sir Christopher Meyer: To answer your second question first, the Americans were being pressed not only by us but also by Aznar, the Spanish Prime Minister, the Australian Prime Minister, Howard, and I think even by Berlusconi. All of them said, "We need a second resolution", so there was stuff coming in from all sides and these were the essential allies for Bush when it was a question of going to war. The Americans were never keen on a second resolution, for well-known reasons, but I think they made a judgment that because their essential allies for the operation wanted one then they would make the effort and, although it was not clear at the press conference on 31 January 2003 that Bush was at all keen on pursuing it, actually the Americans did put their shoulder to the wheel afterwards, and the irony of it all was that, having finally put their shoulder to their wheel, they got absolutely nowhere with anybody, even in their own back yard in South America with the Chileans and the Mexicans. I cannot remember what your first question was.

Q339 Mr Pope: Do you think war would have been sooner if it had not been for Blair and the other allies, such as Aznar and Howard?

Sir Christopher Meyer: I do not think it would have been sooner. When the notion of January was floating around in Washington, which was for most of the autumn of 2002, I remember talking to somebody, whom I really do not want to name,

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who was fairly senior in the White House, and I think I had this conversation in October 2002, about this January timing, and the answer I got was, "It is going to slip", and the reason given then was Turkey. I think it is no secret that when the Prime Minister came to Washington in January 2003 one of the things that he was keen to have was a delay in the start to the war. At the time there was a February date floating around in the air. In the end the February date slipped, not because of Blair's advocacy or anybody else's, but because the American forces simply were not ready, and I think 20 March became the date because we had not got anywhere with the second resolution and the guys were ready to go.

*The Committee suspended from 4.25 pm to 4.39 pm
for a division in the House*

Q340 Richard Younger-Ross: During your discussions in the time you were in Washington can you give us any light on what discussions you were aware of or what preparation was being made or what joint meetings were being set up on what to do in Iraq post-conflict?

Sir Christopher Meyer: Yes. My recollection of that is that not a lot was going on to discuss Iraq post-conflict. It was clear from Crawford, roughly around that time onwards, that the Americans were not devoting a great deal of attention to what would follow. Towards the end of 2002 I remember two Foreign Office (or they may have been interdepartmental) delegations from Whitehall coming over to talk about what was going to happen if and when there was war and Saddam was removed. The difficulty they had, and I cannot give you exact dates because I cannot remember; it was something like November/December, or it might even have been October, was that there was not a united position on the American side in the bureaucracy on post-war, and so they found themselves talking separately to the State Department and then to the Ministry of Defence. By the time I retired from Washington and from the Service it did not seem to me that that kind of discussion had got very far.

Q341 Richard Younger-Ross: Are you aware that there was a meeting which the Americans organised in a hotel in Cobham of Iraqi dissidents?

Sir Christopher Meyer: What I was aware of, and this is a slightly different thing, is this. Post-Iraq: what actually are we talking about here? If we are talking about an agreed plan on what to do on Saddam-toppled-day plus one, plus two, plus three, that did not seem to have been worked out between the British and the Americans. On the question of the Iraqi opposition, during most of 2002 I was aware of a conflict within the US administration over whether Challabi and the INC were worth supporting or not. There was talk all the way through the early summer of 2002 of getting together a conference of Iraqi dissident groups, which would include the INC but not only the INC, and this seemed to have broken down on rivalries

between the INC and the other groups whose names I cannot remember, and on at that time a very intense, almost internecine warfare between the Department of Defence and the State Department. I do not remember a meeting in Cobham but it sounds to me like some kind of offshoot of those rather abortive discussions that were going on inside the administration.

Q342 Richard Younger-Ross: It was broadcast as a secret location and a secret meeting but from the exterior shot of the hotel it was quite clear where it was to anyone who has ever driven down the A3. If I can go on from that, Challabi was seen as promoted by a number of those within the US. Did we have a view on his worth? Were we keyed into the information he was giving, both in terms of what should happen post-conflict, but also the information it is alleged he gave regarding weapons of mass destruction?

Sir Christopher Meyer: I was told by the Foreign Office that they did not hold the INC in high regard. They held Challabi and the INC in low regard, much like the State Department did and, as far as I remember, much as the CIA did. I have to say that this is why, and I think I have made this clear elsewhere, I did not fully take on board the influence of Challabi on the US administration other than the State Department until I had left Washington. I was aware he was around. I knew the INC were very active, but what I had not fully appreciated was for how long and how assiduously Challabi had cultivated the Republican Party in Washington. I believe that he modelled his campaign on that of the African National Congress which had a good deal of success in another decade in working on the US administration to come round and support them. It was only later when I was talking to people in Washington after I had left the Service that I came to understand how successful he had been at getting over to the Republican administration the notion that post-Saddam was not going to be all that difficult: you just turned up, you got rid of him, Iraq was ripe for revolution and upset, the British and American forces would be welcomed as heroes in the streets of Baghdad and Basra, and off you would go. He and his party were very largely responsible for convincing the Americans that that was what would happen after Saddam fell, and, of course, it was not like that at all.

Q343 Richard Younger-Ross: So indirectly you are saying that Challabi was responsible for the US and British failure to deal with the post-conflict period?

Sir Christopher Meyer: Forgive me for saying so but I think it is a little bit simplistic to say that because there were plenty of other voices in Washington and London who were arguing the contrary. The powers that be, or the powers that were, in both Washington and London took the view that they took. There was a very strong feeling that it was not going to be particularly difficult after Saddam fell. Philippe Sands may have

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mentioned this when he came in the earlier session but the minute of the meeting between George Bush and Tony Blair on 31 January 2003, which fell off the back of somebody's lorry into his hands and into his book, records the Prime Minister and the President agreeing that the likelihood of civil war after the fall of Saddam was remote, and certainly on the American side that was in large part down to the advice that they were getting from the INC.

Q344 Chairman: I want to take up one little point coming out of that. You said that you were not aware of much work being done post-conflict. I was at a conference in Stockholm in late 2002 where a leading American said that there were 22 studies going on within the State Department about post-conflict Iraq. Is it true that that was the case? Were you aware of those studies, or is it that the Pentagon basically took over and therefore all the studies that the State Department were running were irrelevant?

Sir Christopher Meyer: We were well aware of this work that was going on. I do not want to be misunderstood here. We knew the State Department was working on this stuff and working on it hard. I think their opposite numbers in the Foreign Office were doing the same thing. All the Middle East hands who knew Iraq well were doing the same thing for Jack Straw, and indeed some of that emerges from some of the other papers that have been leaked about Foreign Office attitudes in the spring of 2002 before Crawford, so we were aware that all this work was going on but what was not happening, at least in my time, was the ability of a British team to come to Washington and find a consolidated US team on the other side who were agreed on what was to be done afterwards.

Q345 Chairman: Is that not a usual US problem? At the moment there seem to be very different views within the administration about this.

Sir Christopher Meyer: It is both the great glory and the great defect of the American system that you have these ferocious internecine battles between different departments in Washington and you either regard it as constructive tension which actually produces a rather good policy or you do not. I think in this case it was the latter because in the end the whole bang shoot was given by the President to Don Rumsfeld and Tommy Franks to sort out, as Bob Woodward in his book has recorded so vividly.

Q346 Mr Purchase: President Bush set out his doctrine of military pre-emption, saying that the USA would not hesitate to act alone if necessary in the interests of national security. Taking you back to your part and that of your fellow advisers from Number 10 and the Foreign Office, can you recall what the thrust of advice was that you gave to Prime Minister Blair in regard to ultimately the attack on Saddam Hussein in Iraq? Can you remember what the general thrust was? We know of one departure from the Foreign Office staff of a

high-ranking official who said, "In the absence of a second resolution I cannot continue to serve". Was there anyone seriously demurring from the idea of attacking in your lot, if you like?

Sir Christopher Meyer: In my lot? I tell you what I thought personally. I was not aware of any dissidence, certainly in the embassy in Washington, although there was—

Q347 Mr Purchase: Do you by mean people who were against?

Sir Christopher Meyer: I mean by people who were against the notion of going to war—

Q348 Mr Purchase: They were all in favour?

Sir Christopher Meyer: As far as I was aware everybody in my team in Washington was working, as they were expected to do, to keep London properly informed on what was moving in the American administration and where necessary to try to persuade the Americans to do the things that we wanted them to do or not to do things that we did not want them to do, the traditional diplomatic function, and nobody came to my office and said, "Christopher, I do not think I can do this because I do not agree". That never happened. I personally was in favour of getting rid of Saddam but, if you like, for non-neo-Con reasons because I thought that we should have called him to account early in 1999 after the first generation of inspectors, UNSCOM, were forced to leave because he would not let them do their job properly. I was always for that, not for reasons of messianic democracy or weapons of mass destruction or even 9/11; you did not need any of that stuff to justify making a case against Saddam. That was where I came from and I knew the lawyers were fighting like ferrets in a sack over this: what would actually justify an attack on Saddam, and as I am no lawyer I found myself persuaded by the argument that Saddam, having been in violation of God knows how many Security Council resolutions and the basic ceasefire of 1991, thoroughly deserved to be removed if he did not come into compliance with all this stuff. That was where I came from. I think most people in the embassy did as well.

Q349 Mr Purchase: So we can establish just for the record that the general thrust of opinion was to support an attack?

Sir Christopher Meyer: Yes.

Q350 Mr Purchase: May I move on very quickly to a second point and that is that you mentioned earlier globalisation in response to my colleague who asked about whether America would retreat into isolationism. I agree with you entirely that globalisation, American interests, now make that almost a non-starter, but it also seems to be the basis on which there has been a growth in terrorism. The spread of American culture, the spread of American business seem to have coincided—and it may be coincidental—absolutely with the rise and rise of terrorism. Is there anything the Americans can do that would persuade the

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world in general that globalisation, the appetite of capitalism to spread, is a good thing rather than a bad thing, and thereby reduce the level of terrorism that we experience presently?

Sir Christopher Meyer: That is a huge question.

Q351 Mr Purchase: I am a fairly large chap!

Sir Christopher Meyer: I find it quite hard to know where to start on that.

Q352 Mr Purchase: Are the two things connected?

Sir Christopher Meyer: Yes, they are connected, but I do think we need to be extremely careful about talking about wars on terrorism or global terrorism as if you have thesis/antithesis: you have globalisation driven to a large extent by American capitalism here and growing global terrorism on that side spurred on by what is going on here, a Coca-Cola there, terrorism here sort of thing. I do not think it is like that at all. I think the genesis of the Osama bin Laden and al Qaeda business is actually quite narrowly based in its origins on the presence of American troops on Saudi soil. That is what got him going. Having been in Sudan, he moves off to Afghanistan because they have given him, if you like, safe haven to do what he is doing. I do not like the “war on terrorism”. I think you have to be a little bit careful about this. If you look at al Qaeda it is a bit like—and I hope he will not sue me for saying this—Richard Branson’s Virgin. Virgin is a kind of worldwide franchise. You have the headquarters and then you have Virgin Airlines, Virgin Railways, Virgin Cola, Virgin telephones. You have got Osama bin Laden but it is a decentralised system. You have Osama bin Laden now sitting somewhere or other—I do not know—in Tora Bora, maybe, and he has this thing called al Qaeda. I think it is a highly decentralised system of terrorism. You do not have this guy sitting in a cave running the business like a global monolith.

Q353 Mr Purchase: He does have access to internet there.

Sir Christopher Meyer: Internet helps, obviously, but the internet, of course, can be intercepted, as mobile phones can be. I am not an expert on terrorism but I am very persuaded by those who say, “Hang on a minute. You have got the al Qaeda brand. It is used by all kinds of people round the world, such as in the UK and Madrid terrorist outrages, but that is a different thing from saying it is centrally controlled and planned”. I think this has all kinds of implications not only for the way in which you tackle terrorism but also the way in which you link it to your foreign policy priorities.

Q354 Andrew Mackinlay: We all accept that intelligence is flawed and it is not an exact science and so on, but are you, looking back now, shocked, horrified, surprised or whatever, at how totally wrong the critical intelligence was on Iraq and/or, if you were still in service and were asked to make recommendations, would there be anything you would be saying has really got to be done to avoid

a repetition of what was a cataclysmic failure of intelligence, I would have thought? You may not agree. You have been in Number 10. You have been a mainstream diplomat. How do you look at this now in retrospect?

Sir Christopher Meyer: I am not entirely sure, and this goes back to an earlier answer I gave you, that the intelligence was entirely wrong. If you take Colin Powell’s presentation at the UN Security Council on 5 February 2003, a lot of what he put out there has now been demonstrated to have been wrong, and Heaven knows he worked extremely hard on the raw material he was given to be disciplined about it. If we boil this down to, were there supplies of biological and chemical weapons, were there the laboratories there to manufacture the stuff, did Saddam intend to resume further manufacture once loosening the sanctions regime made this possible, and my God, it was loosening very fast, I think the answer is yes because the Iraq Survey Group, although it came back at the end of 2004 and said, “We cannot find a piece of WMD anywhere”, and that got the headlines, it did also say, “But, my God, all the mechanisms and protocols are there to resume production as soon as the sanctions are either lifted or have become porous enough to let the Iraqis import the stuff”, so I am not convinced that somewhere in a garage in Damascus or under a hill in Iran there is not some of the stuff that the intelligence picked up as being in Iraq. I think the verdict is not yet final, and I have said before that from my own point of view you did not actually need the physical presence of WMD to justify getting rid of Saddam.

Q355 Andrew Mackinlay: Why did you mention Iran? Probably I have been asleep on this but I am surprised that you think it is even conceivable that there was this linkage with Iran when the history is one of anathema.

Sir Christopher Meyer: I know. You are absolutely right about that, but there is one curious episode from the 1991 war which I have never had explained to me satisfactorily, which was when the entire Iraqi Air Force decamped to Iran so it would not be destroyed by the Americans. It is, I think, still there, is it not?

Q356 Chairman: It is still there.

Sir Christopher Meyer: So why on earth, unless, I suppose, all the pilots were—Shia were better pilots than Sunni. I do not know. I do not know what the reason is but I think the politics of the region are so entangled and in some ways mysterious that—like you, I thought, “What the hell is going on here?”, but it is a fact of history that the Iraqi Air Force was flown to Iran for safekeeping and they have been fighting the devils for 10 years. That is why I think there is more to this than meets the eye.

Q357 Andrew Mackinlay: Can we invite your observations on where we are on Iran?

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Sir Christopher Meyer: We are in an unbelievably tight spot on Iran. It is really an intractable problem. I would be prepared to bet a lot of money that, even if the Iranians hold to their present position of insisting on being able to enrich uranium, denying access to the IAEA inspectors and all this, taking a really hard line, there will never be voted in the Security Council serious sanctions against them. I just do not think that Russia and China would be prepared to countenance this. I also think that efforts by the Europeans to broker some kind of deal, the four-power thing, is destined to go nowhere at all. Basically, the Iranians do not care about the Europeans.

Q358 Andrew Mackinlay: Bush does what then?

Sir Christopher Meyer: Ah! The one peaceful thing, if you like, the one non-military thing that has not been tried yet in dealing with Iran is intensive diplomatic negotiations between the United States and Iran. That is one piece that has not been put into the jigsaw. The Americans find themselves between a rock and hard place because on the one hand you have got Halizad, the Farsi-speaking, Afghan-born American Ambassador in Baghdad quietly talking to the Iranians to get them to soft-pedal on support for Shia insurgency, at least among those Shia who are pro-Iranian, and then you have got the stuff going on over nuclear enrichment, and then you have got a State Department programme, I think \$75 million worth of cash, which is supposed to be paid into beaming TV and what-not into Iran to try and drive a wedge between the Iranian people and their leaders. If you are going to bomb the bejesus out of Iran you are not going to drive a wedge between the Iranian people and their leaders when you bring them together again, so there is incoherence everywhere and I think a completely different tack needs to be taken with Iran than is being taken now.

Q359 Mr Maples: We have had, during the period when all this has been going on and you have been covering in your evidence, quite a long shopping list with the United States which we seem to be very unsuccessful at getting met. The ITAR waiver, which must have been on the agenda every time I have been to Washington for the last 10 years, now that JSAF have a second engine on it, the steel tariffs, the extradition treaty, and some more things I have written down here, the Transatlantic Air Services Agreement; there is a whole load of things here. I am not a supporter of this Government but nobody could have gone more out of their way to their own domestic political cost to support the United States than Blair has over the last few years. Why is it so difficult for us to get any of this? Are they taking us for granted? Is there a genuine block between the White House and Capitol Hill? What do you read as the difficulty? Presumably you addressed a lot of these issues when you were there. Why is it so difficult to get any quid for our quo?

Sir Christopher Meyer: It is always difficult to get a quid for our quo with the United States, however good the political relationship is, because quite often the forces aligned against are, in American political terms, extremely powerful, and you really have to go in there hammer and tongs to try and win your points. I am not making a political point here but the model, I think, for having a close and healthy relationship with the United States is the one which Margaret Thatcher developed with Ronald Reagan. They loved each other. They were so close it was unbelievable. Do not misinterpret me.

Q360 Mr Purchase: She was the second Margaret Thatcher, by the way.

Sir Christopher Meyer: You have put me off my stroke now!

Q361 Andrew Mackinlay: You were saying it was a model relationship.

Sir Christopher Meyer: What I am saying is that when things came up in the relationship which were important to the United Kingdom and which the Americans were resisting or if there was a danger that we were going to be taken for granted, if she was in Washington she would storm into the Oval Office and beat him around the head with her handbag or get on the phone, as after Grenada, and really give him hell, and we won important tricks there: Laker Airways, the Siberian pipeline, pulling Reagan back on nuclear arms control after the Reykjavik Summit, a whole bunch of stuff where that kind of really hard-nosed negotiating paid off without damaging the closeness and intimacy of the relationship. What we have had over the last few years is a great closeness and intimacy in the personal and political relationship between the Prime Minister and first Clinton and then Bush, but the other bit of the Thatcher equation has been missing. On things like the ITAR waiver, where you have massive bureaucratic institutional resistance in the State Department more than in the Department of Defense, it requires a huge push from the other side to try and shift this, plus intensive working up on the Hill. We could say the same thing for the steel tariffs which were imposed just at the time when several thousand Royal Marines were arriving in Afghanistan—an absolute disgrace that this should have happened. There were strong domestic American political reasons for doing it, but we should have been able to put a stronger counterbalance into that argument. There was the Air Services Agreement where even getting antitrust immunity for code sharing between British Airways and American Airlines we could not get through. Part of the reason for that was that there was not enough velocity and not enough steam coming out of London to counterbalance the very powerful economic interests which were trying to stop us. I love the Americans but they do have this wonderful characteristic of being very sincere and genuine and emotional even about the support we give them, and they mean it, but in this part of the woods when you are doing the hard business they are as hard as nails. We used to be like that in the 19th century. That is

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why the French called us *perfidie Albion*, which as far as I am concerned is a badge of honour actually. We have rather lost this ability to really go in hard and not worry that we are going to damage the relationship. We will not damage the relationship.

Q362 Mr Maples: You are quite critical in your book in two or three places. You talk about, with this list of things, there being no clear vision of the national interest, that there needs to be a plain-speaking conversation between the President and the Prime Minister, that the hard and dull detail of negotiation is uncongenial to Tony Blair. You seem to be saying that the only way to solve some of these difficult issues is at the absolutely top level between the President and the Prime Minister and that we just did not do that.

Sir Christopher Meyer: That is true. Sometimes it is quite hard over here to grasp the kinds of issues that get stuck in the White House. On the ridiculous issue of the banana war between the Europeans and the Americans, I found it quite difficult in London to persuade people that bananas had got into the White House, so to say, and that they were only going to be dealt with in a satisfactory way by raising it to the level of Downing Street and the White House. I had another thing which has gone right out of my head. Just repeat the question please.

Q363 Mr Maples: You were saying, some of this long shopping list has to be dealt with at absolutely the highest level and several times in your book you are quite critical of the Prime Minister for either not taking opportunities, not seeing what needs to be done, not having an agenda which is—

Sir Christopher Meyer: The national interest, yes. The only observation I would make on that is that the Americans, like the Chinese, like the Russians, have a very hard-headed view of the national interest. There may be a lot of religious rhetoric around it and messianic, democratic talk. I have just had an email from a very close friend who was a very senior official in the last years of the administration talking about “greetings from the theocracy”, but inside of that there is a very hard-nosed attitude to the national interest, a very clear view. There is no mucking around with concepts of the post-modern state and all that sort of flim-flam. I think that is something that we have lost over here, where it is almost indecent, almost politically incorrect now, to talk about the national interest, however you define it. I was quite struck by reading Tony Blair’s speech, the first of that sequence of three which I think he is making on foreign affairs, where he counter-poses an agreed set of global values on the one hand against national interests which at different points in the speech are described as narrow or immediate or old-fashioned. I think the trick is to go for your global values; I have no objection to that, but inside it you have got to be crystal clear about national interest, that as long as heads of state and government respond to national parliaments and national electorates it is not going to go away.

Q364 Mr Maples: Whatever the global picture is going to be, the multinational, multilateral picture, there are always going to be some bilateral issues which affect only the two countries and can only be settled between them. It seems to many of us, whether you regard the Iraq war as right or wrong, whether you regard Britain’s wholesale commitment to supporting the United States as right or wrong, that we have frankly got absolutely nothing in return. Not only did we not get the items we have just talked about on the shopping list, and I am sure you could enumerate a lot longer list than I can, we did not really seem to get much of a role in the post-war planning or listened to in that either. It seems to me, recognising this very tough national interest that you are up against and the problems between the two governments, or the one and a half governments in the United States, that whoever is the Prime Minister of Britain has got to realise that they are only going to resolve these things by extracting them. It is like pulling teeth. These are going to be difficult concessions to extract and the time to do it is when you are about to give them something that they want.

Sir Christopher Meyer: I would agree with that entirely. It is something which is almost wholly missing from what is in other respects the quite admirable latest Foreign Office strategy paper which does not talk about that at all.

Q365 Ms Stuart: Sir Christopher, I have not read your book closely enough to know whether we are all pygmies or whether the description was just over the part of the politicians but I am glad you talked to us anyway.

Sir Christopher Meyer: It was a faint-made metaphor floating up in the air.

Q366 Ms Stuart: Can I take you back to the days when you were an ambassador in Washington and when the Foreign Affairs Committee visited you because, just listening to John Maples, something occurred to me? I think you are quite right that Britain ought to be firmer in its expression of national interest. I do not entirely agree that all that is lacking is a handbag which needs to be wielded at regular intervals. Would there not be a point in Her Majesty’s ambassadors, when things like the Foreign Affairs Committee come, giving the committee an indication that you probably thought might be helpful, because if that is helpful we could come back and actually say, “Dear Government, we actually think you’ve got it wrong”, whereas whenever we go anywhere we are told it is all absolutely wonderful. I do recall very clearly being told by you how absolutely wonderful it all was.

Sir Christopher Meyer: The trouble is I cannot remember. I may well have been having one of those polyannish moods, to use an American phrase, but if you had come—no; I think that there could be—did I not go on about air services and steel tariffs?

Q367 Ms Stuart: No. I have a very clear memory of the debriefing because it was following the Blair/Bush meeting.

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Sir Christopher Meyer: Which one? The first one?

Q368 Ms Stuart: I just remember what was eaten at great length and how long it took for the second and the third course to arrive but I have no recollection whatsoever of what anybody said of any substance.

Sir Christopher Meyer: Did I talk about food?

Q369 Ms Stuart: Yes.

Sir Christopher Meyer: I must have been out of my mind.

Q370 Ms Stuart: It must have been a bad day.

Sir Christopher Meyer: I tell you what: if you came after the very first Bush/Blair meeting in February 2001, the opening one, we were all a bit euphoric by then because the meeting had gone terribly well. There was not a lot of substance to the meeting, to be perfectly frank, that very first one.

Q371 Andrew Mackinlay: It was a corporate meeting, I think, we claimed afterwards.

Sir Christopher Meyer: Was it the first one?

Q372 Mr Pope: It was the spring of 2003.

Sir Christopher Meyer: I was not there in the spring of 2003. No wonder I was—that was David Manning.

Q373 Ms Stuart: I can tell the difference, even without my glasses. There is a serious point to this, and the very serious point is that you are sitting here as an ex-member of the Diplomatic Service, you are looking back and some things clearly have not worked out the way they should have. If there was a way in which the mechanisms, like toughening-up actions, could be looked at so that we could act a little bit more positively if we changed some things, what would you do differently?

Sir Christopher Meyer: I must say I did think that when your committee came out to Washington while I was there I did talk about not only the wonderful meals but also the pebbles in our shoes. I thought I did talk about the air services. I certainly was sufficiently steamed up about steel tariffs in about February 2002 to talk about them, and I did think I was talking to people about the ITAR waiver and the real difficulty we had in getting licences for the export of American military technologies in the UK.

Q374 Ms Stuart: Is that your chief accusation, that this Prime Minister is not handbagging as much as Thatcher did and that is what got her the goods? That certainly never came across, that you needed a greater steely determination at the top.

Sir Christopher Meyer: No, and, to be fair, this was not just handbags where Thatcher was concerned. It was an attitude that pervaded the whole government machine, as it should do. Again, I am not going to say that Tony Blair was the only reason that we did not get steel tariffs stopped, because I know perfectly

well that Patricia Hewitt, when she was Trade and Industry Secretary, tried pretty hard as well, but it is something where you need all hands to the pump from the Prime Minister downwards, to the Foreign Secretary, to the functional Secretary of State, and above all in the bureaucracy of the Foreign Office. It is an attitude of mind that national interest matters, and I did not express myself in those terms when you came, I know that, but I think I did mention the problems.

Q375 Sandra Osborne: Can you tell me if, during your time at the Foreign Office or in Washington, you saw any evidence of the policy of extraordinary rendition?

Sir Christopher Meyer: None whatsoever, no. I did not know anything about that at all.

Q376 Sandra Osborne: So you would not be aware of any British complicity in it?

Sir Christopher Meyer: No. I think all that happened later. Guantanamo had been set up while I was there and we were able to get somebody from the embassy down to Guantanamo a couple of times before I left, but extraordinary rendition and all that has been something that has blown up long after I retired.

Q377 Sandra Osborne: On Guantanamo the British Government have been criticised for not publicly opposing Guantanamo or criticising it as strongly as they could do. Do you think that is a fair criticism?

Sir Christopher Meyer: When I was Ambassador this was, if you like, in the first flush of all this stuff. Guantanamo had just been set up. We had just dealt with the Taliban and al Qaeda in Afghanistan and it was pretty early days. Now, of course, the Government talks about it being an anomaly, I think is the euphemism it uses. My personal view now is that you cannot go on indefinitely without introducing some due process for the people held there. I am not quite sure what I mean by that. Just as in Northern Ireland for a time we used the Diplock courts because of the difficulties of holding trials in a conventional way, it cannot be beyond the wit of man to come up with something similar which would at least allow those held in Guantanamo to be submitted to some kind of due process. Whereas in the early days I could understand it perfectly well, now, five years on, it is a different period.

Q378 Sandra Osborne: So are you saying that because it was early days it could almost be justified? In private was the British Government critical of the policy? Did they question it or were they in agreement with it?

Sir Christopher Meyer: They did not question it while I was there.

Chairman: Thank you very much. We have covered a very wide range of areas. We would like to thank you, Sir Christopher, for your time and for coming along today.

Written evidence submitted by Professor Philippe Sands QC

1. I understand this question to be concerned with the circumstances, if any, in which the use of force could be justified where not in self-defence (under Article 51) or authorised by the Security Council (or some appropriate regional body).

2. The only situation could be where military force is used to prevent a massive and systematic violation of fundamental human rights. This is an emerging circumstance in international law, sometimes referred to as “humanitarian intervention” or, more recently, the “responsibility to protect”.

3. In December 2001 an independent International Commission on Intervention and State Sovereignty published a report on “Responsibility to Protect”.¹ It sought to clarify and define the conditions under which force might be used to prevent massive violations of fundamental rights. The context was Kosovo.

4. The UN Secretary-General subsequently established a High-Level Panel on Threats, Challenges and Change, which reported in December 2004. Its report on “A more secure world: our shared responsibility” addressed “responsibility to protect” at paragraphs 199 to 203.² The authors of the Report concluded:

“We endorse the emerging norm that there is a collective international responsibility to protect, exercisable by the Security Council authorizing military intervention as a last resort, in the event of genocide and other large-scale killing, ethnic cleansing or serious violations of international humanitarian law which sovereign Governments have proved powerless or unwilling to prevent.”³

5. The theme was then taken up by the UN’s World Summit, held in New York in September 2005. The Outcome Document endorsed by participating Heads of State or Government addressed the issue of “Responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity” at paragraphs 138 to 140. It was later adopted by UN General Assembly resolution 60/1.⁴ The outcome document did not go as far as the High Level Panel’s recommendations, but it did conclude that:

“138. Each individual State has the responsibility to protect its populations from genocide, war crimes, ethnic cleansing and crimes against humanity. This responsibility entails the prevention of such crimes, including their incitement, through appropriate and necessary means. We accept that responsibility and will act in accordance with it. The international community should, as appropriate, encourage and help States to exercise this responsibility and support the United Nations in establishing an early warning capability.

139. The international community, through the United Nations, also has the responsibility to use appropriate diplomatic, humanitarian and other peaceful means, in accordance with Chapters VI and VIII of the Charter, to help to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity. In this context, we are prepared to take collective action, in a timely and decisive manner, through the Security Council, in accordance with the Charter, including Chapter VII, on a case-by-case basis and in cooperation with relevant regional organizations as appropriate, should peaceful means be inadequate and national authorities are manifestly failing to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity. We stress the need for the General Assembly to continue consideration of the responsibility to protect populations from genocide, war crimes, ethnic cleansing and crimes against humanity and its implications, bearing in mind the principles of the Charter and international law. We also intend to commit ourselves, as necessary and appropriate, to helping States build capacity to protect their populations from genocide, war crimes, ethnic cleansing and crimes against humanity and to assisting those which are under stress before crises and conflicts break out.”

6. These three documents indicate a move towards a right to use military force to protect fundamental human rights. However, the conditions under which such force could be used, if at all, remain unclear, and a number of important states remain opposed to this development. In my view the recent conflict in Iraq has tended to undermine developments in this direction, since it has supported doubters who are concerned about motive and possible abuse.

Philippe Sands

1 June 1006

¹ Available at: <http://www.iciss.ca/report2-en.asp>

² Available at: <http://www.un.org/secureworld/report.pdf>

³ *Ibid*, para 203.

⁴ Available at: <http://daccessdds.un.org/doc/UNDOC/GEN/N05/487/60/PDF/N0548760.pdf?OpenElement>

Written evidence

**Letter to the Parliamentary Relations and Devolution Team,
Foreign and Commonwealth Office, from the Clerk of the Committee**

The Committee has noted the statement in the letter to the Chairman from Ian Pearson dated 8 December¹ that he has written to the Foreign Secretary about private military companies and that the review following the Green Paper on regulation of these companies is continuing. The Committee has asked me to write with some specific questions, to which it desires answers in the New Year.

- What are the rules of engagement which currently apply to personnel working for companies under contract to provide security services to HMG in Iraq?
- What criminal law currently applies: (a) to personnel working for companies under contract to provide security services to HMG in Iraq, (b) to personnel working for British companies under contract to provide security services to other governments or to international bodies in Iraq and (c) to British citizens working for foreign companies under contract to provide security services to other governments or to international bodies in Iraq?
- Is there a standard form of contract for companies which provide security services to HMG in Iraq? If so, may the Committee have a copy? If not, may the Committee receive examples of indemnity clauses from such contracts, with any commercial in confidence information removed?
- How is compliance by private companies with the terms of contracts for the supply of security services to HMG in Iraq monitored?

I would be grateful to receive a response to this letter not later than 12 January.

Steve Priestley
Clerk of the Committee

14 December 2005

**Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team,
Foreign and Commonwealth Office**

Thank you for your letter of 14 December 2005 in which you requested written answers to a series of questions relating to the operation and regulation of Private Security Companies in Iraq. For ease of reference I set out below the questions and our responses to each in the same order as they appear in your letter.

1. *What are the rules of engagement which currently apply to personnel working for companies under contract to provide security services to HMG in Iraq?*

The operation of private security companies in Iraq is regulated by CPA Memorandum No 17 (attached as Annex A). (CPA legislation remains in force as part of the law of Iraq by virtue of Article 26 (C) of the Transitional Administrative Law and Article 126 of the Iraqi Constitution until amended or repealed by the new Iraqi Government). Annex A to CPA Memorandum No 17 sets out binding rules on the use of force which apply to all private security companies in Iraq.

FCO have contracted two private companies, Control Risks Group and ArmorGroup, to provide security services to HMG. Annex A to CPA Memorandum No 17 forms part of their standard operating procedures (SOPs). Every individual working for these contractors is required by contract to follow rules of engagement based on these SOPs (attached as Annex B).

2. *What criminal law currently applies: (a) to personnel working for companies under contract to provide security services to HMG in Iraq, (b) to personnel working for British companies under contract to provide security services to other governments or to international bodies in Iraq, and (c) to British citizens working for foreign companies under contract to provide security services to other governments or to international bodies in Iraq?*

In general, the criminal law of Iraq applies to crimes committed within the territory of Iraq and the application of this law is not affected by the nationality of the perpetrator or the identity of a person's employer. Personnel employed by private security companies in Iraq may, however, enjoy immunity in some circumstances from the jurisdiction of the Iraqi courts.

Foreign nationals working in Iraq may in some cases remain subject to the criminal law of their state of nationality. The scope of application of such extra-territorial jurisdiction will depend on the legal system of each state.

¹ See Foreign Affairs Committee, First Report of Session 2005–06, *Human Rights Annual Report 2005*, HC 574, Ev 67.

Category (a): Personnel employed by Control Risks Group and ArmorGroup in Iraq are notified to the Iraqi Government as members of the Administrative and Technical Staff of the British Embassy. This status means that they are entitled to immunity from the criminal jurisdiction of the Iraqi courts, although such immunity may be waived. The FCO is currently reviewing the conferral of this status on these personnel.

Category (b): By virtue of CPA Order No 17 (Revised) (attached as Annex C), all non-Iraqi personnel working under contract in Iraq for (i) the MNF-I; (ii) a body engaged in humanitarian, development or reconstruction efforts; or (iii) any foreign diplomatic or consular mission, are required to respect the laws of Iraq, except that they are not subject to Iraqi laws or regulations in matters relating to the terms and conditions of their contracts. Private Security Companies are however required to comply with any CPA legislation regulating the activities of such companies. Such contractors are immune from the jurisdiction of the Iraqi courts with respect to acts performed pursuant to the terms and conditions of their contract, but this immunity may be waived by the State that has employed the contractor.

Iraqi nationals in categories (a) and (b) have no immunity.

Category (c): The position of British citizens working for foreign companies under contract to provide security services to foreign diplomatic missions in Iraq or to international bodies engaged in humanitarian, development or reconstruction efforts is the same as for other non-Iraqi personnel in category (b).

In addition, if a contractor of British nationality (in any category) were to commit a criminal offence in Iraq it is possible that in some circumstances he could be prosecuted in this country. This would depend on whether extra-territorial jurisdiction exists for the offence under English law. The CPS would assess whether to bring a prosecution in accordance with the normal requirements laid down in the Code for Crown prosecutors, ie whether there was a realistic prospect of a conviction and whether it was in the public interest to bring a prosecution here.

3. *Is there a standard form of contract for companies which provide security services to HMG in Iraq? If so, may the Committee have a copy? If not, may the Committee receive examples of indemnity clauses from such contracts, with any commercial in confidence information removed?*

The contracts with companies that provide security services to HMG in Iraq are based on a standard format. I attach a copy of the current core contract (Annex D).

4. *How is compliance by private companies with the terms of contracts for the supply of security services to HMG in Iraq monitored?*

Day to day contract management is carried out by the Overseas Security Manager at Post overseen by the Deputy Head of Mission with support from FCO London (Iraq Policy Unit, Iraq Resource Management Unit, Security Management Directorate and Procurement Strategy Unit).

The Overseas Security Manager ensures that the Private Security Companies have the agreed number of staff on the ground, that they comply with FCO security procedures, that they maintain effectively FCO supplied security equipment, and that, in FCO parlance, they do not bring the FCO into disrepute. Any transgression of terms of contract would be flagged up by the Overseas Security Manager with senior managers of the contracted security companies at post, and if necessary disciplinary measures taken.

I hope our response has addressed your queries.

Kind Regards

Chris Stanton
Parliamentary Relations and Devolution Team
Foreign and Commonwealth Office

12 January 2006

Annex A

COALITION PROVISIONAL AUTHORITY MEMORANDUM NUMBER 17

Registration requirements for Private Security Companies (PSC)

Pursuant to my authority as Administrator of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant U.N. Security Council resolutions, including Resolutions 1483, 1511 (2003) and 1546 (2004),

Recognizing that all Private Security Companies (PSC) need to be registered with the Ministry of Trade and regulated by the Ministry of Interior, and that various CPA orders and memoranda, and Iraqi law provide guidance for PSC operations (see Annex C),

Noting that a number of PSC and their employees are already operating in Iraq without the benefit of appropriate registration and authorization of the Ministry of Interior and Trade,

Desiring to establish a mechanism whereby all PSC will be registered, regulated and vetted and to update Iraqi law as it relates to PSC,

I hereby promulgate the following:

Section 1

PURPOSE AND DEFINITIONS

1. This Memorandum provides guidance for PSC that intend to operate within Iraq. Annex A provides binding Rules for the Use of Force that must be adhered to by all PSC, their officers and employees. Annex B is a Code of Conduct that all PSC must follow.

- (a) "Private Security Company" means a private business, properly registered with the Ministry of Interior (MOI) and Ministry of Trade (MOT) that seeks to gain commercial benefits and financial profit by providing security services to individuals, businesses and organizations, governmental or otherwise.
- (b) "Weapons Card" means a card issued by the MOI under Section 6 of this Memorandum.
- (c) "Business License" means a document issued by the MOT under Company Law No. 21 of 1997, as amended by CPA Order 64 that proves that the PSC has been validly registered to carry on business in Iraq.
- (d) "Operating License" means a license issued by the MOI under this Memorandum, which permits PSC to operate in Iraq.

Section 2

REGISTRATION, VETTING AND LICENSING

1. PSC may not operate in Iraq without a:

- (a) Business License and an Operating License, or
- (b) Temporary Operating License.

Any PSC operating without the necessary Licenses will be in breach of Iraqi law and subject to prosecution.

2. In order to obtain a Business License PSC shall apply to the MOT for registration under the Company Law, No. 21 of 1997, as amended by CPA Order 64.

3. PSC that have been granted or applied for a Business License may apply to the PSC Registration and Vetting Office of the Ministry of Interior for an Operating License.

4. An application for an Operating License must include the following information:

- (a) a copy of the PSC Business License or proof that an application for a Business License has been lodged;
- (b) the full names of all employees, company officers and directors, and proof of registration of the company, and if the PSC is registered in a State other than Iraq proof of registration of the company in its home State;
- (c) details of the work PSC will be carrying out in Iraq, including any relevant documentation (eg a copy of any contracts for services or statement of intent to hire the PSC, including details of number of employees and customers); and
- (d) details and serial numbers of all weapons that may be used by the PSC.

5. PSC, their officers and employees will be vetted by the MOI according to the criteria below to ensure that any criminal or hostile elements are identified and to prevent attempts by illegal organizations (eg criminal organizations, illegal militias) to legitimize their activities.

6. In order to comply with MOI vetting standards, employees of PSC must:

- (a) Be older than 20 years;
- (b) Be mentally and physically fit for duties;
- (c) Be willing to respect the law and all human rights and freedoms of all citizens of the country;
- (d) Pass a security/background check, that confirms:
 - (i) compliance with the amended CPA Order Number 1 (De-Ba'athification of Iraqi Society);
 - (ii) no prior felony convictions; and
 - (iii) no history of involvement in terrorist activity; and
- (e) Receive operations and weapons training to the minimum standard set for the Facilities Protection Service.

7. For non-Iraqi employees, the MOI may accept a copy of a comparable certification from a foreign Governmental authority issued pursuant to its official rules and procedures to meet some or all of the requirements in Section 2(6), above.

8. Other reasonable vetting procedures and requirements may be added by the MOI to ensure necessary standards are met. In such case, new procedures and requirements shall be published no less than 60 days before they are to take effect.

Section 3

BONDS AND INSURANCE

1. PSC must submit a minimum refundable bond of US\$25,000 or the equivalent sum in Iraqi Dinars, to the MOI before commencing operations in Iraq and being granted an Operating License or Temporary Operating License. Additional bonds, to be determined by the MOI, may be required depending on the number of employees of the PSC. The amount of the bond will increase as the number of employees increases, in accordance with an internationally recognized pro-rata industry-wide scale to be determined by the MOI. This scale shall be published 30 days before any additional bond requirement are to take effect. Any changes in bonding requirements will be approved by the Minister of Interior, and published in writing no less than 60 days before institution.

2. Failure to provide information to the MOI as required by Section 7 may result in forfeiture of the bond lodged in accordance with Section 3(1) or part thereof. MOI shall provide the PSC with written notice of any breaches and allow a one week grace period to come into compliance before any forfeiture of the bond or part thereof takes effect.

3. While the standards laid out in this Memorandum provide the minimum requirements, any breaches of Iraq or other applicable law by employees or companies may result in forfeiture of the bond by the MOI lodged in accordance with Section 3(1) or part thereof and may result in a review and revocation of the Operating License of the PSC. Where a PSC, or an employee of that PSC, breaches this Memorandum or any other law in force in Iraq, the MOI may declare the bond or any part thereof forfeit. Any such decision to declare the bond forfeit must be based on reasonable grounds and be proportional to the breach of the law initiating such action. The MOI will take into account actions taken by the PSC with respect to individual violations (eg termination, prompt and open coordination with law enforcement) in determining whether a PSC should forfeit its bond or any part thereof.

4. PSC must submit evidence that they have sufficient public liability insurance to cover possible claims against them for a reasonable amount to be advised and published by the MOI. If securing such insurance is not practicable the PSC will inform the MOI in writing and seek an exemption from this requirement.

5. Bonds will be refunded within 30 days if PSC ceases operation in Iraq unless there are reasonable grounds to believe that PSC have failed to comply with this Memorandum.

Section 4

REFUSAL, SUSPENSION OR REVOCATION OF LICENSES, AND PROVISIONAL LICENSES

1. The MOI will grant Temporary Operating Licenses pending completion of the licensing processes of the MOT and MOI. The minimum requirements for the grant of a Temporary license are:

- (a) Submission to MOI of proof that an application for a Business License has been lodged with the MOT; and
- (b) Submission to the MOI of an application for an Operating License, including any other requirements that the MOI may notify.

2. Operating Licenses may be suspended, revoked or refused in accordance with the following provisions:

- (a) The MOI may, at their sole reasonable discretion, refuse to grant an Operating License if the conditions of this Memorandum are not met. The reason for the decision shall be communicated to the applicant in writing. The applicant may reapply for an Operating License after taking remedial action with respect to the breaches identified by the MOI.
- (b) Where a PSC, or an employee of that PSC, breaches this Memorandum or any other law in force in Iraq, the MOI may suspend or revoke the Operating License. Any such decision to revoke or suspend an operating license must be based on reasonable grounds and be proportional to the breach of the law initiating such action. If the Operating License is revoked, the bond, or part thereof, lodged in accordance with Section 3(1) will be forfeited. The MOI will take into account actions taken by the PSC with respect to individual violations (eg termination, prompt and open coordination with law enforcement) in determining whether a PSC should forfeit its license as the result of such violations.

- (c) Where a PSC application for an Operating License is deficient in any way, the MOI may grant a Provisional Operating License for a specified period of time. The grant of an Operating License will be subject to the applicant demonstrating that they have remedied the deficiency (eg, providing complete information to allow background checks on all employees, or giving appropriate training to all employees).
3. Any Provisional or Temporary Operating License will be cancelled if:
- either of the applications for the Business and Operating License is denied or withdrawn; or
 - on the grant by the MOI of a full Operating License.
4. Unless it has been affirmatively denied a Business License or Operating License, notwithstanding the provisions of this Memorandum, PSC may operate without a Business License, Operating License or Temporary Operating License until 31 August 2004 or such later date as determined by MOI, pending completion of the requirements of this Memorandum.

Section 5

AUDIT

PSC are liable to periodic audits by the MOI regarding their operations in Iraq. All audits will be carried out by an independent auditing firm engaged for this purpose by MOI. The purpose of MOI audits is to ensure that the standards set out in Section 2(6) above are being maintained. Financial audits may also be carried out by MOT.

Section 6

WEAPONS

- Where an Operating License is granted, or the Minister of Interior accepts the certification or guarantee of a Diplomatic or Consular Mission under Section 10(5), the MOI shall issue Weapons Cards to those PSC employees who will bear arms as part of their duties. Such Weapons Card shall constitute a license to possess and use firearms. PSC must instruct employees to carry their Weapons Cards whenever carrying a weapon. All PSC employees must carry the relevant Weapons Cards when in possession of any PSC weapon. If a PSC's Temporary, Provisional or full Operating License, certification, or guarantee is revoked, all Weapons Cards issued to the employee of that PSC shall be returned to the MOI.
- Where a Temporary License is granted, the MOI shall also issue Temporary Weapons Cards to those PSC employees who will bear arms as part of their duties. Such Temporary Weapons Cards shall constitute a license to possess and use firearms. PSC must instruct employees to carry their Temporary Weapons Cards whenever carrying a weapon. All PSC employees must carry the relevant Temporary Weapons Cards when in possession of any PSC weapon.
- A PSC intending to import weapons into Iraq must obtain from the MOI a weapons import certificate. The PSC must provide details of all weapons and their serial numbers to MOI immediately upon importation.
- The use of weapons by PSC shall be regulated as follows:
 - PSC shall notify the MOI of details and serial numbers of all weapons in its possession.
 - PSC will notify the MOI of any changes in the PSC's weapons inventory within one (1) month of such changes.
 - PSC shall store all weapons and ammunition in a secure armory or other secure facility.
 - PSC shall ensure that only employees carrying Weapons Cards may carry weapons and only when such employees are on official duty. PSC shall also ensure that its employees return all PSC weapons to the armory or other secure facility, as the case may be, when no longer on duty. This provision does not restrict the right of PSC employees to carry weapons while not on duty under the provisions of other Iraqi laws.
 - PSC may only own and its employees may only use categories of weapons allowed by CPA Order Number 3 (Revised) (Amended) Weapons Control, other applicable Iraqi law.
 - Under no circumstance may privately owned weapons be used for PSC duties.

Section 7

PROVISION OF FURTHER INFORMATION

On request, PSC must provide the following information to the MOI every six (6) months: financial and employment records, contract status, weapons data, and any other data the MOI may advise they require. Failure to comply may result in revocation of the PSC Operating License. MOI shall provide the PSC with a written notice of any failure to comply with this provision and a one week grace period to comply before any revocation of an Operating License.

Section 8

OVERSIGHT COMMITTEE

MOI will establish an independent PSC Oversight Committee that will have general inspection and auditing responsibility (consistent with the provisions of CPA Order 57, Iraqi Inspectors General) over the implementation of this Memorandum. Such oversight shall include assessing enforcement of the standards set forth in this Memorandum as well as equitable and non-discriminatory treatment of PSC. The Minister will appoint the members of the Committee, which shall include the Inspector General of MOI, who shall be the only MOI representative on the committee, a member of the Judiciary and a representative of the MOT. The PSC Oversight Committee will report annually to the Minister on the implementation of this Memorandum.

Section 9

LIMITATIONS AND RESPONSIBILITIES OF PRIVATE SECURITY COMPANIES

1. The primary role of PSC is deterrence. No PSC or PSC employee may conduct any law enforcement functions.
2. A licensed PSC shall be responsible for the actions of its employees. PSC officers and employees may be held liable under applicable criminal and civil legal codes, including the Iraqi Penal Code Law Number 111 of 1969 as amended, the Iraqi Weapons Code of 1992 as amended, and the CPA Order Number 3 Weapons Control, except as otherwise provided by law.
3. PSC are subject to, and must comply with all applicable criminal, administrative, commercial and civil laws and regulations, except as otherwise provided by law.
4. PSC must conduct operations in accordance with the provisions of the Rules for the Use of Force in Annex A and the MOI PSC Code of Conduct in Annex B.

Section 10

IMPLEMENTATION AND REVIEW

1. Nothing in this Memorandum is intended to prevent PSC from conducting operations consistent with and as permitted by the Iraqi Law, including those laws in Annex C.
2. Nothing in this Memorandum is intended to limit or abridge relevant privileges or immunities provided by Iraqi law or applicable international agreements.

Section 12

Annexes

Annex A: USE OF FORCE**Annex B: CODE OF CONDUCT FOR PSCs OPERATING IN IRAQ****Annex C: REFERENCES**

Annex A

USE OF FORCE

RULES FOR THE USE OF FORCE BY CONTRACTORS IN IRAQ

Nothing in these rules limits your inherent right to take action necessary to defend yourself.

1. **CONTRACTED SECURITY FORCES:** Cooperate with Coalition, Multi-national and Iraqi Security Forces and comply with theater force protection policies. Do not avoid or run Coalition, Multi-national or Iraqi Security Force checkpoints. If authorized to carry weapons, do not aim them at Coalition, Multi-national or Iraqi Security Forces.

2. **USE OF DEADLY FORCE:** Deadly force is that force which one reasonably believes will cause death or serious bodily harm. You may use **NECESSARY FORCE**, up to and including deadly force, against persons in the following circumstances:

- (a) In self-defense.
- (b) In defense of persons as specified in your contract.
- (c) To prevent life threatening offenses against civilians.

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3. **GRADUATED FORCE:** You should use graduated force where possible. The following are some techniques you can use if their use will not unnecessarily endanger you or others.
- (a) **SHOUT;** verbal warnings to **HALT**.
 - (b) **SHOVE;** physically restrain, block access, or detain.
 - (c) **SHOW;** your weapon and demonstrate intent to use it.
 - (d) **SHOOT;** to remove the threat only where necessary.
4. **IF YOU MUST FIRE YOUR WEAPON:**
- (i) Fire only aimed shots.
 - (ii) Fire with due regard for the safety of innocent bystanders.
 - (iii) Immediately report incident and request assistance.
5. **CIVILIANS: Treat Civilians with Dignity and Respect.**
- (a) Make every effort to avoid civilian casualties.
 - (b) You may stop, detain, search, and disarm civilian persons if required for your safety or if specified in your contract.
 - (c) Civilians will be treated humanely.
 - (d) Detained civilians will be turned over to the Iraqi Police or Coalition or Multi-national Forces as soon as possible.
6. **WEAPONS POSSESSION AND USE:** Possession and use of weapons must be authorized by the Ministry of Interior and must be specified in your contract.
- (a) You must carry proof of weapons authorization.
 - (b) You will maintain a current weapons training record.
 - (c) You may not join Coalition or Multi-national Forces in combat operations except in self-defense or in defense of persons as specified in your contracts.
 - (d) You must follow Coalition or Multi-national Force weapons condition rules for loading and clearing.

Annex B

CODE OF CONDUCT FOR PRIVATE SECURITY COMPANIES OPERATING IN IRAQ

Private Security Company Code of Conduct for Operations in Iraq

As a duly registered and vetted Private Security Company, the following pledge is made:

To conduct operations professionally with honesty, sincerity, integrity, fidelity, morality and good conscience in all dealings with clients.

To preserve forever clients' confidence under any and all circumstances consistent with law and deal justly, and impartially with each situation with each individual, irrespective of social, political, racial, ethnic, or religious considerations, economic status, or physical characteristics.

To conduct all operations within the bounds of legality, morality, and professional ethics.

To counsel clients against any illegal or unethical course of action.

To explain to the full satisfaction of clients all applicable fees and charges and to render accurate, factual and timely reports.

To support to the best of ability the professionalism of Private Security Companies operating in Iraq; to contribute to better community relations; through work and deed to elevate the status of the Private Security Company profession.

To ensure that all employees adhere to this code of conduct.

COALITION PROVISIONAL AUTHORITY ORDER 3 (REVISED)
(AMENDED) WEAPONS CONTROL

COALITION PROVISIONAL AUTHORITY MEMORANDUM 5
IMPLEMENTATION OF WEAPONS CONTROL ORDER NO. 3

COALITION PROVISIONAL AUTHORITY MEMORANDUM 5A
MEMO 5 ANNEX A

COALITION PROVISIONAL AUTHORITY ORDER 27
ESTABLISHMENT OF THE FACILITIES PROTECTION SERVICE

COALITION PROVISIONAL AUTHORITY ORDER 54
TRADE LIBERALIZATION POLICY WITH ANNEX A

COALITION PROVISIONAL AUTHORITY ORDER 64
AMENDMENT TO THE COMPANY LAW NUMBER 21 OF 1997

COALITION PROVISIONAL AUTHORITY ORDER 91
REGULATION OF ARMED FORCES AND MILITIAS WITHIN IRAQ

20. RULES OF ENGAGEMENT (RoE) INSTRUCTIONS TO OPEN FIRE IN IRAQ

AUTHORISATION

General Rules

1. In all situations you are to use the minimum force necessary. **FIREARMS (LETHAL FORCE) MUST ONLY BE USED AS A LAST RESORT**, and only when applicable to the Contractor role. This does not include any aspect of law enforcement.

2. Your weapon must always be made safe; that is, **NO** live round is to be carried in the breech and in the case of automatic weapons the working parts are to be forward, unless you are authorised to carry a live round in the breech or you are about to fire.

3. A challenge **MUST** be given before opening fire unless in your judgement:

- (a) To do so would increase the risk of death or grave injury to you, the client or other contractors' personnel.
- (b) You, the client or other personnel in the immediate vicinity are being engaged by hostile forces.

4. You are to challenge by shouting:

“**SECURITY: STOP OR I FIRE**” or words to that effect.

“**haRASa! Kif wala ARMEEK!**” (Above words in Arabic).

OPENING FIRE

5. You may only open fire against a person:

- (a) If in your judgement he * is committing or about to commit an act **LIKELY TO ENDANGER YOUR LIFE OR THE LIFE OF THE CLIENT OR OTHER CONTRACTOR PERSONNEL, AND THERE IS NO OTHER WAY TO PREVENT THE DANGER**. The following are some examples of acts where life could be endangered, dependent always upon the circumstances:

- (1) firing or being about to fire a weapon;
- (2) planting, detonating or throwing an explosive device; and
- (3) deliberately driving a vehicle at a person and where it is assessed there is no other way of stopping him*.

- (b) If you know that he* has just killed or injured the **CLIENT OR OTHER CONTRACTOR PERSONNEL** by which means he* **CONTINUES TO PRESENT A CLEAR AND HOSTILE THREAT TO YOU, THE CLIENT OR OTHER CONTRACTOR PERSONNEL**.

“She” or “her” can be read instead of “he” or “him” if applicable.

6. If you have to open fire you should:
- (a) fire only aimed shots,
 - (b) fire no more rounds than are necessary,
 - (c) take all reasonable precautions not to injure anyone other than your target.

The APT provided by the Contractor will comply with the Rules of Engagement enforced by the Iraqi Authority.

Following the drawing of any weapon outside the CPA restricted area or the firing of any weapon by Contractor's staff there will be a full inquiry conducted jointly by FCO, the Contractor and an independent third party nominated by the FCO. A full report will be submitted to FCO London within 48 hours.

Any incident involving the injury or death of any person will result in the responsible person being evacuated out of Iraq as soon as possible for their own protection and the protection of others.

Annex 3

COALITION PROVISIONAL AUTHORITY ORDER NUMBER 17 (REVISED) STATUS OF THE COALITION PROVISIONAL AUTHORITY, MNF—IRAQ, CERTAIN MISSIONS AND PERSONNEL IN IRAQ

Pursuant to my authority as head of the Coalition Provisional Authority (CPA), and under the laws and usages of war, and consistent with relevant UN Security Council resolutions, including Resolutions 1483 (2003), 1511 (2003) and 1546 (2004),

Noting the adoption of a process and a timetable for the drafting of an Iraqi constitution by elected representatives of the Iraqi people in the Law of Administration for the State of Iraq for the Transitional Period (TAL) on 8 March 2004,

Conscious that states are contributing personnel, equipment and other resources, both directly and by contract, to the Multinational Force (MNF) and to the reconstruction effort in order to contribute to the security and stability that will enable the relief, recovery and development of Iraq, as well as the completion of the political process set out in the TAL,

Noting that many Foreign Liaison Missions have been established in Iraq that after 30 June 2004 will become Diplomatic and Consular Missions, as defined in the Vienna Conventions on Diplomatic and Consular Relations of 1961 and 1963,

Recalling that there are fundamental arrangements that have customarily been adopted to govern the deployment of Multinational Forces in host nations,

Conscious of the need to clarify the status of the CPA, the MNF, Foreign Liaison, Diplomatic and Consular Missions and their Personnel, certain International Consultants, and certain contractors in respect of the Government and the local courts,

Recognizing the need to provide for the circumstances that will pertain following 30 June 2004, and noting the consultations with the incoming Iraqi Interim Government in this regard and on this order,

I hereby promulgate the following:

Section 1

DEFINITIONS

(1) "Multinational Force" (MNF) means the force authorized under UN Security Council Resolutions 1511 and 1546, and any subsequent relevant U.N. Security Council resolutions.

(2) "MNF Personnel" means all non-Iraqi military and civilian personnel (a) assigned to or under the command of the Force Commander or MNF contingent commanders, (b) subject to other command authority to aid, protect, complement or sustain the Force Commander, or (c) employed by a Sending State in support of or accompanying the MNF.

(3) "Force Commander" means the Commander appointed to exercise unified command of the MNF, or his or her designee.

(4) "CPA Personnel" means all non-Iraqi civilian and military personnel assigned to, or under the direction or control of, the Administrator of the CPA.

(5) "Sending State" means a State providing personnel, International Consultants, services, equipment, provisions, supplies, material, other goods or construction work to: (a) the CPA, (b) the MNF, (c) international humanitarian or reconstruction efforts, (d) Diplomatic or Consular Missions, or (e) until 1 July 2004, Foreign Liaison Missions.

(6) "Foreign Liaison Missions" means representative missions operated by States until 1 July 2004.

(7) “Foreign Liaison Mission Personnel” means those individuals who are authorized by the Iraqi Ministry of Foreign Affairs to carry Foreign Liaison Mission personnel identification cards until 1 July 2004.

(8) “Diplomatic and Consular Missions” means those missions belonging to States with diplomatic or consular relations with Iraq that are in operation on or after 30 June 2004.

(9) “Premises of the Missions” means all premises, including the buildings or parts of buildings and the land ancillary thereto, irrespective of ownership, used for the purposes of Diplomatic and Consular Missions, including residences of the heads of missions on or after 30 June 2004.

(10) “Iraqi legal process” means any arrest, detention or legal proceedings in Iraqi courts or other Iraqi bodies, whether criminal, civil, or administrative.

(11) “Contractors” means non-Iraqi legal entities or individuals not normally resident in Iraq, including their non-Iraqi employees and Subcontractors not normally resident in Iraq, supplying goods or services in Iraq under a Contract.

(12) “Contract” means:

- (a) a contract or grant agreement with the CPA or any successor agreement thereto, or a contract or grant agreement with a Sending State, to supply goods or services in Iraq, where that supply is:
 - (i) to or on behalf of the MNF;
 - (ii) for humanitarian aid, reconstruction or development projects approved and organized by the CPA or a Sending State;
 - (iii) for the construction, reconstruction or operation of Diplomatic and Consular Missions; or
 - (iv) until July 1, 2004, to or on behalf of Foreign Liaison Missions; or
- (b) a contract for security services provided by Private Security Companies to Foreign Liaison Missions and their Personnel, Diplomatic and Consular Missions and their personnel, the MNF and its Personnel, International Consultants, or Contractors.

(13) “Subcontractors” means non-Iraqi legal entities or individuals not normally resident in Iraq, including their non-Iraqi employees, performing under contract with a Contractor to supply goods or services in Iraq in furtherance of the Contractor’s Contract.

(14) “Private Security Companies” means non-Iraqi legal entities or individuals not normally resident in Iraq, including their non-Iraqi employees and Subcontractors not normally resident in Iraq, that provide security services to Foreign Liaison Missions and their Personnel, Diplomatic and Consular Missions and their personnel, the MNF and its Personnel, International Consultants and other Contractors.

(15) “Vehicles” means civilian and military vehicles operated by or in support of MNF, the CPA, Foreign Liaison Missions, International Consultants and, in the course of their official and contractual activities, Contractors.

(16) “Vessels” means civilian and military vessels operated by or in support of the MNF, the CPA, Foreign Liaison Missions, International Consultants and, in the course of their official and contractual activities, Contractors.

(17) “Aircraft” means civilian and military aircraft operated by or in support of the MNF, the CPA, Foreign Liaison Missions, International Consultants and, in the course of their official and contractual activities, Contractors.

(18) “The Government” means the Iraqi Interim Government from 30 June 2004, the Iraqi Transitional Government upon its formation, and any successor government for the duration of this Order, including instrumentalities, commissions, judicial, investigative or administrative authorities, and regional, provincial and local bodies.

(19) “International Consultants” means all non-Iraqi personnel who are not CPA personnel and, after 30 June 2004, are not accredited to a Diplomatic or Consular Mission, but are provided by Sending States as consultants to the Government and are officially accepted by the Government.

Section 2

IRAQI LEGAL PROCESS

(1) Unless provided otherwise herein, the MNF, the CPA, Foreign Liaison Missions, their Personnel, property, funds and assets, and all International Consultants shall be immune from Iraqi legal process.

(2) All MNF, CPA and Foreign Liaison Mission Personnel and International Consultants shall respect the Iraqi laws relevant to those Personnel and Consultants in Iraq including the Regulations, Orders, Memoranda and Public Notices issued by the Administrator of the CPA.

(3) All MNF, CPA and Foreign Liaison Mission Personnel, and International Consultants shall be subject to the exclusive jurisdiction of their Sending States. They shall be immune from any form of arrest or detention other than by persons acting on behalf of their Sending States, except that nothing in this

provision shall prohibit MNF Personnel from preventing acts of serious misconduct by the above-mentioned Personnel or Consultants, or otherwise temporarily detaining any such Personnel or Consultants who pose a risk of injury to themselves or others, pending expeditious turnover to the appropriate authorities of the Sending State. In all such circumstances, the appropriate senior representative of the detained person's Sending State in Iraq shall be notified immediately.

(4) The Sending States of MNF Personnel shall have the right to exercise within Iraq any criminal and disciplinary jurisdiction conferred on them by the law of that Sending State over all persons subject to the military law of that Sending State.

(5) The immunities set forth in this Section for Foreign Liaison Missions, their Personnel, property, funds and assets shall operate only with respect to acts or omissions by them during the period of authority of the CPA ending on June 30, 2004.

Section 3

DIPLOMATIC AND CONSULAR MISSIONS

All Premises of Diplomatic and Consular Missions will be utilized by Diplomatic and Consular Missions without hindrance and subject to the requirements of and receiving the protections provided for in the Vienna Convention on Diplomatic Relations of 1961 and the Vienna Convention on Consular Relations of 1963. This Order does not prevent the Government and any State from entering into other bilateral arrangements for existing or new premises.

Section 4

CONTRACTORS

(1) Sending States may contract for any services, equipment, provisions, supplies, material, other goods, or construction work to be furnished or undertaken in Iraq without restriction as to choice of supplier or Contractor. Such contracts may be awarded in accordance with the Sending State's laws and regulations.

(2) Contractors shall not be subject to Iraqi laws or regulations in matters relating to the terms and conditions of their Contracts, including licensing and registering employees, businesses and corporations; provided, however, that Contractors shall comply with such applicable licensing and registration laws and regulations if engaging in business or transactions in Iraq other than Contracts. Notwithstanding any provisions in this Order, Private Security Companies and their employees operating in Iraq must comply with all CPA Orders, Regulations, Memoranda, and any implementing instructions or regulations governing the existence and activities of Private Security Companies in Iraq, including registration and licensing of weapons and firearms.

(3) Contractors shall be immune from Iraqi legal process with respect to acts performed by them pursuant to the terms and conditions of a Contract or any sub-contract thereto. Nothing in this provision shall prohibit MNF Personnel from preventing acts of serious misconduct by Contractors, or otherwise temporarily detaining any Contractors who pose a risk of injury to themselves or others, pending expeditious turnover to the appropriate authorities of the Sending State. In all such circumstances, the appropriate senior representative of the Contractor's Sending State in Iraq shall be notified.

(4) Except as provided in this Order, all Contractors shall respect relevant Iraqi laws, including the Regulations, Orders, Memoranda and Public Notices issued by the Administrator of the CPA.

(5) Certification by the Sending State that its Contractor acted pursuant to the terms and conditions of the Contract shall, in any Iraqi legal process, be conclusive evidence of the facts so certified.

(6) With respect to a contract or grant agreement with or on behalf of the CPA and with respect to any successor agreement or agreements thereto, the Sending State shall be the state of nationality of the individual or entity concerned, notwithstanding Section 1(5) of this Order.

(7) These provisions are without prejudice to the exercise of jurisdiction by the Sending State and the State of nationality of a Contractor in accordance with applicable laws.

Section 5

WAIVER OF LEGAL IMMUNITY AND JURISDICTION

(1) Immunity from Iraqi legal process of MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors is not for the benefit of the individuals concerned and may be waived pursuant to this Section.

(2) Requests to waive immunity for MNF, CPA and Foreign Liaison Mission Personnel and International Consultants shall be referred to the respective Sending State. Such a waiver, if granted, must be express and in writing to be effective.

(3) Requests to waive immunity for Contractors shall be referred to the relevant Sending State in relation to the act or acts for which waiver is sought. Such a waiver, if granted, must be express and in writing to be effective.

Section 6

COMMUNICATIONS

(1) The MNF shall engage in radiocommunications in accordance with the Annex hereto and is authorized, in coordination with the Government, to use such facilities as may be required for the performance of its tasks. Issues with respect to communications shall be resolved pursuant to this Order and the Annex hereto.

(2) Subject to the provisions of paragraph (1) above:

- (a) The MNF, Diplomatic and Consular Missions and Contractors may, in consultation with the Government, install and operate radiocommunication stations (including terrestrial radio and television broadcasting stations and satellite stations) to disseminate information relating to their mandates. The MNF, Diplomatic and Consular Missions and Contractors also may install and operate radiocommunication transmitting and receiving stations, including satellite earth stations, and install and operate other telecommunications systems including by laying cable and land lines, to provide communications, navigation, radiopositioning and other services useful in fulfilling their respective mandates. The MNF, Diplomatic and Consular Missions and Contractors shall also have the right to exchange telephone, voice, facsimile and other electronic data with relevant global telecommunications networks. The MNF, Diplomatic and Consular Missions and Contractors may continue to operate after 30 June 2004 existing radiocommunication transmitting and receiving stations, including broadcasting stations and other telecommunications systems operated by them or their predecessors on or prior to 30 June 2004, in accordance with existing authorizations and assignments of radio frequency spectrum. Subject to the Annex hereto, the radio broadcasting stations, radio transmitting and receiving stations, and telecommunications systems operated pursuant to this Section by the MNF, Diplomatic and Consular Missions and Contractors shall be operated in accordance with the International Telecommunication Union Constitution, Convention and Radio Regulations, where applicable. The frequencies on which any new radiocommunication transmitting and receiving stations, including broadcasting stations, may be operated shall be decided upon in coordination with the Government to the extent required under and in accordance with the Annex hereto. Such use of the radio-frequency spectrum shall be free of charge for MNF and Diplomatic and Consular Missions.
- (b) The MNF, Diplomatic and Consular Missions and Contractors may connect with local telephone, facsimile and other electronic data systems. Existing connections to such local systems (made by them or their predecessor entities) shall remain in place following 30 June 2004. The MNF, Diplomatic and Consular Missions and Contractors may make new connections to such local systems after consultation and in accordance with arrangements with the Government. The use of such existing and new systems shall be charged at the most competitive rate to the MNF, Diplomatic and Consular Missions and Contractors.

(3) The MNF may arrange through its own facilities for the processing and transport of private mail to or from MNF Personnel. The Government shall be informed of the nature of such arrangements and shall not interfere with or censor the mail of the MNF, or MNF Personnel.

(4) The Code of Wireless Communications, Code No 159 of 1980, to the extent not already superseded, is hereby repealed.

Section 7

TRAVEL AND TRANSPORT

(1) All MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors, to the extent necessary to perform their Contracts, shall enjoy, together with vehicles, vessels, aircraft and equipment, freedom of movement without delay throughout Iraq. That freedom shall, to the extent practicable with respect to large movements of personnel, stores, vehicles or aircraft through airports or on railways or roads used for general traffic within Iraq, be coordinated with the Government. The Government shall supply the MNF with, where available, maps and other information concerning the locations of mine fields and other dangers and impediments.

(2) Vehicles, vessels and aircraft shall not be subject to registration, licensing or inspection by the Government, provided that Contractors' vehicles, vessels and aircraft shall carry appropriate third-party insurance.

(3) All MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors, to the extent necessary to perform their Contracts, together with their vehicles, vessels and aircraft, may use roads, bridges, canals and other waters, port facilities, airfields and airspace without the payment of dues, tolls or charges, including landing and parking fees, port, wharfage, pilotage, navigation and overflight charges, overland transit fees, and similar charges. Exemption will not be claimed from charges for services requested and rendered, and such charges shall be at rates most favourable to CPA, MNF and Foreign Liaison Mission Personnel, and International Consultants and Contractors.

(4) The Force Commander shall coordinate with the appropriate institutions of the Government regarding the rules and procedures governing Iraqi civil airspace and will manage the air traffic system for all military and civilian air traffic. The Force Commander will control airspace required for military operations within Iraq for the purpose of deconflicting military and civil uses. The Force Commander shall implement the transfer to civilian control of the airspace over Iraq to the appropriate institutions of the Government in a manner consistent with ensuring the safe and efficient operation of an air traffic management system, with security requirements, and Iraqi national capability to resume control over Iraqi national airspace no later than the MNF departure from Iraq.

Section 8

CUSTOMS AND EXCISE

(1) The MNF may establish, maintain and operate commissaries, exchanges and morale and welfare facilities at its headquarters, camps and posts for the benefit of MNF Personnel, and, at the discretion of the Force Commander, other non-Iraqi persons who are the subject of this Order, but not of locally recruited personnel. Such commissaries, exchanges and morale and welfare facilities may provide consumable goods and other articles. The Force Commander shall take all reasonable measures to prevent abuse of such commissaries, exchanges and morale and welfare facilities and the sale or resale of such goods to persons other than MNF Personnel. The Force Commander shall give consideration to requests of the Government concerning the operation of the commissaries, exchanges and morale and welfare facilities.

(2) MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors may:

- (a) Import, free of duty or other restrictions, and clear without inspection, license, authorization, other restrictions, taxes, customs duties, or any other charges, equipment, provisions, supplies, fuel, technology, and other goods and services, including controlled substances, which are for their exclusive and official or contractual use and for the MNF for resale in the commissaries, exchanges and morale and welfare facilities provided for above;
- (b) Re-export unconsumed provisions, supplies, fuel, technology, and other goods and equipment, including controlled substances, without inspection, license, authorization, other restrictions, taxes, customs duties or any other charges, or otherwise dispose of such items on terms and conditions to be agreed upon with competent Government authorities.

(3) An efficient procedure, including documentation, will be coordinated with the Government to expedite importation, clearances, transfer or exportation.

(4) MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors shall be subject to the laws and regulations of Iraq governing customs and foreign exchange with respect to personal property not required by them by reason of their official duties and presence in Iraq. A Sending State's certification that property of MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors is required by them by reason of their official duties shall be conclusive evidence of the facts so certified.

(5) Special facilities will be granted by the Government for the speedy processing of entry and exit formalities for MNF Personnel, including the civilian component, upon prior written notification from the Force Commander.

Section 9

FACILITIES FOR THE MNF

(1) The MNF may use without cost such areas for headquarters, camps or other premises as may be necessary for the conduct of the operational and administrative activities of the MNF. All premises currently used by the MNF shall continue to be used by it without hindrance for the duration of this Order, unless other mutually agreed arrangements are entered into between the MNF and the Government. While any areas on which such headquarters, camps or other premises are located remain Iraqi territory, they shall be inviolable and subject to the exclusive control and authority of the MNF, including with respect to entry and exit of all personnel. The MNF shall be guaranteed unimpeded access to such MNF premises. Where MNF Personnel are collocated with military personnel of Iraq, permanent, direct and immediate access for the MNF to those premises shall be guaranteed.

(2) The MNF may use water, electricity and other public utilities and facilities free of charge, or, where this is not practicable, at the most favorable rate, and in the case of interruption or threatened interruption of service, the MNF shall have, as far as possible, the same priority as essential government services. Where such utilities or facilities are not provided free of charge, payment shall be made by the MNF on terms and conditions to be agreed with the competent Government authority. The MNF shall be responsible for the maintenance and upkeep of facilities so provided.

(3) The MNF may generate, within its premises, electricity for its use and may transmit and distribute such electricity.

(4) There shall be an area within central Baghdad that shall be designated as the "International Zone". The International Zone shall have the boundaries that the MNF has established for this purpose. The MNF shall retain control of the perimeter of the International Zone and all rights of entry and exit, and all matters of security within the International Zone shall be subject to the control of the MNF. The activities and assignment of Iraqi security personnel within the International Zone shall be as mutually agreed upon between the MNF and the Government. Iraqi citizens living within the International Zone will remain subject to Iraqi law. Services, utilities and maintenance not otherwise performed or undertaken by the MNF within the International Zone shall be provided to the MNF by the Government free of charge or at the most favorable rate as agreed between the Force Commander and the Government.

Section 10

TAXATION, PROVISIONS, SUPPLIES, SERVICES AND SANITARY ARRANGEMENTS

(1) The MNF, Sending States and Contractors shall be exempt from general sales taxes, Value Added Tax (VAT), and any similar taxes in respect of all local purchases for official use or for the performance of Contracts in Iraq. With respect to equipment, provisions, supplies, fuel, materials and other goods and services obtained locally by the MNF, Sending States or Contractors for the official and exclusive use of the MNF or Sending States or for the performance of Contracts in Iraq, appropriate administrative arrangements shall be made for the remission or return of any excise or tax paid as part of the price. In making purchases on the local market, the MNF, Sending States and Contractors shall, on the basis of observations made and information provided by the Government in that respect, avoid any adverse effect on the local economy.

(2) Contractors shall be accorded exemption from taxes in Iraq on earnings from Contracts, including corporate, income, social security and other similar taxes arising directly from the performance of Contracts. MNF Personnel, CPA Personnel, Foreign Liaison Mission Personnel and International Consultants shall be accorded exemption from taxes in Iraq on earnings received by them in their capacity as such Personnel and Consultants.

(3) The MNF and the Government shall cooperate with respect to sanitary services and shall extend to each other the fullest cooperation in matters concerning health, particularly with respect to the control of communicable diseases, consistent with relevant international law.

Section 11

RECRUITMENT OF LOCAL PERSONNEL

The MNF, Sending States and Contractors may recruit, hire and employ locally such personnel as they require. The terms and conditions of recruitment, hiring and employment by the MNF, Sending States and Contractors shall be determined by respectively the MNF, Sending States and the terms of the Contractor's Contract.

Section 12

CURRENCY

The MNF shall be permitted to purchase from the Government in mutually acceptable currency, local currency required for the use of the MNF, including to pay MNF Personnel, at the rate of exchange most favorable to the MNF.

Section 13

ENTRY, RESIDENCE AND DEPARTURE

(1) MNF, CPA and Foreign Liaison Mission Personnel, and International Consultants shall have the right to enter into, remain in, and depart from Iraq.

(2) The speedy entry into and departure from Iraq of MNF, CPA and Foreign Liaison Mission Personnel, Contractors and International Consultants shall be facilitated to the maximum extent practicable. For that purpose, MNF, CPA and Foreign Liaison Mission Personnel, and International Consultants shall be exempt from passport and visa regulations and immigration inspection and restrictions

as well as payment of any fees or charges on entering into or departing from Iraq. They shall also be exempt from any regulations governing the residence of aliens in Iraq, including registration, but shall not be considered as acquiring any right to permanent residence or domicile in Iraq.

(3) For the purpose of such entry or departure, MNF Personnel shall only be required to have: (a) an individual or collective movement order issued by or under the authority of the Force Commander or any appropriate authority of a Sending State providing personnel to the MNF; and (b) a national passport or personal identity card issued by the appropriate authorities of a Sending State providing personnel to the MNF.

(4) For the proper performance of Contracts, Contractors shall be provided with facilities concerning their entry into and departure from Iraq as well as their repatriation in time of crisis. For this purpose, there shall promptly be issued to Contractors, free of charge and without any restrictions, all necessary visas, licenses or permits.

Section 14

UNIFORMS AND ARMS

While performing official duties, MNF Military Personnel shall wear the national military uniform of their respective Sending States unless otherwise authorized by the Force Commander for operational reasons. The wearing of civilian dress by MNF Military Personnel may be authorized by the Force Commander at other times. MNF Personnel and Private Security Companies may possess and carry arms while on official duty in accordance with their orders or under the terms and conditions of their Contracts. As authorized by the ambassador or the chargé d'affaires of a Sending State, Diplomatic and Consular personnel may possess and carry arms while on official duty.

Section 15

IDENTIFICATION

Upon request by the Government, a Sending State shall confirm that an individual falls into one of the categories covered by this Order.

Section 16

PERMITS AND LICENSES

(1) A permit or license issued by the MNF, the CPA, Foreign Liaison Missions or Sending States for the operation by their Personnel, including non-Iraqi locally recruited personnel, of any vehicles and for the practice of any profession or occupation in connection with their functions, shall be accepted as valid, without tax or fee, provided that no permit to drive a vehicle shall be issued to any person who is not already in possession of an appropriate and valid license issued by the appropriate authorities of the Sending State.

(2) Licenses and certificates already issued by appropriate authorities in other States in respect of aircraft and vessels, including those operated by Contractors exclusively by or for the MNF, the CPA and Foreign Liaison, Diplomatic and Consular Missions shall be accepted as valid.

Section 17

DECEASED MEMBERS

The Force Commander and Sending States may take charge of and transfer out of Iraq or otherwise dispose of the remains of any MNF, CPA and Foreign Liaison Mission Personnel, International Consultants and Contractors who die in Iraq, as well as their personal property located within Iraq.

Section 18

CLAIMS

Except where immunity has been waived in accordance with Section 5 of this Order, third-party claims including those for property loss or damage and for personal injury, illness or death or in respect of any other matter arising from or attributed to acts or omissions of CPA, MNF and Foreign Liaison Mission Personnel, International Consultants, and Contractors or any persons employed by them for activities relating to performance of their Contracts, whether normally resident in Iraq or not and that do not arise in connection with military operations, shall be submitted and dealt with by the Sending State whose personnel (including the Contractors engaged by that State), property, activities or other assets are alleged to have caused the claimed damage, in a manner consistent with the Sending State's laws, regulations and procedures.

Section 19

SUPPLEMENTAL ARRANGEMENTS

The Force Commander and the Government may conclude supplemental arrangements or Protocols to this Order and shall ensure close and reciprocal liaison at every appropriate level.

Section 20

EFFECTIVE PERIOD

This Order shall enter into force on the date of signature. It shall remain in force for the duration of the mandate authorizing the MNF under UN Security Council Resolutions 1511 and 1546 and any subsequent relevant resolutions and shall not terminate until the departure of the final element of the MNF from Iraq, unless rescinded or amended by legislation duly enacted and having the force of law.

L Paul Bremer, Administrator
Coalition Provisional Authority

Annex

ARRANGEMENTS CONCERNING USE OF THE RADIO FREQUENCY SPECTRUM

ARTICLE I: GENERAL PRINCIPLES

(1) The Government, including the Iraqi Communications and Media Commission and any successor or other entity with authority relating to radio frequency spectrum in Iraq (collectively referred to as the "Commission"), shall render all decisions planning, managing, allocating and assigning radio frequency spectrum in a manner that recognizes and safeguards the radio frequency spectrum needs of the MNF.

(2) Consistent with Sections 5(2)(i) and 5(2)(m) of CPA Order No 65, the Government, through the Commission, will coordinate with the Force Commander regarding any pending or proposed action or regulatory decision that may affect MNF's use of radio frequency spectrum, in order to ensure that no such actions or decisions will interfere with military requirements necessary in the interest of the national security of Iraq.

(3) Nothing contained in this Annex shall be interpreted to abridge or deny the ability of the MNF to utilize existing and future frequency assignments to operate communications, navigation and other military facilities and networks required to facilitate internal operations and to safeguard the security and reconstruction of Iraq.

ARTICLE II: TABLE OF ALLOCATIONS

(1) The initial Table of Allocations, which designates bands as Civil, Military or Shared, is attached hereto as Appendix 1. Neither the Government nor the Force Commander may change the Table of Allocations except in accordance with the provisions set forth in this Annex.

(2) No changes to the Table of Allocations that reallocate, reassign or otherwise affect the bands designated as Military, the MNF's use thereof, or the MNF's use of frequencies assigned to it in the bands designated as Civil or Shared Uses shall be effective unless agreed to by the Force Commander.

(3) Subject to paragraph (2) of this Article II, the Commission may reallocate radio frequency spectrum and/or revise the Table of Allocations in the bands designated as Civil or Shared by providing 30 days' prior written notice to the Force Commander of such reallocation and/or revision.

ARTICLE III: ASSIGNMENT OF RADIO FREQUENCIES

(1) The Commission controls the assignment of frequencies in the bands designated as Civil or Shared Uses and serves as the approval authority for frequency assignments in these bands, and shall render its decisions in accordance with these regulations. Except as set forth in this Annex, no person may operate radio transmitting equipment in the bands designated as Civil or Shared without the authorization of the Commission.

(2) The Force Commander controls assignment of frequencies in the bands designated as military and serves as approval authority for these bands. Decisions by the Force Commander regarding assignments in the bands designated as Military are committed to his complete discretion and are not subject to review by the Government. No person may operate radio transmitting equipment in the bands designated as Military without the authorization of the Force Commander.

(3) In addition to the use of any bands designated as Military Uses that have been authorized by the Force Commander, the Force Commander shall have the right to retain and request frequency assignments from the Commission whenever necessary, in the bands designated as Civil or Shared. Requests by the Force Commander for frequency assignments in the bands designated as Civil or Shared Uses shall be addressed and coordinated with the Commission in the following manner:

- (a) Following 30 June 2004, the military and civil defense forces (including the MNF) will retain the frequency assignments in the bands designated as Civil or Shared that were held immediately prior to that date, including those assignments held by the MNF, which shall retain the assignments previously held by Coalition Forces, and may transfer those assignments to any successor entity for the protection of Iraq's national security.
 - (b) The Force Commander may submit written requests to the Commission for additional frequency assignments in the bands designated as Civil or Shared Uses. Upon receipt of a written request for frequency assignment(s) from the Force Commander, the Commission will render its written decision to grant or deny such request(s) in a manner that will not interfere with military requirements necessary in the interest of security;
 - (c) The Commission shall respond in writing to requests for frequency assignments from the Force Commander within 30 days of receipt of such requests to either grant the requested authorization or provide a written explanation of its denial of the request;
 - (d) If the MNF is not employing a frequency that is assigned to it in a band designated as Civil or Shared, the Commission may request that the unused assignment be returned for reassignment or reallocation, and such request shall be honored by the Force Commander, unless the Force Commander provides a written statement explaining that the MNF must continue to hold the assignment because of a security interest, such as civil defense or public safety. Such statement, if made by the Force Commander, shall be conclusive.
 - (e) The MNF shall be exempt from any and all requirements to pay recurring or nonrecurring fees for use of radio frequency spectrum, or for requesting and obtaining existing or future frequency assignments, including any administrative, processing or other fees.
 - (f) Requests for frequency assignments by the Force Commander shall be submitted to the Commission in a format agreed to between the Force Commander and the Commission.
 - (g) The Commission will not release any information regarding the MNF's use of radio frequency spectrum to any person (including other Government agencies) without the explicit prior written consent of the Force Commander.
- (4) The Commission shall protect frequency assignments held by the MNF, Diplomatic and Consular Missions and Contractors from interference.

ARTICLE IV: CHANGES TO THIS ANNEX

(1) The terms of this Annex may be changed only upon the written agreement of the Commission and the Force Commander.

(2) The Commission and the Force Commander may agree on more detailed procedures, in writing, to carry out the intent of this Annex.

(3) The Commission and the Force Commander may each delegate their responsibilities under this Annex to appropriate representatives.

FOREIGN AND COMMONWEALTH OFFICE
PROVISION OF SECURITY GUARDING SERVICES IN IRAQ

Section 1:

FORM OF AGREEMENT

THIS AGREEMENT is made between the Secretary of State for Foreign and Commonwealth Affairs (“the Authority”), King Charles Street, London, SW1A 2AH
and

..... (“the Contractor”) having his main or registered office at [address]

(“the Parties”)

IT IS AGREED THAT:

1. This Form of Agreement (Section 1) together with the attached Sections 2 to 4 inclusive are the documents which collectively form “the Contract” (as defined in Section 2).
2. The Contract effected by the signing of this Form of Agreement constitutes the entire agreement between the Parties relating to the subject matter of the Contract and supersedes all prior negotiations, representations or understandings whether written or oral.

SIGNED in duplicate on behalf of the Parties:

For the Contractor:

For the Authority:

By:

By:

Full Name:

Full Name:

Title of position held on behalf of
the Contractor:

Title of position held on behalf of
the Authority:

.....

.....

Date:.....

Date:.....

Section 2:

CONDITIONS OF CONTRACT

Introduction

1. Interpretation
2. Entire agreement
3. Contract period
4. Services
5. Commencement of Full Operations

Provision of Services

6. Conditions affecting provision of Services
7. Contractor's status
8. Authority's Property
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14. Manner of providing the Services
15. Standards
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17. Progress reports
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19. Payment and Value Added Tax
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- 39. Force Majeure
- 40. Termination on insolvency or change of control
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- 44. Transfer of undertaking

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- 45. Dispute Resolution

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Appendix A: Variation to Contract Form

Appendix B: Confidentiality Undertaking

Appendix C: Contractor's Staff

Appendix D: Confidential Information

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CONDITIONS

1. INTERPRETATION

1.1 In these Conditions:

“Approval” and “Approved” refer to the written consent of the Authority’s Representative.

“APT” means Armed Protection Team.

“Authority” means the Secretary of State for Foreign and Commonwealth Affairs and includes the Authority’s Representative.

“Authority’s Premises” means land or buildings owned or occupied by the Authority where the Services are performed.

“Authority’s Property” means any property, other than land and buildings, issued or made available to the Staff by the Authority in connection with the Contract.

“Authority’s Representative” means the individual authorised to act on behalf of the Authority for the purposes of the Contract.

“BCG” means the British Consulate General, Basra.

“BEB” means the British Embassy, Baghdad.

“Commencement Date” means the date on which the Contract Period commences.

“Commencement of Full Operations” means the point in time when the Contractor becomes responsible for the provision of the Services following the completion of the Setting up Operations. In the event that the Contractor’s responsibility for the provision of the Services is phased, the Commencement of Full Operations means the commencement of each phase following the Setting Up Operations in respect of that phase.

“Commercially Sensitive Information” means the subset of Confidential Information listed in Appendix D comprised of information:

- (a) which is provided by the Contractor to the Authority in confidence for the period set out in that schedule; and/or
- (b) that constitutes a trade secret.

“Condition” means a condition within the Contract.

“Confidential Information” means Authority’s Data and all information which has either been designated as confidential by either Party in writing (acting reasonably) or that ought to be considered as confidential (however it is conveyed or on whatever media it is stored) including information which relates to the business, affairs, properties, assets, trading practices, Services, developments, trade secrets, Intellectual Property Rights, know-how, personnel, customers and suppliers of either Party, [all personal data and sensitive personal data within the meaning of the Data Protection Act 1998] and the Commercially Sensitive Information.

“Contract” means the agreement to the Conditions between the Authority and the Contractor consisting of the following Sections which, in the event of ambiguity or contradiction between Sections, shall be given precedence in the order listed:

- (a) Section 1: Form of Agreement;
- (b) Section 2: Conditions of Contract;
- (c) Section 3: Schedule of Prices and Rates;
- (d) Section 4: Statement of Service Requirements.

“Contracting Authority” means any contracting authority as defined in Regulation 5(2) of the Public Contracts (Works, Services and Supply) Regulations 2000 other than the Authority;

“Contractor” means the Person named as the Contractor in Section 1: Form of Agreement.

“Contractor’s Representative” means the individual authorised to act on behalf of the Contractor for the purposes of the Contract.

“Contract Period” means the period of the duration of the Contract in accordance with Condition 3.

“Contract Price” means the price, exclusive of Value Added Tax, payable by the Authority to the Contractor for the performance of the Services.

“Crown” means Her Majesty’s Government.

“DFID” means the Department for International Development.

“Equipment” means all equipment, materials, consumables and plant, other than Authority’s Property, to be used by the Staff in the provision of the Services.

“Environmental Information Regulations” means the Environmental Information Regulations 2004 as the same may be amended or updated from time to time.

“FCO” means the Foreign and Commonwealth Office.

“FOI Act” means the Freedom of Information Act 2000 and any subordinate legislation made under this Act from time to time together with any guidance and/or codes of practice issued by the Information Commissioner in relation to such legislation.

“Force Majeure” has the meaning set out in Condition 39.3.

“Good Industry Practice” means at any time the exercise of that degree of skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced provider of services similar to the Services seeking in good faith to comply with its contractual obligations and complying with all relevant laws.

“HMA” means Her Majesty’s Ambassador, Iraq.

“Information” has the meaning given under section 84 of the Freedom of Information Act 2000.

“Intellectual Property Rights” means patents, trade marks, design rights (whether registerable or not), applications for any of the above rights, copyright, database rights, know-how, trade or business names or other similar rights or obligations whether registerable or not in any country including but not limited to the United Kingdom.

“Month” means calendar month.

“Original Estimate” means the Contractor’s initial estimate of all variable prices under this Contract eg those which are not fixed.

“OSM” means the Overseas Security Manager at the BEB or BCG.

“Parties” means the Authority and the Contractor as identified in Section 1: Form of Agreement.

“Person” where the context allows, includes a corporation or an unincorporated association.

“Personnel” means persons directly employed by the Authority.

“Premises” means land or buildings where the Services are performed.

“Price” means a price entered in Section 3: Schedule of Prices and Rates.

“Rate” means a rate entered in Section 3: Schedule of Prices and Rates.

“Requests for Information” shall have the meaning set out in the FOI Act or any apparent request for information under the FOI Act, the Environmental Information Regulations or the Code of Practice on Access to Government Information (2nd Edition) as the same may be updated or replaced from time to time.

“RMO” means the Resource Management Officer for the Authority, who is based in Iraq Policy Unit in London.

“Setting Up Operations” means the period of time, or periods of time where phased, as detailed in Section 4: Statement of Service Requirements, during which the Contractor is required to mobilise itself and its Staff in preparation for delivering the Service and for the Commencement of Full Operations.

“Services” means the services set out in Section 4: Statement of Service Requirements.

“Site” means the area within the Premises in which the Services are performed.

“SMO” means the Senior Management Officer at the BEB or BCG.

“Staff” means all persons used by the Contractor to perform the Services including the key Staff as identified in Appendix C and all other Contractor’s Staff and sub-contractors.

“Statement of Service Requirements” means the Statement of Service Requirements at Section 4 of this Contract.

“Successor Supplier” means the Authority or a replacement contractor who takes over responsibility for all or part of the Services following expiry, termination or partial termination of the Contract.

“Termination Transfer” means the transfer of responsibility for the provision of the Services (or their equivalent or any part thereof) from the Contractor to the Authority and/or a Successor Supplier on or following the termination or expiry of this Contract or any part thereof.

“Termination Transfer Date” means the date of a Termination Transfer.

“Termination Transfer Employees” means the Staff employed immediately before the Termination Transfer Date by the Contractor or any of its sub-contractors and who are providing the Services(s) to be transferred on the Termination Transfer Date (and to be carried out in the same, equivalent or broadly similar way after the Termination Transfer Date) and whose names are included in the list agreed between the Parties,

less any person so listed whose employment with the Contractor or any of its sub-contractors ends prior to the Termination Transfer; and

less any person so listed whose employment does not transfer pursuant to the TUPE Regulations by virtue of Regulations 5(4A) and 5(4B) of the TUPE Regulations (employees objecting to employment transferring).

“TUPE Regulations” means the Transfer of Undertakings (Protection of Employment) Regulations 1981 (as amended).

“Variation” means a properly executed variation to the Contract in compliance with Condition 38.

“Working Day” means Monday to Friday (excluding Bank Holidays).

1.2 The interpretation and construction of the Contract shall be subject to the following provisions:

- (a) a reference to any statute, enactment, order, regulation or other similar instrument shall be construed as a reference to the statute, enactment, order, regulation or instrument as subsequently amended or re-enacted;

- (b) the headings to Conditions are for ease of reference only and shall not affect the interpretation or construction of the Conditions;
- (c) references to Conditions are references to Conditions in the Conditions of the Contract in which they appear, unless otherwise stated;
- (d) where the context allows, the masculine includes the feminine and the neuter, and the singular includes the plural and vice versa.

2. ENTIRE AGREEMENT

2.1 The Contract constitutes the entire agreement between the Parties relating to the subject matter of the Contract. The Contract supersedes all prior negotiations, representations and undertakings, whether written or oral, except that this Condition shall not exclude liability in respect of any fraudulent misrepresentation.

3. CONTRACT PERIOD

3.1 The Contract shall take effect on the 1 July 2005 and shall expire on 30 June 2006 unless it is otherwise terminated in accordance with the provisions of these Conditions, or otherwise lawfully terminated.

4. SERVICES

4.1 The Contractor shall perform the Services in accordance with the provisions of the Contract.

5. COMMENCEMENT OF FULL OPERATIONS

5.1 The Authority shall authorise the Commencement of Full Operations on the date specified in Section 4: Statement of Service Requirements, if the Contractor either:

- (a) has complied fully with the requirements set out in the Statement of Service Requirements relating to the Setting up Operations; or
- (b) has otherwise demonstrated to the satisfaction of the Authority his capacity to deliver the Services to be provided following the Commencement of Full Operations.

5.2 If the Authority has not authorised the Commencement of Full Operations in accordance with Condition 5.1, the Authority shall have the right, after taking into account all representations made by the Contractor, either:

- (a) to extend the Setting up Operations for such period as may be specified by the Authority, during which period the Contractor shall correct the fault or deficiency which caused the Authority to withhold authorisation for the Commencement of Full Operations; or
- (b) to terminate the Contract, or to terminate the provision of any part of the Services, in accordance with Condition 41.

5.3 Where the Authority has not authorised the Commencement of Full Operations on the expiration of any extension of the Setting up Operations under Condition 5.2(a), the Authority shall have the right to repeat the exercise of the options set out in Condition 5.2.

6. CONDITIONS AFFECTING PROVISION OF SERVICES

6.1 The Contractor shall be deemed to have satisfied himself as regards the nature and extent of the Services, the Authority's Property and Authority's Premises, the means of communication with and access to the Site, the Equipment and the supply of and conditions affecting labour, subject to all such matters being discoverable by the Contractor.

7. CONTRACTOR'S STATUS

7.1 In performing his obligations under the Contract the Contractor shall be acting as a principal and not as the agent of the Authority. Accordingly:

- (a) the Contractor shall not say or do anything that might lead any other Person to believe that the Contractor is acting as the agent of the Authority; and
- (b) the Authority shall not incur any contractual liability to any other Person as a result of anything done by the Contractor in connection with the performance of the Contract.

8. AUTHORITY'S PROPERTY

8.1 All of the Authority's Property shall remain the property of the Authority and shall be used in the performance of the Contract and for no other purpose without prior Approval.

8.2 The Contractor shall be liable for any loss of or damage to any of the Authority's Property unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the act, neglect or default of the Authority.

8.3 The Contractor shall not in any circumstances have a lien on any of the Authority's Property and shall take all steps necessary to ensure that the title of the Authority and the exclusion of any lien are brought to the attention of any third party dealing with any of the Authority's Property.

8.4 The Contractor shall be responsible for his own costs resulting from any failure of the Authority's Property, unless he can demonstrate that the Authority had caused undue delay in its replacement or repair.

8.5 The Contractor shall maintain all items of the Authority's Property in good and serviceable condition, fair wear and tear excepted, and in accordance with the manufacturer's recommendations.

8.6 The Contractor shall be liable for any loss of or damage to any of the Authority's Property unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by the negligence or default of the Authority.

9. EQUIPMENT

9.1 The Contractor shall provide all the Equipment (including weapons, ammunition and PPE) necessary for the provision of the Services, where it is not already provided by the Authority, with the prior approval of the Authority.

9.2 The Contractor shall maintain all items of Equipment in good and serviceable condition and ensure that the technology used is kept up-to-date and refreshed from time to time, such as to ensure the highest quality Services are maintained at all times throughout the course of the Contract. Regular reports on the numbers, condition and status of all such Equipment will be provided to the Authority in line with Condition 16.

9.3 All Equipment shall be at the risk of the Contractor and the Authority shall have no liability for any loss of or damage to any Equipment unless the Contractor is able to demonstrate that such loss or damage was caused or contributed to by any act, neglect or default of the Authority.

9.4 The Contractor confirms that any item of Equipment purchased by the Contractor for the purposes of delivering the Services under this Contract eg weapons, PPE, communications etc shall be owned by and the property of the Authority, although the risk with any such Equipment shall remain with the Contractor until such Equipment is passed to the Authority at the end of the Contract or earlier as appropriate.

9.5 Should the Contractor require the Authority to assist with the provision of certain licenced Equipment eg weapons, ammunition and PPE etc in respect of delivering the Services under this Contract, for which the Authority provides an End-User certificate to support the purchase/Export Licence, the Contractor shall always ensure that they and as appropriate their sub-contractors abide by any conditions imposed in the resultant Export Licence(s).

9.6 All licenced Equipment for which the Authority provides an End-User certificate eg weapons, ammunition and PPE under this Contract, is for the sole use of the Contractor and its subsidiary organisations in Iraq and should remain under the Contractor's control at all times and should not be loaned, donated or sold to other parties such as organisations or bodies of the Iraqi Administration, the UN, NGOs, INGOs, etc, other security contractors or private individuals. At the end of this Contract, the licenced Equipment should either be handed back to the Authority, or as agreed by the Authority, either destroyed in country or removed from Iraq. If appropriate, the Contractor shall provide written confirmation and evidence to the Authority that the licenced Equipment has been so destroyed or removed from Iraq by the Contractor.

10. STAFF

10.1 All Staff shall:

- (a) be suitably skilled, experienced and qualified to carry out the Services and related tasks assigned to them and possess all appropriate qualifications, licences and permits, skill, experience necessary for them to discharge their responsibilities safely and conforming with all relevant laws, as detailed in the Statement of Service Requirements; and
- (b) be appropriately vetted (taking into account their role in the provision of the Services). The Contractor must allow sufficient time for vetting to be completed; and
- (c) receive regular and continuous improvement training based on a training programme. This shall include refresher and continuation training, a fitness programme and search techniques.

10.2 The Contractor shall provide, at all times, the number of Staff required to fulfil his obligations under the Contract as detailed in the Statement of Service Requirements and shall promptly notify the Authority of any absence of such staff in line with Condition 16 and provide suitably qualified replacements at the request of the Authority.

10.3 Unless given prior Approval, the Contractor shall make the Staff available for the entire period needed to fulfil their part in the provision of the Services, whilst they are employed or engaged by the Contractor.

10.4 Any and all Staff shall remain under the overall control of the Contractor at all times and shall not be deemed to be employees, agents, contractors of the Authority for any purpose. The Contractor shall ensure that its Staff policies on leave etc are applied rigorously throughout the Contract Period, and that such policies are attached to the Statement of Service Requirements.

11. CO-ORDINATION

11.1 The Contractor shall co-ordinate his activities in the provision of the Services with all Personnel and other contractors engaged by the Authority, as required by the Authority.

11.2 The Contractor must also work closely with all Personnel, contractors or other Persons as required by the Authority, and facilitate as necessary their activities, including by the provision of appropriate support services eg communications, intelligence and monitoring.

12. USE OF AUTHORITY'S PREMISES

12.1 Where the Services are performed on the Authority's Premises the Contractor shall have use of the Authority's Premises without charge as a licensee and shall vacate those premises on completion or earlier termination of the Contract.

12.2 The Contractor shall not use the Authority's Premises for any purpose or activity other than the provision of the Services unless given prior Approval.

12.3 Should the Contractor require modifications to the Authority's Premises, such modifications shall be subject to prior Approval and shall be carried out by the Authority at the Contractor's expense. The Authority shall undertake Approved modification work without undue delay. Ownership of such modifications shall rest with the Authority.

12.4 The Contractor shall not deliver any Equipment to the Authority's Premises outside normal working hours without prior Approval.

12.5 The Contractor shall maintain all Equipment and its place of storage within the Authority's Premises in a safe, serviceable and clean condition.

12.6 On the completion or earlier termination of the Contract, the Contractor shall at the Contractor's cost and expense, subject to the provisions of Condition 12.4, remove all Equipment and shall clear away from the Authority's Premises all waste arising from the performance of the Services and shall leave the Authority's Premises in a clean and tidy condition.

12.7 Whilst on the Authority's Premises, all Staff shall comply with such rules, regulations and other requirements as may be in force in respect of the conduct of Persons attending and working on the Authority's Premises.

13. RIGHT OF ACCESS TO AUTHORITY'S PREMISES

13.1 Where the Services are to be performed on the Authority's Premises, the Authority shall grant to the Contractor reasonable access to the Site.

13.2 If the Authority gives the Contractor notice that a specifically named member of Staff shall not be admitted to the Authority's Premises, the Contractor shall ensure that that person shall not seek admission and shall not be admitted.

13.3 The Contractor shall submit in writing to the Authority for Approval, before the Commencement of the Contract Period and as necessary from time to time during the Contract Period:

- (a) a list showing the name and address of every person whom the Contractor wishes to be admitted to the Premises and, where required by the Authority, every other person who is or may be involved in any other way in the performance of the Contract, the capacity in which each person is or may be so involved and any other particulars required by the Authority;
- (b) satisfactory evidence as to the identity of each such person; and
- (c) any other information about each such person, with any supporting evidence required by the Authority, including full details of birthplace and parentage of any such person who is not a citizen of the United Kingdom by birth, or born within the United Kingdom of parents who were citizens of the United Kingdom by birth.

13.4 Where Staff are required to have a pass for admission to the Authority's Premises, the Authority's Representative shall, subject to satisfactory completion of approval procedures, arrange for passes to be issued.

13.5 Staff who cannot produce a proper pass when required to do so by any appropriate Personnel or agent of the Authority, or who contravene any conditions on the basis of which a pass was issued, may be refused admission to the Authority's Premises or required to leave those Premises if already there.

13.6 The Contractor shall promptly return any pass if at any time the Authority's Representative so requires or if the person for whom it was issued ceases to be involved in the performance of the Contract. The Contractor shall promptly return all passes on completion or earlier termination of the Contract.

14. MANNER OF PROVIDING THE SERVICES

14.1 The Contractor shall perform the Services with all due care, skill and diligence, and in accordance with Good Industry Practice. Timely provision of the Services is of the essence of the Contract.

14.2 The Services shall be performed by the Contractor only on Approved Sites.

14.3 The Contractor, shall upon the instruction of the Authority's Representative:

- (a) remove from the Authority's Premises any materials which are not in accordance with Section 4, and substitute proper and suitable materials; and
- (b) remove and properly execute any work which is not in accordance with the Contract, irrespective of any previous testing or payment by the Authority. The Contractor shall at its own expense complete the re-executed work correctly in accordance with the Contract within such reasonable time as the Authority may specify.

14.4 The signing by the Authority's Representative of time sheets or other similar documents shall not be construed as implying the Contractor's compliance with the Contract.

15. STANDARDS

15.1 Materials, processes, techniques and procedures used in connection with the provision of the Services shall be in accordance with the standards set out in the Statement of Service Requirements and Good Industry Practice.

15.2 On the request of the Authority's Representative, the Contractor shall provide proof to the Authority's satisfaction that the materials, processes used or proposed to be used, and level of training and experience of the Contractor's Staff conform to those standards.

15.3 The introduction of new methods or systems which impinge on the provision of the Services shall be subject to prior Approval.

16. MONITORING OF CONTRACT PERFORMANCE

16.1 Prior to the Commencement Date the Authority shall agree in consultation with the Contractor the arrangements for the purpose of monitoring of performance by the Contractor of its obligations under this Contract, based on the requirements detailed in Statement of Service Requirements.

16.2 These arrangements will include without limitation:

- (i) random inspections in relation to manpower, duties, tasking and weapons etc;
- (ii) regular meetings at working level in Iraq between the OSM and local management, plus regular contract management team meetings between the Parties in the UK;
- (iii) the regular delivery of such written management reports, information and statistics as may reasonably be required:
 - (a) locally on a weekly basis to the OSM on manning levels, Staff lists, weapons levels/status, vehicle worksheets and other returns as specified by the OSM;
 - (b) monthly to the UK contract management team via the OSM to support the Contractor's monthly invoices, including manning levels throughout the period concerned, Staff lists or as otherwise specified by the Authority or RMO, or as required from time to time;
 - (c) monthly to the UK management team via the OSM on all and any key performance indicators specified in the Statement of Service Requirements or as otherwise specified by the Authority.
- (iv) security of all relevant documentation, plus availability for inspection;
- (v) daily roll;
- (vi) shift rosters;
- (vii) training programmes (logs) including refresher and continuation training, fitness programme, search techniques;

- (viii) monthly range practice certificates;
- (ix) disciplinary records;
- (x) leave rosters;
- (xi) guard inspection logs;
- (xii) incident logs including any health and safety related incidents (such incidents to be reported to the OSM and SMO on an accident reporting form within 24 hours).

16.3 All such arrangements will be carried out by the Contractor in a timely manner, as reasonably required by the Authority, and in line with Good Industry Practice.

17. PROGRESS REPORTS

17.1 Where progress reports are required to be submitted under the Contract, as detailed in Condition 16 or the Statement of Service Requirements, the Contractor shall render those reports at such time and in such form as may be specified or as otherwise agreed between the Parties.

17.2 The submission and receipt of progress reports shall not prejudice the rights of either Party under the Contract.

18. RE-TENDERING AND HANDOVER

18.1 Within 21 days of being so requested by the Authority's Representative the Contractor shall provide:

- (a) and thereafter keep updated and accessible to the Authority, in a fully indexed and catalogued format, all the information reasonably necessary to enable the Authority to issue tender documents for the future provision of the Services and for a third party to prepare an informed, non-qualified offer for those Services and not be disadvantaged in any procurement process compared to the Contractor (if the Contractor is invited to participate). This information shall include, but not be limited to, details of Staff as referred to in Condition 18.2, a description of the Services and the methods used by the Contractor to provide the Services, details as to key terms of any third party contracts and licences, copies of third party contracts and licences which are to be transferred to the Authority or a Successor Supplier and details of ongoing and threatened disputes in relation to the provision of the Services. This information shall be updated on a continuing basis.
- (b) a draft exit plan to be agreed with the Authority that shall set out each Party's obligations in detail in order to ensure a smooth and efficient transfer of the Services to the Authority of a Successor Supplier. The Parties shall review and update the exit plan annually and as soon as reasonably practicable in the event of a material change in any aspect of the Services which could reasonably be expected to impact upon the exit plan in order to ensure that the exit plan remains relevant.

18.2 Where, in the opinion of the Authority's Representative, the TUPE Regulations are likely to apply on the termination or expiration of the Contract, the information to be provided by the Contractor under Condition 18.1 shall include, as applicable, accurate information relating to the Staff who would be transferred under the same terms of employment under the TUPE Regulations, including in particular:

- (a) the number of Staff who would be transferred, but with no obligation on the Contractor to specify their names;
- (b) in respect of each of those members of Staff their age, job title, sex, salary, benefits entitlement, length of service, contractual notice period, hours of work, overtime hours and rates, any other factors affecting redundancy entitlement and any outstanding claims arising from their employment;
- (c) the general terms and conditions applicable to those members of Staff, including probationary periods, retirement age, periods of notice, current pay agreements, working hours, entitlement to annual leave, sick leave, maternity and special leave, terms of mobility, any loan or leasing schemes, any relevant collective agreements, facility time arrangements and additional employment benefits;
- (d) all material disciplinary, performance and grievance issues and any material disputes actual or pending relating to the Staff;
- (e) all long term absences; and
- (f) details of any arrangements with trade unions or organisation of body of employees including elected representatives.

18.3 The Authority shall take all necessary precautions to ensure that the information referred to in Condition 18.2 is given only to service providers who have qualified to tender for the future provision of the Services. The Authority shall require that such service providers shall treat that information in confidence;

that they shall not communicate it except to such persons within their organisation and to such extent as may be necessary for the purpose of preparing a response to an invitation to tender issued by the Authority; and that they shall not use it for any other purpose.

18.4 The Contractor shall indemnify the Authority and a Successor Supplier against any claim made against the Authority and/or a Successor Supplier at any time by any person in respect of any liability incurred by the Authority and/or a Successor Supplier arising from any deficiency or inaccuracy in information which the Contractor is required to provide under Condition 18.1 and 18.2.

18.5 The Contractor shall not:

- (a) at any time during the Contract Period, move any persons in his employment into the undertaking or relevant part of an undertaking which provides the Services, who do not meet the standards of skill and experience, or who are in excess of the number, required for the purposes of the Contract; or
- (b) make any substantial change in the terms and conditions of employment of any Staff which is inconsistent with the Contractor's established employment and remuneration policies.

18.6 Where, in the opinion of the Authority's Representative, any change or proposed change in the Staff in the undertaking or relevant part of an undertaking, or any change in the terms and conditions of employment of such Staff, would be in breach of Condition 18.5, the Authority shall have the right to make representations to the Contractor against the change or proposed change, and:

- (a) where, in the opinion of the Authority's Representative, the Contractor has acted in breach of Condition 18.5, the Authority shall have the right to give notice to the Contractor requiring him to remedy the breach within 30 days; and
- (b) if the Contractor has not remedied the breach to the satisfaction of the Authority's Representative by the end of the period of 30 days, the Authority shall have the right to terminate the Contract by reason of the default of the Contractor, in accordance with Condition 41.

18.7 The Contractor shall allow access to the Site, in the presence of the Authority's Representative, to any person representing any service provider whom the Authority has selected to tender for the future provision of the Services.

18.8 For the purpose of access to the Site in accordance with Condition 18.7, where the Site is on the Contractor's premises, the Authority shall give the Contractor seven days' notice of a proposed visit together with a list showing the names of all persons who will be attending those premises.

18.9 All persons who attend the Contractor's premises for the purposes of Condition 18.7 shall comply with the Contractor's security procedures, subject to such compliance not being in conflict with the objective of the visit.

18.10 The Contractor shall co-operate fully with the Authority during the handover arising from the completion or earlier termination of the Contract. This co-operation, during the Setting up Operations period of the new contractor, shall extend to allowing full access to, and providing copies of, all documents, reports, summaries and any other information necessary in order to achieve an effective transition without disruption to routine operational requirements.

18.11 Within 10 Working Days of being so requested by the Authority's Representative, the Contractor shall transfer to the Authority, or any Person designated by the Authority, free of charge, all computerised filing, recording, documentation, planning and drawing held on software and utilised in the provision of the Services. The transfer shall be made in a fully indexed and catalogued disk format, to operate on a proprietary software package identical to that used by the Authority.

18.12 During the period following the earlier of:

- (a) the provision of notice of termination to the Contractor; or
- (b) the public announcement of a re-tendering of the Services,

the Contractor shall not without the prior written agreement of the Authority's Representative vary the terms and conditions of employment or engagement of any Staff, employ or engage any person who would become a Termination Transferring Employee, change the role or responsibilities of any person so that he/she becomes involved in the provision of the Services, terminate (or give notice to terminate) the employment or engagement of any of the Staff; nor reduce or vary the involvement of any Staff in the provision of the Services.

18.13 No later than one (1) month prior to the Termination Transfer Date, the Contractor shall compile a draft list for approval by the Authority of the Staff whom it considers will transfer to the Authority or a Successor Supplier as a result of the TUPE Regulations. The draft list shall be finalised by the Parties prior to the Termination Transfer Date.

18.14 At the Termination Transfer Date, the Authority and the Contractor accept that in the event that the Services or substantially similar services are to be provided by the Authority and/or a Successor Supplier then this may constitute a transfer to which the TUPE Regulations apply. In the event that Authority's

Representative determines that the TUPE Regulations apply in relation to the Termination Transfer and/or the final list of Termination Transfer Employees, the Termination Transfer Employees shall transfer to the Authority and/or the Successor Supplier on the Termination Transfer Date.

18.15 The Authority will, or shall procure that the Successor Supplier will, in good time before the Termination Transfer Date provide to the Contractor all such information as is necessary for the Contractor or any of its sub-contractors and the Authority or Successor Supplier to discharge their duties under Regulation 10 of the TUPE Regulations.

18.16 The Contractor shall indemnify the Authority and the Successor Supplier from and against any cost (including reasonable legal costs), claim, liability, demand, expense or other legal recourse arising out of or in connection with:

- (a) any claim by any Termination Transfer Employee in respect of any fact or matter concerning or arising from that Termination Transfer Employee's employment, or its termination, before the Termination Transfer Date, including (but not limited to) any claims of unfair dismissal, wrongful dismissal, unlawful deduction from wages, breach of contract, discrimination on the grounds of sex, race, disability, religion or belief, age and sexual orientation or any claim for a redundancy payment;
- (b) any proceedings, claim or demand by the Inland Revenue or other statutory authority in respect of any financial obligations including, but not limited to, PAYE and primary and secondary national insurance contributions in relation to the Termination Transfer Employees, to the extent that the proceedings, claim or demand by the Inland Revenue or other statutory authority relates to financial obligations arising before the Termination Transfer Date;
- (c) any claim by any Termination Transfer Employee or any appropriate representative of any Termination Transfer Employee relating to any failure by the Contractor or any of its sub-contractor to comply with the obligations of Regulation 10 of the TUPE Regulations; and
- (d) any claim by any person (not being a Termination Transfer Employee) or his representative in respect of the termination of such person's employment or engagement by the Contractor or any of its sub-contractors occurring before the Termination Transfer Date.

18.17 If any contract of employment or engagement of any person, other than a Termination Transfer Employee, is, as a result of the commencement of the provision of the Services by the Authority or Successor Supplier deemed or alleged to have been effected between the Authority or Successor Supplier and such person, as a result of the TUPE Regulations, then:

- (a) the Authority or Successor Supplier may, within 1 month of becoming aware of the application of the TUPE Regulations to any such contract, terminate that contract; and
- (b) if any such contract is terminated the Contractor will indemnify the Authority and/or Successor Supplier against:
 - (i) all salary and benefits due to that person in respect of their employment between the Termination Transfer Date and the date of termination of employment; and
 - (ii) all liabilities, damages, costs (including reasonable legal costs), claims, awards and expenses arising in relation to such person out of the termination of such person's employment.

The Contractor procures that its sub-contractors shall indemnify the Authority and any Successor Supplier and their sub-contractors (as applicable) to the same extent as the Contractor is providing indemnities under this Condition 18.

To the extent that non-employee personnel do not transfer to the Authority or a Successor Supplier and their sub-contractors (as applicable) by virtue of the above provisions, the Contractor shall use all reasonable endeavours to ensure that those non-employee personnel, which the Authority or a Successor Provider (or their sub-contractors as applicable) express an intention to retain, transfer accordingly on the Termination Transfer Date. The Contractor shall not (and shall procure that its sub-contractors shall not) take any steps or make any undertakings to such non-employee personnel which has the effect or aims to have the effect of discouraging or preventing those personnel from working for the Authority or a Successor Supplier.

18.18 The Contractor procures that its sub-contractors shall indemnify the Authority and any Successor Supplier to the same extent as the Contractor is providing indemnities under this Condition 18.

19. PAYMENT AND VALUE ADDED TAX

19.1 In consideration of the provision of the Services in accordance with the terms of the Contract, the Authority shall pay the Contract Price, calculated in accordance with Section 3: Schedule of Prices and Rates.

19.2 The Contractor shall submit an original and a copy invoice to the Authority as indicated in Section 3: Schedule of Prices and Rates, in respect of the Services provided by the Contractor. Each invoice shall contain all appropriate references, a detailed breakdown of the Services eg deployed manpower including

roles and location or as otherwise required by the RMO, and the appropriate Prices or Rates and shall be supported by any other documentation required by the Authority's Representative to substantiate the invoice. All such invoices shall be denominated in Sterling.

19.3 Unless otherwise stated in the Section 3: Schedule of Prices and Rates, payment will be made within 30 days of receipt and agreement of invoices, submitted for Services undertaken under the Statement of Service Requirements completed to the satisfaction of the Authority. For the avoidance of doubt, all costs and expenses for Services performed by the Contractor and not agreed to by the Authority will be borne by the Contractor and not included in any invoice. The sums due under this Contract will be calculated on either a fixed price basis or a variable basis and the provisions of Condition 21 will apply.

19.4 The Authority shall pay Value Added Tax on the Contract Price at the rate and in the manner prescribed by law provided that the Contractor shall provide the Authority with a Value Added Tax invoice to enable, where possible, the Authority to reclaim or obtain a refund of the Value Added Tax from HM Revenue and Customs and such invoice shall be provided by the Contractor in the format and within the timescales as will enable the Authority to comply with the law or obtain such refund.

19.5 The Authority may reduce payment in respect of any Services which the Contractor has either failed to provide or has provided inadequately, without prejudice to any other rights or remedies of the Authority.

19.6 If the Authority, acting in good faith, has a dispute in respect of any invoice, the Authority shall be entitled to withhold payment of the disputed amount, provided that it has notified the Contractor of the disputed amount and the nature of the dispute prior to the due date for payment of the invoice, and has paid any undisputed portion of the invoice to the Contractor. The parties will negotiate in good faith to resolve the dispute, and, failing resolution within five Working Days after receipt by the Contractor of the Authority's notification, the dispute will be referred to dispute resolution in accordance with Condition 45. In the event of such dispute, the Contractor shall continue to perform all its obligations under this Contract notwithstanding any withholding or reduction in payment by the Authority.

20. PAYMENT/THIRD PARTY RIGHTS IN RELATION TO SUB-CONTRACTORS

20.1 Where the Contractor enters into a sub-contract for the provision of any part of the Services, the Contractor shall ensure that a term is included in the sub-contract which requires the Contractor to pay all sums due to the sub-contractor within a specified period, not exceeding 30 days from the date of receipt of a valid invoice as defined by the terms of that sub-contract.

20.2 The sub-contract shall also include a provision enabling the Authority to have the ability to directly enforce the benefit of the sub-contract under the Contracts (Rights of Third Parties) Act 1999, obligations in respect of security and secrecy, intellectual property and audit rights for the benefit of the Authority corresponding to those placed on the Contractor, but with such variations as the Authority reasonably considers necessary. The Contractor shall not include in any sub-contract any provision the effect of which would be to limit the ability of the Sub-contractor to contract directly with the Authority or a replacement provider of Services.

21. CHARGES

21.1 Where the Parties have agreed in the Schedule of Prices and Rates that the Services will be provided on a fixed price basis, then the fixed price shall be paid according to the schedule of payments as detailed in the Schedule of Prices and Rates which may relate to the achievement of specific predefined milestones, dates or acceptance and shall be inclusive of all Contractor costs.

21.2 Where the parties have agreed in the Schedule of Prices and Rates that the Services will be provided on a time and materials basis, then:

- 21.2.1 the Services shall be provided in accordance with the rate card set out in the Schedule of Prices and Rates;
- 21.2.2 the Parties shall agree an Original Estimate which shall include but not be limited to a resource profile, a fixed date to start and to complete and a set of deliverables, further details of which shall be agreed by the Parties in the Schedule of Prices and Rates;
- 21.2.3 the Contractor shall attach to each invoice records of the time spent and materials used in providing the Services, together with all supporting documentation including but not limited to all relevant timesheets, receipts (if applicable), a list of Services to which the invoice relates and a reference to the Contract and Schedule of Prices and Rates details, as well as any other information as reasonably requested by the Authority from time to time; and
- 21.2.4 the Contractor must notify the Authority as soon as it becomes apparent that the cost to complete the Services is likely to be in excess of the Original Estimate, and shall only proceed with and be paid for Services in excess of the Original Estimate with the prior written consent of the Authority.

22. RECOVERY OF SUMS DUE TO THE AUTHORITY

22.1 Wherever any sum of money is payable to the Authority by the Contractor as a sum specifically ascertained under or in respect of the Contract (including any sum which the Contractor is liable to pay to the Authority in respect of any breach of this Contract), the Authority may unilaterally deduct that sum from any sum then due or which at any later time becomes due to the Contractor under this Contract or under any other contract with the Authority or with any other department, office or agency of the Crown.

22.2 The Authority shall give at least 21 days' notice to the Contractor of its intention to make a deduction under Condition 22.1, giving particulars of the sum to be recovered and the contract under which the payment arises from which the deduction is to be made.

22.3 Any overpayment by the Authority to the Contractor, whether of the Contract Price or of Value Added Tax, shall be a sum of money recoverable from the Contractor.

22.4 The rights of the Parties in respect of set-off are fully set out in this Condition and no other right relating to set-off shall be implied as a term of the Contract.

23. INTELLECTUAL PROPERTY RIGHTS—ASSIGNMENT AND INDEMNITY

23.1 The Contractor hereby assigns to the Authority all Intellectual Property Rights owned by the Contractor in any material, technique, procedure or system which is generated by the Contractor and delivered to the Authority in the performance of the Services and shall waive (or procure the waiver of) all moral rights relating to such material. The Contractor shall not reproduce, publish, make available or supply any such material to any Person other than the Authority without prior Approval.

23.2 In performing the Services the Contractor shall obtain Approval before utilising any material which is or may be subject to any Intellectual Property Rights other than those referred to in Condition 23.1.

23.3 Subject to Condition 23.4, the Contractor shall fully and effectively indemnify the Authority against all claims, proceedings, actions, damages, legal costs (including but not limited to legal costs and disbursements on a solicitor and client basis), expenses and any other liabilities arising from or incurred by the use by the Contractor, in the performance of the Services, or the use by the Authority following delivery by the Contractor, of any material which involves any infringement or alleged infringement of the Intellectual Property Rights of any third party.

23.4 The provisions of Condition 23.3 shall not apply in respect of any material which the Authority has supplied to the Contractor or which the Authority has specified for use by the Contractor or for delivery to the Authority.

23.5 The Authority shall indemnify the Contractor against all claims, proceedings, actions, damages, legal costs (including but not limited to legal costs and disbursements on a solicitor and client basis), expenses and any other liabilities arising from or incurred by the use by the Contractor, in the performance of the Services, of any material supplied by the Authority which involves any infringement or alleged infringement of the Intellectual Property Rights of any third party.

23.6 Where any claim is made by a third party in respect of any material referred to in Condition 23.3 or 23.5, the Party which is required to provide an indemnity under those provisions shall have the right to conduct, or take over the conduct of, the defence to the claim and to any proceedings or action brought by the third party.

24. SECURITY

24.1 The Contractor shall take all measures necessary to comply with the provisions of any enactment relating to security which may be applicable to the Contractor in the performance of the Services.

24.2 The Contractor shall take all reasonable measures, by the display of notices or other appropriate means, to ensure that Staff have notice that all provisions referred to in Condition 24.1 will apply to them and will continue to apply to them, if so applicable, after the expiry or earlier termination of the Contract.

24.3 Whilst on the Authority's Premises, Staff shall comply with all security measures implemented by the Authority in respect of Personnel and other Persons attending those Premises. The Authority shall provide copies of its written security procedures to the Contractor on request.

24.4 The Authority shall have the right to carry out any search of Staff or of vehicles used by the Contractor at the Authority's Premises.

24.5 The Contractor shall co-operate with any investigation relating to security which is carried out by the Authority or by any person who is responsible to the Authority for security matters and when required by the Authority's Representative:

- (a) shall make any Staff identified by the Authority's Representative available to be interviewed by the Authority's Representative, or by a person who is responsible to the Authority for security matters, for the purposes of the investigation. Staff shall have the right to be accompanied by the

Contractor's Representative and to be advised or represented by any other person whose attendance at the interview is acceptable to both the Authority's Representative and the Contractor's Representative; and

- (b) shall provide all documents, records or other material of any kind which may reasonably be required by the Authority or by a person who is responsible to the Authority for security matters, for the purposes of the investigation, so long as the provision of that material does not prevent the Contractor from performing the Services. The Authority shall have the right to retain any such material for use in connection with the investigation and, so far as possible, shall provide the Contractor with a copy of any material retained.

25. CONFIDENTIALITY

25.1 Each Party:

- (a) shall treat all Confidential Information belonging to the other Party as confidential and safeguard it accordingly; and
- (b) shall not disclose any Confidential Information belonging to the other Party to any other person without the prior written consent of the other Party, except to such persons and to such extent as may be necessary for the performance of the Contract or except where disclosure is otherwise expressly permitted by the provisions of this Contract.

25.2 The Contractor shall take all necessary precautions to ensure that all Confidential Information obtained from the Authority under or in connection with the Contract:

- (a) is given only to such of the Staff and professional advisers or consultants engaged to advise it in connection with the Contract as is strictly necessary for the performance of the Contract and only to the extent necessary for the performance of the Contract;
- (b) is treated as confidential and not disclosed (without prior Approval) or used by any Staff or such professional advisers or consultants' otherwise than for the purposes of the Contract.

25.3 Where it is considered necessary in the opinion of the Authority, the Contractor shall ensure that Staff or such professional advisers or consultants sign a confidentiality undertaking in the form set out in Appendix B before commencing work in connection with the Contract. The Contractor shall ensure that Staff or its professional advisers or sub-contractors are aware of the Contractor's Confidentiality obligations under this Contract.

25.4 The Contractor shall not use any Confidential Information received otherwise than for the purposes of the Contract.

25.5 The provisions of Conditions 25.1 to 25.4 shall not apply to any Confidential Information received by one Party from the other:

- (a) which is or becomes public knowledge (otherwise than by breach of this Condition);
- (b) which was in the possession of the receiving Party, without restriction as to its disclosure, before receiving it from the disclosing Party;
- (c) which is received from a third party who lawfully acquired it and who is under no obligation restricting its disclosure;
- (d) is independently developed without access to the Confidential Information; or
- (e) which must be disclosed pursuant to a statutory, legal or parliamentary obligation placed upon the Party making the disclosure, including any requirements for disclosure under the FOI Act, the Code of Practice on Access to Government Information (2nd Edition) or the Environmental Information Regulations.

25.6 Nothing in this Condition shall prevent the Authority:

- (a) disclosing any Confidential Information for the purpose of:
 - (i) the examination and certification of the Authority's accounts; or
 - (ii) any examination pursuant to Section 6(1) of the National Audit Act 1983 of the economy, efficiency and effectiveness with which the Authority has used its resources; or
- (b) disclosing any Confidential Information obtained from the Contractor:
 - (i) to any government department or any other Contracting Authority. All government departments or Contracting Authorities receiving such Confidential Information shall be entitled to further disclose the Confidential Information to other government departments or other Contracting Authorities on the basis that the information is confidential and is not to be disclosed to a third party which is not part of any government department or any Contracting Authority; or
 - (ii) to any person engaged in providing any services to the Authority for any purpose relating to or ancillary to the Contract;

- (c) provided that in disclosing information under sub-Condition (b)(i) or (ii) the Authority discloses only the information which is necessary for the purpose concerned and requires that the information is treated in confidence and that a confidentiality undertaking is given where appropriate.

25.7 Nothing in this Condition shall prevent either Party from using any techniques, ideas or know-how gained during the performance of the Contract in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information or an infringement of Intellectual Property Rights.

25.8 The provisions under this Condition 25 are without prejudice to the application of the Official Secrets Acts 1911 to 1989 to any Confidential Information.

25.9 The Contractor must not contravene the Official Secrets Act 1911 to 1989. The Contractor must familiarise itself with these Acts and take all reasonable steps to ensure that its sub-contractors and its and their employees and agents are familiar with them and that these Persons comply with them.

25.10 In the event that the Contractor fails to comply with this Condition, the Client reserves the right to terminate the Contract by notice in writing with immediate effect.

26. PUBLICITY

26.1 The Contractor shall not make any public statement relating to the existence or performance of the Contract without prior Approval, which shall not be unreasonably withheld.

27. RIGHT OF AUDIT

27.1 The Contractor shall keep secure and maintain until six years after the final payment of all sums due under the Contract, or such other period as may be agreed between the Parties, full and accurate records of the Services, all expenditure reimbursed by the Authority and all payments made by the Authority.

27.2 The Contractor shall grant to the Authority, or its authorised agents, such access to those records as they may reasonably require in order to check the Contractor's compliance with the Contract.

27.3 For the purposes of the examination and certification of the Authority's accounts, or any examination under section 6(1) of the National Audit Act 1983 or annual re-enactment thereof as to the economy, efficiency and effectiveness with which the Authority has used its resources, the Comptroller and Auditor General may examine such documents as he may reasonably require which are owned, held or otherwise within the control of the Contractor and may require the Contractor to provide such oral or written explanations as he may reasonably require for those purposes. The Contractor shall give all reasonable assistance to the Comptroller and Auditor General for those purposes.

27.4 Condition 27.3 applies only in respect of documents relating to the Contract and only for the purpose of the auditing of the Authority. It does not constitute an agreement under section 6(3)(d) of the National Audit Act 1983 such as to make the Contractor the subject of auditing under that Act.

28. DATA PROTECTION ACT AND FREEDOM OF INFORMATION ACT

Data Protection

28.1 The Parties acknowledge that applicable data protection laws and regulations shall govern the processing of the Authority's personal data during the provision of the Services (including the Data Protection Act 1998 to be construed in accordance with Directive of the European Parliament of the Council 95/46/EC (as amended or replaced from time to time) (collectively the "DPA"). The Authority remains solely responsible for determining the purposes and manner of the Contractor's processing of Authority Data under this Contract. For the purposes of this Condition 28, the terms "processing" and "personal data" shall have the meaning set out in the DPA.

28.2 The Contractor will carry out the processing of the Authority's personal data only in order to provide the Services, strictly in accordance with the Authority's instructions and will not divulge the whole or any part of the Authority's personal data to any person, except to the extent necessary for the proper performance by it of this Contract. The Contractor shall promptly and fully co-operate with any reasonable request by the Authority pursuant to, or in anticipation of, any exercise of any of the rights conferred pursuant to the DPA by or on behalf of any "Data Subject" (as that term is understood by reference to the DPA) and correct or delete any inaccurate information specified by the Authority. The Contractor shall assist the Authority to comply with any legislative or regulatory responsibilities or liabilities under the DPA.

28.3 The Contractor shall ensure that all appropriate technical and organisational measures are in place in order to protect the Authority's personal data as may be required by the DPA and shall not transfer personal data outside the European Economic Area without the Authority's express written consent.

28.4 Any disclosure of or access to personal data allowed under Condition 28.2 shall be made in confidence and shall extend only so far as is specifically necessary for the purposes of the Contract.

28.5 The Contractor shall process such personal data only at sites specifically agreed in writing, in advance, with the Authority.

28.6 If the Contractor fails to comply with any provision of this Condition 28 then the Authority may summarily terminate the Contract by notice in writing to the Contractor provided always that such termination shall not prejudice or affect any right of action or remedy which shall have accrued or shall accrue thereafter to the Authority.

28.7 The decision of the Authority upon matters arising under this Condition shall be final.

Freedom of Information

28.8 The Contractor acknowledges that the Authority is subject to the requirements of the Code of Practice on Access to Government Information (2nd Edition), the FOI Act and the Environmental Information Regulations and shall assist and cooperate with the Authority (at the Contractor's expense) to enable the Authority to comply with these Information disclosure requirements.

28.9 The Contractor shall ensure and shall procure, that its sub-contractors shall:

- (a) transfer the Request for Information to the Authority as soon as practicable after receipt and in any event within two Working Days of receiving a Request for Information;
- (b) provide the Authority with a copy of all Information in its possession or power in the form that the Authority requires within five Working Days (or such other period as the Authority may specify) of the Authority requesting that Information; and
- (c) provide all necessary assistance as reasonably requested by the Authority to enable the Authority to respond to a Request for Information within the time for compliance set out in section 10 of the FOI Act or regulation 5 of the Environmental Information Regulations.

28.10 The Authority shall be responsible for determining at its absolute discretion whether the Commercially Sensitive Information and/or any other Information:

- (a) is exempt from disclosure in accordance with the provisions under the Code of Practice on Access to Government Information (2nd Edition), the FOI Act and the Environmental Information Regulations;
- (b) is to be disclosed in response to a Request for Information,

and in no event shall the Contractor respond directly to a Request for Information unless expressly authorised to do so by the Authority.

28.11 The Contractor acknowledges that the Authority may, acting in accordance with the Department of Constitutional Affairs' Code of Practice on the Discharge of Functions of Public Authorities under Part I of the Freedom of Information Act 2000, be obliged under the Code of Practice on Access to Government Information (2nd Edition), the FOI Act, or the Environmental Information Regulations to disclose Information:

- (a) without consulting with the Contractor, or
- (b) at its discretion, following consultation with the Contractor and having taken its views into account.

28.12 The Contractor shall ensure that all information produced in the course of the Contract or relating to the Contract is retained for disclosure and shall permit the Authority to inspect such records as requested from time to time.

28.13 The Contractor acknowledges that any lists or schedules provided by it outlining Confidential Information are of indicative value only and that the Authority may nevertheless be obliged to disclose Confidential Information in accordance with Condition 28.11.

29. INDEMNITY AND INSURANCE

29.1 The Contractor shall indemnify the Authority fully against all claims, proceedings, actions, damages, legal costs, expenses and any other liabilities in respect of any death or personal injury, or loss of or damage to property, which is caused directly or indirectly by any act or omission of the Contractor or their sub-contractors.

29.2 The Contractor shall effect and maintain with a reputable insurance company a policy or policies of insurance covering all the risks which may be incurred by the Contractor, arising out of the Contractor's performance of the Contract, in respect of death or personal injury, or loss of or damage to property. Such policies shall include cover in respect of any financial loss arising from any advice given or omitted to be given by the Contractor.

29.3 The Contractor shall hold employer's liability insurance in respect of Staff and appropriate public liability insurance in accordance with any legal requirement for the time being in force, together, if appropriate, with professional indemnity insurance commensurate with the nature and value of the Contract.

29.4 The Contractor shall also hold or procure appropriate life insurance cover for those Staff who require it, together with appropriate medical/medivac cover. This should appropriately reflect the nature and location of the Services being provided under this Contract, and the risks therein.

29.5 The Contractor shall produce to the Authority's Representative, on request, copies of all insurance policies referred to in this Condition or other evidence confirming the existence and extent of the cover given by those policies, together with receipts or other evidence of payment of the latest premiums due under those policies. The terms of any insurance or the amount of cover shall not relieve the Contractor of any liabilities under the Contract. It shall be the responsibility of the Contractor to determine the amount of insurance cover that will be adequate to enable the Contractor to satisfy any liabilities referred to in Condition 29.2.

30. CORRUPT GIFTS AND PAYMENTS OF COMMISSION

30.1 The Contractor shall not do (and warrants that in entering the Contract it has not done) any of the following:

- (a) offer, give or agree to give to any person in the employment of the Crown any gift or consideration as an inducement or reward for doing or refraining from doing any act in relation to the obtaining or performance of this Contract or any other contract with the Crown, or for showing or refraining from showing favour or disfavour to any Person in connection with the Contract; nor
- (b) enter into this Contract if any commission has been paid or agreed to be paid to any person in the employment of the Crown by the Contractor or on behalf of the Contractor or to his knowledge in connection with this Contract or any other contract with the Crown, unless particulars of such commission and the terms of any agreement for the payment of it have been disclosed to the Authority in writing before the Contract is made.

30.2 If the Contractor or any of his employees, servants, agents or sub-contractors, or any person acting on his or their behalf, does any of the acts mentioned in Condition 30.1 or commits any offence under the Prevention of Corruption Acts 1889 to 1916, with or without the knowledge of the Contractor, in relation to this Contract or any other contract with the Crown, the Authority shall be entitled:

- (a) to terminate the Contract with immediate effect by written notice to the Contractor and recover from the Contractor the amount of any loss resulting from the termination;
- (b) to recover from the Contractor the amount or value of any such gift, consideration or commission; and
- (c) to recover from the Contractor any other loss sustained as a result of any breach of this Condition, whether or not the Contract has been terminated.

30.3 In exercising its rights or remedies under this Condition the Authority shall:

- (a) act proportionately in the light of the gravity and circumstances of the particular breach; and
- (b) give all due consideration, where appropriate, to the use of remedies other than termination of the Contract.

31. DISCRIMINATION

31.1 The Contractor shall not unlawfully discriminate within the meaning and scope of the provisions of the Race Relations Act 1976 as amended by the Race Relations (Amendment) Act 2000, the Sex Discrimination Act 1975, the Disability Discrimination Act 1995 as amended by the Disability Discrimination (Amendment) Regulations 2003, or the Fair Employment and Treatment (Northern Ireland) Order 1998, relating to discrimination in employment. The Contractor shall adhere to the current relevant codes of practice or recommendations published by the Equal Opportunities Commission, the Commission for Racial Equality, the Department for Education and Skills and the Ethnic Minority Employment Task Force. The Contractor shall take all reasonable steps to secure the observance of these provisions and codes of conduct by all servants, employees or agents of the Contractor and all suppliers and sub-contractors employed in the execution of this Contract.

32. HEALTH AND SAFETY

32.1 The Contractor shall notify the Authority of any health and safety hazards which may arise in connection with the performance of the Services.

32.2 The Authority shall notify the Contractor of any health and safety hazards which may exist or arise at the Authority's Premises and which may affect the Contractor in the performance of the Services.

32.3 The Contractor shall inform all Staff engaged in the provision of Services at the Authority's Premises of all known health and safety hazards and shall instruct those Staff in connection with any necessary safety measures.

32.4 Whilst on the Authority's Premises, the Contractor shall comply with any health and safety measures implemented by the Authority in respect of Personnel and other Persons working on those Premises.

32.5 The Contractor shall notify the Authority's Representative immediately in the event of any incident occurring in the performance of the Services on the Authority's Premises where that incident causes any personal injury or any damage to property which could give rise to personal injury.

32.6 The Contractor shall take all measures necessary to comply with the requirements of the Health and Safety at Work Act 1974 and The Construction (Design and Management) Regulations 1994 and any other Acts, orders, regulations and Codes of Practice relating to health and safety, which may apply to Staff in the performance of the Services.

33. DAMAGE TO PLANT, TACKLE AND TOOLS

33.1 The Contractor shall be required to remove all plant, tackle and tools which it brings to the Premises on termination or expiry of this Contract, or at any time at the request of the Authority.

33.2 The Contractor shall ensure that all such plant, tackle and tools shall meet minimum safety standards required by law.

34. TRANSFER AND SUB-CONTRACTING

34.1 The Contractor shall not assign, sub-contract or in any other way dispose of the Contract or any part of it (whether by trust device or otherwise) without prior Approval.

34.2 On giving notice to the Contractor of not less than 30 days, the Authority shall be entitled to assign any or all of its rights under the Contract to any Contracting Authority, provided that such assignment shall not materially increase the burden of the Contractor's obligations under the Contract.

34.3 The Contractor shall be responsible for the acts and omissions of his sub-contractors as though they were his own.

34.4 The Contractor shall not use the services of self-employed individuals without prior Approval.

35. SERVICE OF NOTICES AND COMMUNICATIONS

35.1 Except as otherwise expressly provided within this Contract, no communication from one Party to the other shall have any validity under this Contract unless made in writing by or on behalf of the Party concerned.

35.2 Any notice or other communication which is to be given by either Party to the other shall be given by letter, or by facsimile transmission or electronic mail. If the other Party does not acknowledge receipt of any such letter, facsimile transmission or item of electronic mail, and, in the case of a letter, the relevant letter is not returned as undelivered, the notice or communication shall be deemed to have been given three Working Days after the day on which the letter was posted.

35.3 For the purposes of Condition 35.2, the address of each Party shall be:

- (a) The Authority's Representative:
Ernie Manley, IPU
- (b) The Deputy for the Authority's Representative:
[TBC]
- (c) The Contractor's Representative
[TBC]
- (d) The Deputy for the Contractor's Representative

35.4 Either Party may change its address for service by notice given in accordance with this Condition.

36. SEVERABILITY

36.1 If any provision of this Contract is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the provisions of this Contract shall continue in full force and effect as if the Contract had been executed with the invalid, illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Contract, the Parties shall immediately commence negotiations in good faith to remedy the invalidity.

37. WAIVER

37.1 The failure of either Party to insist upon strict performance of any provision of the Contract, or the failure of either Party to exercise any right or remedy to which it is entitled under the Contract, shall not constitute a waiver and shall not diminish the obligations established by the Contract. A waiver of any breach shall not constitute a waiver of any other or subsequent breach.

37.2 No waiver of any provision of the Contract shall be effective unless it is expressly stated to be a waiver and communicated to the other Party in writing in accordance with Condition 35.

38. VARIATION

38.1 The Contract shall not be varied unless such variation is made in writing by means of a Variation to Contract Form as set out at Appendix A.

38.2 In the event of an emergency, the Authority shall have the right to vary the Contract by oral instructions given by the Authority's Representative, which shall be confirmed by the issue of a Variation to Contract Form within seven days.

38.3 The Authority shall have the right to vary the Services at any time, subject to the Variation being related in nature to the Services being provided, and no such Variation shall vitiate the Contract. The procedure under Condition 38.5, for the Contractor to submit more than one quotation to the Authority, shall then be applied.

38.4 The Contractor may request a Variation provided that:

- (a) the Contractor shall notify the Authority's Representative in writing of any additional or changed requirement which it considers should give rise to a Variation within seven days of such occurrence first becoming known to the Contractor;
- (b) any proposed Variation shall be fully supported by more than one quotation as detailed in Condition 38.5.

38.5 The Contractor, within 14 days of being so requested by the Authority's Representative or where requesting a Variation pursuant to Condition 38.4, shall submit more than one quotation (from a variety of suitable potential suppliers) to the Authority, such quotations to contain at least the following information:

- (a) a description of the work together with the reason for the proposed Variation;
- (b) the price, if any, showing where applicable the Prices and Rates used; and
- (c) details of the impact, if any, on other aspects of the Contract.

38.6 The price for any Variation shall, unless otherwise agreed between the Parties, be based on the Prices and Rates.

38.7 The Authority shall either Approve or reject any Variation proposed by the Contractor.

38.8 In the event that the Contractor disputes any decision by the Authority to reject a proposed Variation or contends that a proposed Variation is outstanding or continues to be required, the Contractor shall update the information contained in his quotation for the proposed Variation every Month and shall send the updated information to the Authority.

39. FORCE MAJEURE

39.1 Neither Party shall be liable to the other Party by reason of any failure or delay in performing its obligations under the Contract which is due to Force Majeure, where there is no practicable means available to the Party concerned to avoid such failure or delay.

39.2 If either Party becomes aware of any circumstances of Force Majeure which give rise to any such failure or delay, or which appear likely to do so, that Party shall promptly give notice of those circumstances as soon as practicable after becoming aware of them and shall inform the other Party of the period for which it estimates that the failure or delay will continue.

39.3 For the purposes of this Condition, "Force Majeure" means any event or occurrence which is outside the control of the Party concerned and which is not attributable to any act or failure to take preventive action by the Party concerned, but shall not include any industrial action occurring within the Contractor's organisation or within any sub-contractor's organisation.

39.4 Any failure or delay by the Contractor in performing his obligations under the Contract which results from any failure or delay by an agent, sub-contractor or supplier shall be regarded as due to Force Majeure only if that agent, sub-contractor or supplier is itself impeded in complying with an obligation to the Contractor by Force Majeure.

40. TERMINATION ON INSOLVENCY OR CHANGE OF CONTROL

40.1 The Authority may terminate the Contract by written notice having immediate effect if:

- (a) the Contractor undergoes a change of control, within the meaning of section 416 of the Income and Corporation Taxes Act 1988, impacting adversely and materially on the performance of the Contract; or
- (b) where the Contractor is an individual or a firm, the Contractor or any partner in the firm becomes bankrupt or has a receiving order or administration order made against him; or makes any compromise or arrangement with or for the benefit of his creditors; or appears unable to pay a debt within the meaning of section 268 of the Insolvency Act 1986; or any similar event occurs under the law of any other jurisdiction in respect of the Contractor; or
- (c) where the Contractor is a company, the Contractor passes a resolution or the Court makes an order that the Contractor be wound up otherwise than for the purpose of solvent reconstruction or amalgamation; or a receiver, manager or administrator is appointed (whether out of court or otherwise) (or an application or petition is made in respect of the appointment of any of the foregoing) on behalf of a creditor in respect of the Contractor's business or any part of it; or the Contractor is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 (on the basis that the words "proved to the satisfaction of the court" are deemed omitted from Sections 123(1)(e) and 123(2) of the 1986 Act); or any similar event occurs under the law of any other jurisdiction in respect of the Contractor.

40.2 The Authority may only exercise its right under Condition 40.1(a) within Six Months after a change of control occurs and shall not be permitted to do so where it has agreed in advance to the particular change of control that occurs. The Contractor shall notify the Authority immediately when any change of control occurs.

41. TERMINATION ON DEFAULT

41.1 The Authority may terminate the Contract, or terminate the provision of any part of the Services, by written notice to the Contractor with immediate effect if the Contractor is in default of any obligation under the Contract and:

- (a) the Contractor has not remedied the default to the satisfaction of the Authority within 30 days after service of written notice specifying the default and requiring it to be remedied; or
- (b) the default is not capable of remedy; or
- (c) the default is a fundamental breach of the Contract.

42. TERMINATION FOR CONVENIENCE

42.1 The Authority shall have the right to terminate the Contract, or to terminate the provision of any part of the Services, at any time by giving Three Months' written notice to the Contractor. The Authority may extend the period of notice at any time before it expires, subject to agreement on the level of Services to be provided by the Contractor during the period of extension. Termination under this provision shall not affect the rights of the Parties that have accrued up to the date of termination.

42.2 The rights to terminate set out in Conditions 40, 41 and 42 are the only circumstances in which this Contract may be terminated and the Contractor acknowledges that it shall have no right to terminate or treat itself as discharged at law. Furthermore, in circumstances where the Authority is entitled to terminate this Contract, it may also terminate this Contract in part.

43. CONSEQUENCES OF TERMINATION

43.1 If the Authority terminates the Contract under Condition 41, or terminates the provision of any part of the Services under that Condition, and then makes other arrangements for the provision of the Services, the Authority shall be entitled to recover from the Contractor the cost of making those other arrangements and any additional expenditure incurred by the Authority throughout the remainder of the Contract Period. Where the Contract is terminated under Condition 41, no further payments shall be payable by the Authority until the Authority has established the final cost of making those other arrangements.

43.2 If the Authority terminates the Contract, or terminates the provision of any part of the Services, under Condition 42, the Authority shall reimburse the Contractor in respect of any loss, not including loss of profit, actually and reasonably incurred by the Contractor as a result of the termination, provided that the Contractor takes immediate and reasonable steps, consistent with the obligation to provide the Services during the period of notice, to terminate all contracts with sub-contractors on the best available terms, to cancel all capital and recurring cost commitments, and to reduce Equipment and labour costs as appropriate.

43.3 For the purposes of Condition 43.2, the Contractor shall submit to the Authority's Representative, within 20 Working Days after service of the notice, a fully itemised and costed list, with supporting evidence, of all losses incurred by the Contractor as a result of the termination of the Contract, or the termination of any part of the Services, to be updated only in respect of ongoing costs each week until the Contract is terminated.

43.4 The Authority shall not be liable under Condition 43.2 to pay any sum which, when added to any sums paid or due to the Contractor under the Contract, exceeds the total sum that would have been payable to the Contractor if the provision of the Services had been completed in accordance with the Contract.

44. TRANSFER OF UNDERTAKING

44.1 The Parties recognise that the TUPE Regulations may apply in respect of the award of the Contract and that for the purposes of those Regulations the undertaking concerned, or each relevant part of the undertaking, shall transfer to the Contractor on the Commencement of the Contract Period in respect of that undertaking or relevant part of the undertaking.

44.2 The Contractor shall indemnify the Authority against any claim made against the Authority at any time by any person currently or previously employed by the Authority or by the Contractor for breach of contract, loss of office, unfair dismissal, redundancy, loss of earnings or otherwise (and all damages, penalties, awards, legal costs, expenses and any other liabilities incurred by the Authority) resulting from any act or omission of the Contractor after the commencement of the Contract Period, except where such claim arises as a result of any breach of obligations (whether contractual, statutory, at common law or otherwise) by the Authority arising or accruing before the Commencement of the Contract Period.

44.3 The Contractor shall indemnify the Authority from and against any cost (including reasonable legal costs), claim, liability, demand, expense or other legal recourse arising out of or in connection with any claim by any person or any appropriate representative of that person relating to any failure by the Contractor to comply with the obligations of Regulation 10 of the TUPE Regulations.

45. DISPUTE RESOLUTION

45.1 The Parties shall attempt in good faith to negotiate a settlement to any dispute between them arising out of or in connection with the Contract by use of the following escalation procedure:

	<i>Authority</i>	<i>Contractor</i>
Level 1	Kevin McGurgan	<i>TBC</i>
Level 2		<i>TBC</i>

45.2 If the dispute cannot be resolved by the Parties pursuant to Condition 45.1, the dispute may, by agreement between the Parties, be referred to mediation pursuant to Condition 45.4.

45.3 The performance of the Services shall not cease or be delayed by the reference of a dispute to mediation pursuant to Condition 45.2.

45.4 The procedure for mediation and consequential provisions relating to mediation are as follows:

- (a) If the dispute or difference is not resolved pursuant to the escalation procedure set out above, either Party may (within fourteen (14) days of the last meeting pursuant to the escalation procedure), before resorting to litigation, propose to the other in writing that the dispute be settled by mediation in accordance with the Centre for Effective Dispute Resolution ("CEDR") Model Mediation Procedure (the "Model Procedure").
- (b) To initiate a mediation, a Party must give notice in writing (an "ADR Notice") to the other Party requesting a mediation in accordance with the Model Procedure. A copy of the ADR Notice should be sent to CEDR.
- (c) If there is any point on the conduct of the mediation (including as to the nomination of the mediator) upon which the Parties cannot agree within fourteen (14) days from the date of the ADR Notice, CEDR will, at the request of any Party, decide that point for the Parties, having consulted with them.
- (d) Mediation will commence no later than twenty-eight (28) days after the date of the ADR Notice.

46. LAW AND JURISDICTION

46.1 This Contract shall be governed by and interpreted in accordance with English Law and shall be subject to the exclusive jurisdiction of the Courts of England and Wales.

47. RIGHTS OF THIRD PARTIES

47.1 Except where it is expressly provided otherwise, no person who is not a party to this Contract shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Contract.

48. COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS

48.1 The Contractor shall provide the goods and/or Services required under the Contract in accordance with applicable laws and the Authority's environmental policy, which is to conserve energy, water and other resources, reduce waste and phase out the use of ozone depleting substances and minimise the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.

48.2 All written outputs, including reports, produced in connection with the Contract shall (unless otherwise specified) be produced on recycled paper containing at least 80% post consumer waste and used on both sides where appropriate.

49. FLEXIBLE OPERATIONS

49.1 The Contractor accepts that the Authority has made it clear throughout the procurement which led to this Contract, that the nature of this Contract is such that flexibility is key to delivering the Services detailed in the Statement of Service Requirements successfully. The Contractor therefore accepts that given the environment concerned, they will from time to time be asked by the Authority to increase and possibly reduce Staff depending on the security situation/requirements therein.

49.2 Whilst increases or decreases in the Contractor's Staff levels as detailed in Sections 3 and 4 will be covered by means of the variation procedure detailed in Condition 38, where particular circumstances eg changing security situation in the main, necessitate the removal of the Contractor's Staff from Post, the Contractor agrees to make every effort to mitigate any costs incurred by the Authority therein. The Authority's Representative and Contractor's Representative will discuss and agree a remedy to any such issues or situations arising which is reasonable and acceptable to both Parties.

49.3 Within its anticipated manpower provision, the Contractor will exercise rigorous attention to making the most effective use of the Staff to meet the requirements specified in the Statement of Services Requirements to minimise periods of Staff inactivity other than when on standby for imminent deployments.

© FCO

CONFIDENTIALITY UNDERTAKING

(To be signed by persons employed in providing the services before being given access to Government information).

This Confidentiality Undertaking is made as a Deed by me, [insert full name] to the Secretary of State for Foreign and Commonwealth Affairs (the "FCO") in connection with a contract between [] and the FCO for the provision of Security Guarding Services for Iraq.

I am employed by I have been informed that I may be required to work for my employer in providing services to the Secretary of State for Foreign and Commonwealth Affairs.

I understand that information in the possession of the FCO or obtained from the FCO must be treated as confidential.

I hereby give a formal undertaking, as a solemn promise to my employer and to the FCO, that:

1. I will not communicate any of that information, or any other knowledge I acquire about the FCO in the course of my work, to anyone who is not authorised to receive it in connection with that work; and
2. I will not make use of any of that information or knowledge for any purpose apart from that work.

I acknowledge that this applies to all information that is not already a matter of public knowledge and that it applies to both written and oral information.

I also acknowledge that this undertaking will continue to apply at all times in the future, even when the work has finished and when I have left my employment.

I have also been informed that I will be bound by the provisions of the Official Secrets Acts 1911 to 1989. I am aware that under those provisions it is a criminal offence to disclose information that has been given to me or my employer by the FCO. I am aware that serious consequences (including criminal sanctions) may follow any breach of those provisions.

EXECUTED AS A DEED by:

Surname:

Forenames:

Date of Signature:

In the presence of (a) (witness)

(b) (witness)

Contractor's Name:

Contract Reference No:

**CONFIDENTIAL INFORMATION
(COMMERCIAL SENSITIVE INFORMATION)**

SECTION 3

SCHEDULE OF PRICES AND RATES
(SECTION 2: CONDITIONS 19 AND 21 REFER IN PARTICULAR)

1. SOLE REIMBURSEMENT

1.1 The prices stated in this Section 3 constitute the only amounts payable by the Authority to the Contractor for providing the Services. The prices shall include all costs and expenses incurred either directly or indirectly by the Contractor in providing the Services.

2. CONTRACT PRICE

2.1 The fixed Contract Price shall be payable as per the following schedule of payments eg milestones, dates or acceptance:

£.

2.2 The fixed Contract Price referred to at 2.1 above shall be made up as follows:

- (a) Direct labour costs.
- (b) Indirect labour costs.
- (c) Other overheads.
- (d) Head Office overheads.
- (e) Management Fee and Profit.

Total £.

DESCRIPTION OF COSTS

(a) *Direct labour costs*

All wages, allowances, bonuses and shift allowances paid to the Staff employed either partly or wholly to perform the Services under the Contract.

(b) *Indirect labour costs*

All those costs associated with those employed at 2.2(a) above. The costs will include all taxes and contributions required by law and employer's liability and insurance. All costs associated with the Contractor's standard employment benefit such as sick leave with pay, pension, health and life assurance.

All travel costs for the Staff, as applicable.

(c) *Other overheads*

All costs of equipment and consumables required by the Staff to provide the Service including costs associated with the recruitment and dismissal of Staff and training costs.

(d) *Head Office overheads*

All contributions to Head Office overheads, management and administration of the Contractor. This includes management information costs, area management and account management costs, operational finance function, management/financial accounting function including banking department, information technology and specialist consultancy advice. It also includes all equipment and associated consumables, customer support including surveys and questionnaires, office accommodation and associated costs, including all risks insurance.

(e) *Management Fee and Profit*

All allowances for profit including any handling charges for third party costs and any other costs for providing the Services not specifically mentioned in Section 3: Schedule of Prices and Rates.

3. INVOICING AND PAYMENT

3.1 Payment will be made monthly in arrears by the Authority within 30 days of receipt of a correctly worded and adequately supported invoice to:

Les Rowland, Iraq RMO
Foreign and Commonwealth Office
Iraq Policy Unit
Rm K236
King Charles Street
London SW1A 2AH.

SECTION 4

STATEMENT OF SERVICE REQUIREMENTS
(SEE CONDITION 1.1)

**Letter to the Chairman of the Committee from the Secretary of State for
Foreign and Commonwealth Affairs**

When I met your Committee on 13 December,² I undertook to provide more detailed answers to some of the questions raised in the discussion. I attach answers to these questions, and to the questions that the Committee didn't reach during the session.

At Q30 in the transcript, Mr Keetch asked whether British Overseas Territories including Diego Garcia and RAF Akrotiri in the Sovereign Base Areas of Cyprus had been used for the purposes of rendition of suspects by the USA.

The answer is "no", as I made clear in my Written Ministerial Statement of 20 January.

At Q42 the Foreign Secretary undertook to offer a reply to Sir John Stanley's question about whether Mr Benyam Mohammed Al Habashi was handed over deliberately by the British intelligence services to the CIA in Pakistan.

As I stated at the time, these are matters for the Intelligence and Security Committee to investigate. I therefore feel it would be inappropriate to go into further details in this letter.

At Q51 Mr Straw offered to send the Committee a note on "unfair treatment, less than torture" and the way in which suspects are treated in the UK, in answer to a question from the Chairman on whether certain interrogation techniques permitted in the USA would fall within UK definitions of torture.

At Q51 you expressed concerns that certain activities may be permissible in the US in interrogations, which are not permissible in the UK, because they are not defined as torture by the US. I indicated that led us towards a consideration of cruel, inhuman and degrading treatment, on which I undertook to send the Committee a note.

First of all, it is important to note that the US Detainee Treatment Act, enacted on 30 December 2005, provides that no individual in the custody or under the physical control of the US Government, regardless of nationality or physical location, shall be subject to cruel, inhuman or degrading treatment or punishment. This legislation makes a matter of statute what President Bush has made clear was already US Government policy. We have welcomed this. We will keep in close touch with the US Government on the implementation of the Detainee Treatment Act.

On the question of definitions, the United Kingdom understands the term "torture" to have the meaning set out in Article 1 of the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT). Article 1 CAT defines torture as "any act by which severe pain or suffering whether physical or mental is intentionally inflicted . . .". It does not, however, give specific examples of what constitutes torture. The understanding of the definition of torture made by the US on ratifying CAT specifies the meaning of "mental pain or suffering" in more detail than Article 1 CAT. The UK made no reservations or understandings on ratification and has not adopted a formal definition of what constitutes

² Mr Jack Straw appeared before the Committee in connection with its inquiry into Developments in the European Union. Oral evidence taken before the Foreign Affairs Committee on 13 December 2005, HC 768-i.

mental pain or suffering for the purposes of Article 1. Section 134 of the Criminal Justice Act 1988 provides that a public official commits torture if he intentionally inflicts severe pain or suffering on another in the performance of his duties, and does not define “severe pain or suffering”.

I would add that the US Secretary of State made clear, again, in her statement of 5 December 2005 that:

- the US does not authorise or condone torture of detainees;
- torture, and conspiracy to commit torture, are crimes under US law; wherever they may occur in the world.

On the question of definitions, I would also note that under US legislation, the term “cruel, inhuman or degrading treatment” is to be interpreted according to the US Constitution. But the essential fact is that “cruel, inhuman or degrading treatment” of any detainees held by the US Government anywhere is legally banned under US law.

At Q90 Mr USley asked whether there had been any progress regarding the Bulgarian nurses imprisoned in Libya.

We remain concerned about their situation and want to see them released. With EU Partners we have made clear to Libya that we want it to resolve remaining EU concerns, including this case, as part of developing our engagement.

We have repeatedly raised this difficult and longstanding issue at all levels with Libya, both bilaterally and in our role as EU Presidency. With our EU Partners, the European Commission, and the US, we have been actively encouraging the parties to identify a solution acceptable to them both, including through inter-governmental meetings, held in confidence.

Following such a meeting in Tripoli on 21–22 December the UK issued a press release (copy attached) on behalf of representatives of the British, Libyan, Bulgarian and US governments, and of the European Commission, about the establishment of an International Benghazi Families Support Fund. It will collect and allocate financial and in-kind assistance to the Benghazi families, including continuing medical care to the HIV-infected patients, help to upgrade to international standards the medical facilities at which they receive treatment in Benghazi, and provision of financial assistance to the families. More details about the Fund are set out in the press release.

Following this progress, we welcome the ruling by the Libyan Supreme Court on 25 December to overturn the death sentences on the medical staff and return the case to the lower court for a fresh hearing. We have encouraged Libya to ensure this takes place soon. In addition, the UK is providing assistance to alleviate the HIV crisis in Benghazi through the EU’s “HIV Action Plan for Benghazi”. The focus of this assistance is to upgrade the Benghazi Centre to become an HIV/AIDS centre meeting international standards. The assistance will take the form of training and in particular by sharing relevant European expertise.

The EU is fielding an increasing number of missions abroad, with varying functions. Is this a deliberate trend and are there any further such missions on the way?

The increase in the number of CFSP missions is a natural progression. ESDP began a few years ago from a UK-French initiative with the vision that it would grow into an important tool that could be used in a variety of situations internationally. It is now beginning to fulfil that role. The current missions in Rafah and Aceh in particular show that the EU is now considered by the international community as a key organisation for supporting efforts to improve peace and security around the world. ESDP has always had a number of priority areas, but it is only more recently that it has started to activate them having gained necessary experience and capabilities.

The only mission potentially on the horizon is in Kosovo. There is broad agreement amongst EU partners that some of the niche areas that the EU could fill in Kosovo include an EU policing mission as well as justice and the rule of law. This though is dependent on the outcome of the final status process.

The UK would expect to see ESDP play a role within its remit wherever it made sense and it had the right capabilities to act—always coordinating with other international actors to try to achieve best added value and ensure the appropriate instruments are deployed for each situation.

Is the Rafah monitoring mission a model which the EU hopes to replicate, if all goes well?

The Rafah Border Assistance Mission is the EU’s second monitoring mission. The EU also has a monitoring mission in Aceh, and the Commission runs a customs border monitoring mission in Moldova. Monitoring is one of the priority areas for the EU’s security and defence policy and it is possible that the EU could carry out a similar role elsewhere. However, each mission will differ according to the task and the environment in which it is operating. We will always be looking to ensure added value and that EU capabilities are utilised where they make best sense and make a real contribution.

Does the EU have any plans to intensify relations with India, given its growing importance on the global stage?

The EU recognises absolutely the growing importance of India. At the EU-India Summit in The Hague in November 2004 the EU and India established a strategic partnership. This was followed up at the EU-India Summit in New Delhi in September 2005, during the UK Presidency. The main focus was the agreement of a wide ranging and ambitious EU-India Joint Action Plan, which will form the framework for future EU-India engagement. This Joint Action Plan was the product of close co-operation with India over a number of months leading up to the Summit. Both sides hailed this achievement, emphasising shared values and a common interest in working together. Highlights of the Action Plan include closer collaboration on counter-terrorism; the establishment of an EU-India security dialogue covering regional security issues, disarmament and nonproliferation; the launch of an EU-India Initiative on Clean Development and Climate Change; establishing a High Level Trade Group; and establishment of dialogues on migration and consular issues, as well as on human rights. The Prime Minister was accompanied at the Summit by a large delegation of senior European CEOs who attended a parallel annual Business Summit. EU and Indian CEOs registered a strong level of interest in their respective business communities for strengthening trade and investment opportunities. Manmohan Singh, Tony Blair and Mr Barroso all addressed the Business Summit. The general spirit of co-operation received an additional boost with the announcement by Manmohan Singh at the Summit press conference of an order by Indian Airlines for the purchase of 43 Airbus, worth USD 2.2 billion.

Since the Summit the UK Presidency has taken forward a number of initiatives. The UK chaired the first meeting of the new counter-terrorism working group; and led an EU team in Delhi for an exchange under the dialogue on human rights. In the run up to the Summit the UK worked hard with EU partners to secure support for India's membership of the ITER international nuclear fusion project. Since the Summit India has formally become a member of ITER.

India's importance to the EU will continue to grow, especially as India's own understanding of the EU expands on greater engagement with the EU (the UK Presidency organised a well received briefing seminar on the EU in Delhi for senior Indian policy makers). At the Summit there was common recognition that India's young, growing population makes it an indispensable partner for the EU. Both sides are committed to report on progress under the Joint Action Plan at the next EU-India Summit under the Finnish Presidency in Helsinki in autumn 2006. In the meantime, we expect that the Austrian Presidency will take forward other elements of the Action Plan, including by hosting a Foreign Ministerial Troika. The UK will continue to work with the Indians, Presidency and Commission to further boost the EU-India relationship. I hope all this is helpful to the Committee.

Rt Hon Jack Straw MP
Secretary of State for Foreign and Commonwealth Affairs

31 January 2006

Letter to the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office, from the Clerk of the Committee

The Committee wishes to receive, in connection with its ongoing inquiry into Foreign Policy Aspects of the War against Terrorism, a note confirming whether the FCO or any agency for which FCO Ministers are accountable to Parliament received advance warning from sources in Saudi Arabia of the possibility of a major terrorist operation in London prior to 7 July 2005.

I would appreciate a response on or before Monday 6 March.

Steve Priestley
Clerk of the Committee

9 February 2006

Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office

Thank you for your letter of 9 February.

The substance of this letter touches on intelligence we may or may not have received, and on sensitive intelligence liaison relationships. I am afraid that these are areas, therefore, which it would not be appropriate to discuss with the Foreign Affairs Committee.

As part of its remit, the Intelligence and Security Committee is, as I am sure you know, currently investigating intelligence matters relating to the July terrorist attacks with a view to reporting to the Prime Minister in the spring. We are co-operating with the Committee in that investigation.

Chris Stanton
Parliamentary Relations and Devolution Team
Foreign and Commonwealth Office

7 March 2006

**Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team,
Foreign and Commonwealth Office**

You will be aware that on 21 November, the Secretary General of the Council of Europe, acting under Article 52 of the European Convention on Human Rights, requested information from Contracting Parties to the Convention. In the light of the Foreign Affairs Committee's interest in the subject of rendition, members of the Committee may be interested in the enclosed copy of HMG's reply. The Secretary General's report, based on the replies from Contracting Parties, was published on 1 March on the Council of Europe website.

Chris Stanton
Parliamentary Relations and Devolution Team
Foreign and Commonwealth Office

9 March 2006

**Response of the United Kingdom Government to the Request of the Secretary General for an explanation in
accordance with the Article 52 of the European Convention on Human Rights³**

1. *Explanation of the manner in which UK law ensures that acts by officials of foreign agencies within our jurisdiction are subject to adequate controls*

Officials of foreign agencies are bound, whilst within the UK, by the same laws that apply to all persons present here. Where there are reasonable grounds to suspect that a crime has been or may be committed then the police and other investigative authorities have the necessary powers to investigate and where appropriate prosecute those responsible for any such crime. Insofar as any official of a foreign agency may be entitled to any immunity from legal process, a waiver of that immunity can be sought and if the required co-operation is not forthcoming the official may be required to leave the UK. In addition, the Visiting Forces Act 1952 covers certain matters connected with the presence in the UK of the military forces of certain countries (including the USA), including the question of jurisdiction which means that the sending state's service authorities may exercise their own jurisdiction over their service personnel within the UK.

2. *Explanation of the manner in which UK law ensures that adequate safeguards exist to prevent unacknowledged deprivation of liberty of any person within UK jurisdiction, whether such deprivation of liberty is linked to an action or omission directly attributable to the UK or whether the UK has aided or assisted the agents of another State in conduct amounting to such deprivation of liberty, including aid or assistance in the transportation by aircraft or otherwise of persons so deprived of their liberty*

All persons arrested by the Police in England and Wales are covered by the safeguards contained in the Police and Criminal Evidence Act 1984 (PACE) which include the maintenance of detailed custody records and would in practice prevent a person being held in unacknowledged detention. In Scotland there are similar legislative provisions in place to safeguard those in custody and to ensure that detailed custody records are maintained.

Unacknowledged deprivation of liberty by any person would constitute a crime such as false imprisonment or kidnapping which are both offences at common law triable on indictment. False imprisonment consists in the unlawful and intentional or reckless restraint of a victim's freedom of movement from a particular place. Kidnapping is an offence comprising the following four elements:

- (a) the taking or carrying away of one person by another;
- (b) by force or by fraud;
- (c) without the consent of the person so taken or carried away; and
- (d) without lawful excuse.

³ United Kingdom reply of 21 February 2006 to the Secretary General of the Council of Europe's request for information of 21 November 2005, under Article 52 of the European Convention on Human Rights.

Were a UK official to aid or abet a criminal act they may be guilty of an offence also. Where there are reasonable grounds to suspect that a crime has been or may be committed the Police and other investigative authorities have the necessary powers to investigate and where appropriate prosecute.

The Human Rights Act 1998 gives effect in domestic law to the rights and protections contained in the Convention and provides both for victims to be able to bring actions for breach of human rights against public authorities (section 6) and also for primary and subordinate legislation to be read and given effect to in a way which is compatible with Convention rights (section 3). In addition, the Scotland Act 1998 provides that Scottish Ministers (the devolved executive in Scotland) have no power to act in a way which is incompatible with Convention rights (section 57(2)).

Separately from this legislative framework, any individual may bring an action for habeas corpus (in England and Wales) to test the legality of his detention or a civil action for the tort of false imprisonment (in Scotland, an action for the delict of unlawful detention) if he is deprived of his liberty unlawfully including where such deprivation is contrary to Article 5 of the Convention.

In addition, under section 65 of the Regulation of Investigatory Powers Act 2000 the Investigatory Powers Tribunal considers complaints relating to any alleged conduct by the UK Security and Intelligence Services. The Tribunal may call witnesses and has extensive access to information.

Finally, there are a number of general police powers which relate to aircraft. In England and Wales, police have a power to enter premises to arrest for indictable and certain other offences (section 17 of PACE). For this purpose, "premises" are defined as including "any aircraft" (section 23 of PACE). Under section 8 of PACE a Justice of the Peace may issue a search warrant to enter and search premises (including aircraft) where there are reasonable grounds for believing that an indictable offence has been committed and that specified relevant material is likely to be found on the premises.

In Scotland, a criminal court has jurisdiction, a common law, over aircraft within or flying over Scotland. Section 92 of the Civil Aviation Act 1982 also makes provision for the application of the criminal law to aircraft. If the police have a specific basis to believe that an offence is being committed on board an aircraft, the police can apply to the court for a search warrant (either at common law or under statute) to enter and search that aircraft. If circumstances of urgency exist and the police have a specific basis to believe that an offence is being committed against the person of an individual on board an aircraft and which endangers the safety of that person they may board the craft and investigate the circumstances in the same way as they may enter any premises in order to prevent an offence of violence continuing.

Constables throughout the UK enjoy certain additional powers under Part III of the Aviation Security Act 1982 in respect of non-military airports that have been designated by order of the Secretary of State. These powers give the Chief Officer of Police for the police area in which the airport is situated responsibility for the general policing of the airport and are without prejudice to other powers enjoyed by the police. Specific powers include a power to enter any part of the airport.

3. Explanation of the manner in which UK law provides an adequate response to any alleged infringements of Convention Rights of individuals within UK jurisdiction, notably in the context of deprivation of liberty, resulting from the conduct of officials of foreign agencies. In particular, explanation of the availability of effective investigations that are prompt, independent and capable of leading to the identification and sanctioning of those responsible for any illegal acts, including those responsible for aiding or assisting in the commission of such acts, and the payment of adequate compensation to victims

As indicated above, the conduct of an official of a foreign agency may give rise to criminal or civil action in the UK. In particular, the police have power to carry out prompt and independent investigations into any allegations they receive that a crime has been committed within the UK.

In addition, any individual can bring an action for habeas corpus or for false imprisonment/unlawful detention. Where a person is convicted of a criminal offence, a court may make a compensation order requiring him to pay compensation to the victim for any personal injury, loss or damage caused whether directly or indirectly by the acts which constitute the offence. A victim of a crime of violence may also seek compensation from the Criminal Injuries Compensation Scheme.

4. In the context of the foregoing explanations—ie explanations of the manner in which UK internal law ensures the effective implementation of the provisions of the Convention with respect to everyone within our jurisdiction—an explanation is requested as to whether, in the period running from 1 January 2002 until the present any public official or other person acting in an official capacity has been involved in any manner—whether by action or omission—in the unacknowledged deprivation of liberty of any individual, or transport of any individual while so deprived of their liberty, including where such deprivation of liberty may have occurred by or at the instigation of any foreign agency. Information is to be provided on whether any official investigation is under way and/or any completed investigation

No UK public official or other person acting in an official capacity has been so involved. Allegations made by the UK NGO Liberty and others that UK airspace has been used for the transfer of detainees to locations where they may be subject to ill-treatment have been passed to the Police.

5. A Written Ministerial Statement to Parliament by the Secretary of State for Foreign and Commonwealth Affairs of 20 January is enclosed.

Letter to the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office from the Clerk of the Committee

As you know, during its recent visit to Washington DC the Committee discussed with US interlocutors the possibility of a visit to the US detention facility at Guantánamo Bay.

The Committee deliberated further on this matter yesterday and asked me to request your assistance in making the arrangements for such a visit. We are open-minded on questions such as timing and the Committee is willing to be flexible in the interests of achieving a worthwhile visit. I will be happy to provide any further information you or the US authorities may require.

Steve Priestley
Clerk of the Committee

30 March 2006

Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office

Thank you for your letter of 30 March. My apologies for the delay in replying.

We would be happy to assist in making arrangements for a visit by the Committee to the US detention facility at Guantanamo Bay. The Embassy in Washington has raised this with the State Department and the Department of Defense. As you would expect, agreeing the specific details of any visit will require further discussion with the US authorities. We will be in touch as soon as we have more information on this.

Chris Stanton
Parliamentary Relations and Devolution Team
Foreign and Commonwealth Office

19 April 2006

Letter to the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office from the Clerk of the Committee

As you know, the Committee heard oral evidence last week from Philippe Sands QC.

In his evidence to the Committee on 19 April and in his book, *Lawless World* (pp 271–273, etc), Mr Sands referred to a number of official documents. These include a minute from the Foreign Secretary to the Prime Minister dated January 2003 and a summary of the meeting between the Prime Minister and President Bush on 31 January 2003.

The Committee has asked me to request copies of these documents.

Steve Priestley
Clerk of the Committee

24 April 2006

Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team, Foreign and Commonwealth Office

Thank you for your 24 April letter. The Committee asked for copies of two documents from January 2003, following its 19 April oral evidence session with Philippe Sands QC.

We have made a careful search of our records, based on your letter and the descriptions of these documents given by Mr Sands in his oral evidence to the Committee and in his book *Lawless World*.

We do have a copy of the first document you refer to—a private note from the Foreign Secretary to the Prime Minister from January 2003. After careful consideration, the Foreign Secretary has decided that to release a document of this nature, which is highly classified, and refers both to intelligence matters and to confidential exchanges between her predecessor and the US Secretary of State, would be likely to be detrimental to the conduct of Government business and to the conduct of our international relations. I regret, therefore, that we are unable to release a copy.

We have been unable to find anywhere in the FCO's records a copy of the second document you refer to—a record of the Prime Minister's 31 January 2003 meeting with President Bush.

Chris Stanton
Parliamentary Relations & Devolution Team Foreign and Commonwealth Office
12 June 2006

Letter to Clive Stafford Smith, Legal Director, Reprieve, from the Clerk of the Committee

The Foreign Affairs Committee of the House of Commons has since late 2001 been conducting an ongoing inquiry under the title *Foreign Policy Aspects of the War against Terrorism*. Six Reports—the text of which is available on the Committee's web site—have been published to date. The inquiry is very wide-ranging and has included consideration of the extra-judicial detention of terrorist suspects outside the United Kingdom and their subsequent treatment.

Having noted recent press reports, the Committee would welcome written evidence from you on the case of Mr Binyam Mohammed and on any other similar cases of which you are aware. Having considered any written evidence you may choose to send it, the Committee will decide whether it wishes to invite you to give oral evidence.

Steve Priestley
Clerk of the Committee
14 February 2006

Written evidence submitted by Reprieve

BRITISH INVOLVEMENT IN RENDITIONS AND TORTURE

The British government has been facing increasing pressure to reveal the extent to which government officers have been complicit in CIA renditions and torture around the world. Thus far, the questions have focused upon the use of British airspace for CIA rendition flights, and possible British knowledge of the purpose of those flights. The two case studies below show that this question is but one aspect of possible British complicity in renditions and torture, and that there are many more questions that should be asked of our government in this respect.

CASE 1: BISHER AL-RAWI AND JAMIL EL-BANNA

Bisher Al-Rawi and Jamil El-Banna are long term British residents who, far from being seized on the battlefield, were “grabbed in the Gambia” by US agents, apparently with British connivance. They were sent for torture in the “Dark Prison” in Kabul, and then taken to Guantanamo Bay. There is developing evidence of (1) British governmental involvement in the men's seizure and rendition, (2) British assurances that the men could safely go to the Gambia to set up a mobile peanut-processing plant, (3) telegrams that indicate direct British involvement in their seizure once they arrived, (4) the identity of the CIA plane that was used to render them, and (5) the failure to assist them despite the fact that they had worked to help British intelligence.

The salient facts are as follows:

- Bisher and Jamil were arrested in the Gambia on 8 November 2002.

They had travelled there with another business partner named Abdullah to meet Bisher's brother Wahab, and help him to set up a mobile peanut-processing plant.

- British authorities were well aware of the details of Bisher and Jamil's business trip to the Gambia, and had assured them they were safe to travel.

In unclassified statements to his lawyer, Jamil reports that in the last week of October 2002, around 10 days before he left the UK, two MI5 agents came to his house and told him that that they knew all about his planned trip. When Jamil asked them if this was okay, they told him it was, and good luck with it. A 31 October 2002 memo from MI5 corroborates everything that Jamil has told US military investigators in this respect. This should have been provided to Mr El-Banna's attorneys three years ago in support of his challenge to his confinement. Not only did the two agents reassure Mr El-Banna that he could travel safely with his documents, but they offered him a new life in an Islamic country if he agreed to cooperate with them more than he already had. He replied that his wife and children were now settled in the UK, and he would rather remain here.

- On the afternoon of 1 November 2002, Bisher and Jamil went to Gatwick airport. They didn't get very far: as they were checking in, they were detained on the grounds of a supposedly suspicious electronic device in Bisher's hand luggage.

That day, a telegram sent from MI5 informed US intelligence that Bisher and Jamil were detained at Gatwick under the Terrorism Act 2000. Most damaging in the 1 November 2002 telegram to the US was the suggestion that Bisher was an “Islamic extremist” (for which there is no evidence, and never has been any), and the fact that “[a] search of their baggage revealed some form of home-made electronic device. Preliminary inquiries including X-ray suggest that it may be a timing device or could possibly be used as some part of a car-based IED.” (1 November 2002 telegram)

Bisher and Jamil were held briefly pending a hearing. 48 hours later, when the “suspicious device” was finally examined, it was no “IED”; it was determined by the police to be a battery charger freely available from Dixons, Argos, Maplins and any number of other standard electrical stores in the UK. The police found the electrical item to be “an innocent device”, and at 5:22 pm on 4 November, Bisher and Jamil were released.

- This central conclusion to the episode of the battery charger—that there was absolutely nothing suspicious about it—was communicated to other British authorities in an internal memo from MI5 to the British Foreign Office. (11 November 2002 telegram) However, there is no evidence to suggest that this information was ever communicated to the US to correct the earlier falsehood.

Despite the fact that the item was deemed entirely “innocent,” and Bisher and Jamil were released without charge, allegations concerning the battery charger appear in their Combatant Status Review Tribunals (CSRT) in Guantanamo Bay as “evidence” that they are enemy combatants. The British government has failed to correct its own mistake, which has contributed to three years’ false imprisonment of these men.

- Meanwhile Bisher and Jamil returned home on 4 November 2002, and arranged to fly out to the Gambia four days later. During this period, unknown to them, a number of telegrams were sent to the Americans by MI5 about Bisher and Jamil, saying that they knew Abu Qatada, and that Jamil El-Banna was Abu Qatada’s financier.

In truth, Bisher and Jamil did know Abu Qatada. However, it was nonsense to say that Jamil was any kind of financier (indeed the US military has now got it totally muddled, and suggests equally erroneously that Bisher was helping Abu Qatada with finances). Furthermore, the US military has extrapolated the mere fact that Bisher and Jamil were friends with Abu Qatada (unsurprisingly, as all had previous links with Jordan), to the false assertion that Bisher and Jamil were somehow in an al Qaida “cell” in London.

In contrast, Bisher had been helping MI5 effect Abu Qatada’s peaceful arrest, with the full knowledge of all the parties. Jamil El-Banna assisted in this, and when they had arrested Abu Qatada, the British officers had thanked both men.

- On 8 November, the day that Bisher and Jamil flew to the Gambia, a telegram was sent by MI5 to the Americans giving the exact spellings of their names at check in and giving their flight details, noting the delay in takeoff, and giving the estimated time of arrival. They were immediately detained upon arrival at Banjul.

Bisher, Jamil, Wahab and Abdullah were immediately detained in the Gambia, and taken to a house on the outskirts of Banjul. Some days later, Abdullah managed to telephone his wife and tell her what had happened. Bisher’s brother Numann went to see his MP, Edward Davey MP, who contacted the Foreign Office.

Over the following days, the Americans were very much in evidence, but Bisher, Jamil, Wahab and Abdullah never once saw a British official.

- When the men did ask to see British officials, both the Gambians and the Americans left them in no doubt that they were being detained at the request of British intelligence:

When the prisoners demanded to see British consular officials, both the Gambians and the Americans told them that the British were the ones who had asked for them to be detained.

Wahab recalls: “*I asked once more for a lawyer and to see the [British] High Commissioner. One of the CIA officers told me I should not ask for the assistance from the British. ‘Who do you think ordered your arrest?’ the CIA officer asked. He implied to me that it had clearly been the British who had wanted us all detained.*”

Abdullah says: “*The interrogations by the Americans took place every couple of days. * * * I told them the entire truth the whole time: we were there to set up a peanut oil factory and nothing more. Our trip to the Gambia had absolutely nothing to do with terrorism . . . When I was being interrogated alone by Mr Lee and one of his colleagues, Mr Lee told me that the British had “sold you out” to the Americans, indicating that the British had instigated our arrest.*”

Jamil El-Banna remembers that when he expressed anger towards the Americans, his interrogators would repeatedly tell him:

“*Why are you angry at America? It is your government, Britain and the MI5, who called the CIA and told them that you and Bisher [Al-Rawi] were in Gambia and to come and get you. Britain gave everything to us. Britain sold you out to the CIA.*”⁴

⁴ Unless otherwise indicated, all italicised text in reference to Bisher Al-Rawi and Jamil El-Banna is taken from unclassified statements made to their lawyer Clive Stafford Smith whilst in Guantanamo Bay.

Bisher has a similar recollection.

After almost one month in custody, Wahab and the other British citizen, Abdullah, were allowed to go home to England.

Meanwhile, on a Sunday early in December, two or three days after Eid al Fitr (which was on 6 December that year), Bisher and Jamil were rendered to Kabul. The CIA flight that took them, via Egypt, has been specifically identified and documented.

- They were taken to the Dark Prison in Kabul, where they spent two weeks under shocking conditions.
 - They were held in freezing cold, seemingly underground, pitch-black cells.
 - They were given only shorts and T-shirt; Jamil El-Banna did not even have a blanket.
 - They were held in leg shackles 24 hours a day.
 - There was no access to a bathroom, only a drum in the corner of the room.
 - 24 hours a day there was a cacophonous noise.
 - They were physically abused: punched, dragged along the floor and kicked.
- After the Dark Prison, Jamil and Bisher were taken to Bagram Airforce Base. In Bagram, they were imprisoned and badly abused for another two months.

They were beaten, starved, and deprived of sleep. What is particularly noteworthy is the fact that the only information the interrogators were interested in was information about Abu Qatada. Over the years, CIA and military interrogators have repeatedly attempted to elicit testimony from both men, linking Abu Qatada to al Qaida. Mr El-Banna has repeatedly refused offers of freedom, money, and passports in exchange for what would be false testimony.

Jamil El-Banna says that at Bagram:

“I was interrogated by the Americans almost exclusively about Abu Qatada. They wanted me to say that Abu Qatada was linked to Al-Qaida, and that he was linked to some bombing in Jordan. I repeatedly said I knew no such thing. They offered me \$5 million to say this, and gave me two days to think about it.”

“Then they came back and told me I could be a ‘secret witness,’ and told me what they wanted me to say about Abu Qatada,” Jamil continues. “This time they offered me \$10 million and a US passport, and said that if I did not co-operate, not only would I continue to be held, but my wife would never get a British passport either. They gave me another two days and told me to think about it. Before they even left that time though, I said, if you give me \$100 million, I will not bear false witness against Abu Qatada or anyone else.”

- Bisher and Jamil were then rendered to Guantanamo Bay where they remain to this day.

Since being taken into custody, Bisher has seen many people who have said they were from the CIA. From the beginning in Guantanamo, Elizabeth, the CIA agent, would tell him, “Don’t think that leaving here will come without a price.” She asked him whether he would work with them, and he said no. They suggested, “How about working with MI5?”

The British have likewise asked Bisher to continue to work with them. In the summer of 2003, a British agent came to see Bisher. He said he knew Bisher, but Bisher did not know him. This person was apparently with the British detail who had worked with Bisher previously, but who Bisher had not actually seen.

In January 2004, two British agents calling themselves “Martin” and “Matthew” came to see Bisher on two consecutive days. They asked Bisher if he would work with the MI5 any more when he got out. Bisher said he would, if what he was asked to do would help bring about peace. They seemed happy with this response, and said it would take them between one month and six months to get Bisher home to Britain.

Also in 2004, “Alex” came to visit Bisher with a pretty female MI5 agent. Bisher has only seen Alex once in Guantanamo. According to what Bisher was told by Matt and Alex, “Martin was the ranking individual.” (CSRT at 23). The CIA clearly knew all about Bisher’s involvement with MI5 before Bisher’s CSRT process. Yet when it came time to discuss this at his CSRT, Bisher was unable to find anyone willing to tell the truth.

Both Bisher and Jamil have been subjected to highly unsatisfactory “Combatant Status Review Tribunals” (CSRTs) which purport to determine whether they are “enemy combatants”. As was related at Bisher’s CSRT proceeding:

Q. [By the US military] When you mentioned British Intelligence came here [to Guantanamo], what did they discuss with you?

A. It was a reunion. We discussed some things I don’t want to go into.

On 24 September 2004, Bisher requested assistance from various witnesses at his CSRT, including various from MI5:

Alex, Mathew & Martin (last names unknown) are from the British Intelligence Agency and know [Bisher al Rawi]. They have interviewed him on several occasions. They can testify [to information that was] . . . known to the British Intelligence Agency because [Bisher] was working with them.

Bisher was told that the British government declined to make these witnesses available. The “Tribunal President” ruled as follows:

At this time, because of the lack of last names, they are unreasonably available. [sic] I still determine that they are not relevant at this point.

However, it was explained during the CSRT hearing that “these three witnesses are from the British Intelligence Agency and knew him . . . [and] these three agents have interviewed him on several occasions, and that British Intelligence was already aware of the information in the summary of evidence [against him] because he was working with them”. At this point, inevitably, the CSRT officers had to agree that their testimony would be relevant, and directed that they be located to testify if possible.

According to official American records:

The British Secret Service declined to provide information regarding the identity of these witnesses, and since the detainee only possessed their first names, which even he assumed to be pseudonyms, the witnesses could not be identified. The Tribunal President was therefore forced to deny the witness request because the witnesses were not reasonably available. (CSRT Conclusions at two of five)

In conclusion, the “Tribunal President” stated:

The British government didn’t say they didn’t have a relationship with you, they just would not confirm or deny it. *That means I only have your word what happened. (CSRT at 22) (emphasis supplied)*

Ultimately, then, although there has been absolutely no denial by anyone that Bisher “was a sort of intermediary between Mr Qatada and the British Secret Service (BSS) . . . [t]he Tribunal found no evidence to corroborate this assertion. . . .” (CSRT Conclusions at three of five)

As a result of the British government’s refusal to go to bat for someone who had been helping them, then, Bisher al Rawi remains in Guantanamo Bay where—as the UN has recently found—torturous conditions continue to be the order of the day.

UNANSWERED QUESTIONS

The telegrams between the UK and the US provoke more questions than they answer. They prove beyond doubt that the UK was passing information to the US to facilitate the detention of the men in the Gambia. The UK told the US of their precise arrival time in the Gambia. The Foreign and Commonwealth Office (FCO) denies that the UK knew that the men would be rendered. What did the UK suppose the US was going to do with them on sovereign Gambia soil? Surely it was obvious that they would be taken elsewhere, and the UK denials ring false.

Many unanswered questions stand out:

1. It seems clear that the two men were seized solely because of the misinformation provided to the US by the British—is there any other explanation?
2. What role did the British government really play in the rendition?
3. Why has British intelligence not corrected the misinformation provided to the US concerning the battery charger that was misidentified as an IED?
4. Was it British intelligence that fed the false information to the US that Mr. Al-Rawi and Mr. El-Banna were linked to some “al Qaida cell” in London?
5. Why did the British government refuse to “confirm or deny” for the US that Bisher Al-Rawi had indeed been helping British intelligence as he honestly told them?
6. What information did the British give to the US by telephone, telegram or otherwise?
7. When will Bisher Al-Rawi be home, and reunited with this family?
8. Why will the British government not intervene on behalf of Jamil El-Banna, whose wife and five small British children have been without him for three years?
9. When will the British government announce an official inquiry with the power to compel the attendance of witnesses to get to the bottom of these questions?

CASE 2: BINYAM MOHAMED AL-HABASHI

Binyam Mohamed Al-Habashi is a British resident in Guantanamo Bay. Seized for a passport violation in Karachi, Pakistan on 10 April 2002, Binyam was handed over to the Americans who rendered him to Morocco. In Morocco, Binyam suffered the worst torture that we know of to date, and some of which he is still unable to talk about. He eventually confessed under torture to being part of a “dirty bomb plot” involving Jose Padilla and a number of other alleged high-level al-Qaida operatives.

Thereafter Binyam was rendered to the Dark Prison and Bagram Airforce Base, Afghanistan, and finally to Guantanamo Bay. In Guantanamo, Binyam faces a Military Commission commencing on 6 April 2006—

the kind of tribunal characterised by Lord Steyn as a “kangaroo court”. Indeed, Guantanamo Military Commissions have been universally derided by human rights organisations and were noted by the British government to fall so far below fair trial standards as to be unacceptable for our own citizens.

- “Evidence” obtained from Binyam under torture in Morocco is likely to be used against him.

The only evidence that has been revealed against Binyam are statements attributed to him, that were exacted as part of the torture process. He denies that any of this is true.

- There is growing evidence that British officers were aware Binyam was to be rendered to Morocco, and that the British supplied information to his torturers.

The true extent of British involvement in Binyam Mohamed Al-Habashi’s rendition and torture is as yet an unanswered question. The British government justifies its refusal to admit any diplomatic responsibility to Binyam by saying that because Binyam is a British resident, rather than a citizen, the British government is not obliged to make representations on his behalf. This is a gloss of the true facts of British involvement in his case, and our added responsibility to help Binyam come home to the UK.

Binyam’s troubles began when he was seized by the Pakistanis at Karachi Airport in April 2002.

- Binyam was taken first to Landi Prison and then to an interrogation unit in Karachi.

He was taken to the ICI unit⁵ where he was interrogated there by four FBI personnel. They seemed to believe that he was some kind of top al-Quaida operative. This was despite the facts that it was less than six months since Binyam had converted to Islam, and he could barely speak Arabic.

- At the ICI unit, Binyam was questioned by two MI6 officers who made it clear that they knew he was slated for torture.

In Binyam’s own words:

“They gave me a cup of tea with a lot of sugar in it. I initially only took one. ‘No, you need a lot more. Where you’re going, you need a lot of sugar.’ I didn’t know exactly what he meant by this, but I figured he meant some poor country in Arabia.” One of them did tell me I was going to get tortured by the Arabs.”⁶

- Binyam was then taken to Islamabad where he was turned over to the Americans for rendition to Morocco.

The US soldiers were dressed in black, with masks, and what looked like Timberland boots. They stripped Binyam naked, took photos, put fingers up his anus, and dressed him in a tracksuit. He was shackled, with earphones, blind-folded, and put into a US plane. He was tied to the seat for the eight to 10 hours of the journey.

- In Morocco, Binyam was tortured, for 18 months, by a team of eight people.

He has suffered the worst torture that has come to light to date in the War on Terror, some of which, almost four years on, he is still unable to speak about. What he is able to discuss includes:

- Around once a month, for 18 months, Binyam had his penis slashed with a razor-blade.

“One of them took my penis in his hand and began to make cuts. He did it once, and they stood still for maybe a minute, watching my reaction. I was in agony, crying, trying desperately to suppress myself, but I was screaming they must have done this 20 or 30 times for maybe two hours. There was blood all over they cut all over my private parts. One of them said, it would be better just to cut it off, as I would only breed terrorists.”

- He was frequently cuffed, with earphones blaring loud music put on his head.

“I could not take the headphones off as I was cuffed. I had to sleep with the music on and even pray with it.”

- Twice, for a month each, he was taken to a freezing cold, mouldy room that smelled of urine because there were holes in the toilet so it leaked out into the room.

- Drugs were put in his food and given to him intravenously, against his will:

“Then they came in again, and strapped me to a mattress. They put an IV in my arm. First one, then a second. There was some kind of yellow liquid. This I think must have been heroin, though I’ve never tried it, so I don’t know for sure. I was out of this world. I didn’t exist. They alternated. They’d do a plain IV, then the heroin IV, then the plain one, then the heroin one. My body started reacting. I started shivering this went on for maybe 10 or 14 days, but I lost track of time I’d go nuts, shaking, paranoid.”

- When it was prayer time, the torturers would play pornographic films at high volume.

⁵ The ICI is the Pakistani Security Service.

⁶ Unless otherwise indicated, all italicised text in reference to Binyam Mohamed Al-Habashi is taken from unclassified statements made to their lawyer Clive Stafford Smith whilst in Guantanamo Bay.

Between the torture sessions, Binyam would be taken for weekly interrogation where, he says:

“They would tell me what to say. They said if you tell this story as we read it, you will just go to court as a witness and all this torture will stop. I could not take any more of this torture, and I eventually repeated what was read out to me. They told me to say that I had been with Bin Laden five or six times. Of course that was false. They told me to say that I had told Bin Laden about places that should be attacked. Of course, that was false too. They told me to say that I had sat with UBL’s (Usama Bin Laden) top people. That was a lie too. There were about 25 of them. They told me all their names. They told me that I must plead guilty. I’d have to say I was an Al-Qaida operations man, an ideas man. I kept insisting that I had only been in Afghanistan a short while. ‘We don’t care,’ was all they’d say.”

Of course, the proponents of torture believe that having prior information is critical to an effective torture strategy, and it is this aspect of the Moroccan routine that strongly suggests the British government were complicit in some of the abuse that took place against Binyam.

BRITISH INVOLVEMENT

Various questions were asked in Morocco showing such specific knowledge that sadly it is hard to imagine a source other than the British. If this is correct, this would have required that the UK did an investigation that would have been passed along to the Moroccans.

- Binyam had been travelling on a passport that belonged to a friend of his. In order to protect his friend, Binyam had told the Americans that he (Binyam) had stolen the passport. The Moroccans told Binyam how he had really acquired the passport, saying that Binyam’s friend had told the British, who had relayed it on to the Moroccans, that he had given it to him.
- The Moroccans asked him questions about his old kick-boxing trainer in North Kensington, London, that could only have come from the British.
- They told Binyam what college he had studied at, what grades he achieved, and various information that could only have come from an ex-girlfriend in London.
- They knew Binyam’s former address in North Kensington.
- Binyam was questioned about his links with Britain:

“The interrogator told me that we have been working with the British, and we have photos of people given to us by MI5. “Do you know these? I realised that the British were sending questions to the Moroccans to say I was disappointed at that moment is an understatement.”
- Later, Binyam was shown some pictures, all of British people. His torturers told him, “This is the British file.”

Eventually, at the end of January 2004, Binyam was taken to Afghanistan. There were five US soldiers in black and grey, who cut off Binyam’s clothes. A white female Military Personnel (MP) took pictures. When she saw the injuries on his penis, she gasped, saying to her companions, “*Oh my God, look at that*”. Later in Afghanistan, more pictures were taken. Someone explained that the photos were “*to show Washington it’s healing*.”

- In Afghanistan, Binyam was taken to the notorious Dark Prison in Kabul, he was there for around five months.

He was chained to the floor with little room for manoeuvre, wearing only shorts and a top, in the pitch black with non-stop blaring music. He had a bucket to use as a toilet, but it was hard to use in the dark, so everything got on his blanket, which was the only one he had. At the Dark Prison,

“interrogation was right from the start, and went on until the day I left there. The CIA worked on people, including me, day and night for the months before I left. Plenty lost their minds. I could hear people knocking their heads against the walls and the doors, screaming their heads off.”

- In late May 2004, Binyam Mohamed Al-Habashi was transferred to Bagram Airforce Base. On 19 September 2004 he was rendered to Guantanamo Bay, where he remains to date.

UNANSWERED QUESTIONS

Many unanswered questions stand out:

1. Did the British government play any role in Mr Mohamed’s seizure?
2. What information did the British give to the Americans whilst Mr Mohamed was being held in Pakistan that may have contributed to his rendition?
3. What information did the British give to the Americans and the Moroccans that contributed to his torture?
4. If British officers knew that Mr Mohamed was to be rendered to Morocco, how did they know this, and why did they not do anything to help him?
5. Did the British receive any information from the Moroccans obtained from Mr Mohamed whilst he was in Morocco?

6. What information have the British received that has been obtained from Mr Mohamed whilst he was being abused in US (or Moroccan) custody?
7. Given the requirement of the Convention Against Torture, why has Mr Mohamed not been given any assistance by the British in Pakistan, Morocco, Afghanistan or Guantanamo Bay?
8. Has the British government ever sought assurances from the Pakistanis, Moroccans or Americans regarding the treatment of Mr Mohamed whilst in their custody?
9. Why will the British government not intervene on behalf of Mr Mohamed, who faces trial by Military Commission in a process that has been universally condemned, on charges that were dropped against Jose Padilla because they couldn't stand up in the regular US court system?
10. When will the Government announce an official inquiry with the power to compel the attendance of witnesses to get to the bottom of these questions?

Clara Gutteridge

Director

Reprieve

March 2006

Written evidence submitted by the European Coalition for Israel

EUROPEAN LEADERSHIP

The Union's action on the international scene shall be guided by, and designed to advance in the wider world, the principles which have inspired its own creation, development and enlargement: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, equality and solidarity, and for international law in accordance with the principles of the United Nations Charter.

Article III-193 of EU Draft Constitution⁷

ABSTRACT

The European Union and its member states represent the largest single donor bloc financing the Palestinian Authority and its affiliated institutions. We believe that European taxpayers' money was and probably still is being channelled to the PA and its affiliates in ways that contradict core EU principles, contributing to the prevailing culture of corruption and incitement whilst failing to address the underlying causes of Palestinian poverty. We note recent efforts by the Commission to begin to address many of the issues outlined in this paper and propose an alternative funding model, which we believe is more in line with interests and values of the European Union as a whole.

I. Overview

The amount of European funding to Palestinian Authority has increased dramatically since the outbreak of the *Palestinian intifada* in September 2000. The EU and its 25 member states currently donate some €500 million a year to the PA and its affiliates, more than half of which comes directly from the EU budget.⁸ In October 2005, Commissioner Benita Ferrero-Waldner proposed doubling that amount in the wake of Israel's disengagement from the Gaza Strip and called on member states and other donors to follow her lead.⁹

Although the EU has itself stated that it is the largest single donor to the PA, foreign aid from literally all over the world continues to pour into the Palestinian areas. According to Nigel Roberts, the World Bank's senior representative for the West Bank, other donors have meanwhile doubled their annual disbursements to almost \$1 billion, the equivalent of over \$310 per person per year. This makes the level of foreign contributions to the Palestinians the highest per capita aid transfer in the history of foreign aid anywhere.¹⁰

⁷ "Draft Treaty establishing a Constitution for Europe", as submitted by The European Convention to the President of the European Council in Rome, 18 July 2003.

⁸ EC press notice IP/05/1159: "European Commission to support the Palestinians with €280 million in 2005", 19 September 2005.

⁹ EC press notice IP/05/1224: "European Commission proposes comprehensive EU strategy for support to Palestinians", 5 October 2005; See also: "EU proposes doubling annual aid to PA to €500 million" *AP/Ha'aretz*, 5 October 2005 (<http://www.haaretz.com/hasen/spages/632184.html>).

¹⁰ World Bank News Release 2004/451/MNA: "World Bank Paper Urges Major Easing of Israeli Closure Measures and Stepped-up Palestinian Reform Efforts", 24 June 2004. Both points were re-iterated by Nigel Roberts in separate interviews with *Scotland on Sunday*, 29 February 2004 and *The Middle East Times*, 27 April 2005.

Due to such a well-meaning flow of aid one would rightly expect the social situation under Palestinian Authority control to have improved dramatically over recent years. However, United Nations figures indicate that the situation in the Palestinian areas continues to be one of deep poverty and great need. UK-based Charity *Christian Aid* claims that more than 2.2 million people in the territories survive on less than £1.05 a day (approximately €1.50). The situation is even worse in Gaza where citizens live on average on £0.85 a day (approx. €1.24)—way below the official UN poverty line.¹¹

The question of what happened to all the money is partially answered by high-ranking Palestinian officials themselves. Mohammad Dahlan, the current PA Minister for Civil Affairs and former Interior Minister under Yasser Arafat told Kuwait's *Al Watan* newspaper in August 2004 that of all of the funds which foreign countries had donated to the Palestinian Authority, a total of \$5 billion have "gone down the drain, and we don't know to where."¹²

The misuse of foreign aid within the PA is apparently on such high level, that immediately after Israel's disengagement from the Gaza Strip the Harvard trained Governor of the Palestine Monetary Authority, George T Abed stated: "If you poured in a lot of financing at this time, it would not have a big impact. It would not be very effective. Governance is poor. It would be wasted."¹³

Less outspoken on the whereabouts of the missing millions are the EU institutions themselves. A carefully formulated statement of the European Commission ombudsman and official antifraud agency OLAF earlier the same year simply says that the "... risks of misuse of the PA budget and other resources cannot yet be excluded. This is primarily due to the fact that the internal and external audit capacity in the PA remains underdeveloped."¹⁴

II. Scale of European Aid

Between 1994 and 2001, the EU and its member states contributed €3.47 billion to the Palestinians, either directly to the PA or through affiliated organizations,¹⁵ far exceeding initial pledges made in the 1993 post-Oslo international donor conference in Washington DC.¹⁶

In response to the economic collapse in the Palestinian territories brought on by the *intifada*, the EU alone has given in excess of €1 billion since 2002 and now plans to double annual disbursements from 2006.¹⁷ Member states have kept pace with sustained donations reaching similar levels.

Thus, in the decade following the signing of the Oslo accords (1993–2003), the €650 million pledged by the EU itself was followed up with some €1.8 billion in aid; while the total European funding package, together with member state contributions, commitments and loans, increased fourfold to a staggering €4.5 billion—a figure more than twice the amount initially pledged in 1993 by the international community as a whole.¹⁸

The same pattern is duplicated globally. From 1993 to the start of 2004 it is estimated that the PA received the equivalent some €4.4 billion in direct and indirect aid contributions from other western nations, the World Bank and members of the Arab League, in addition to the €4.5 billion in funds from Europe.¹⁹

III. Use of European Aid

As the *European Coalition for Israel* we believe that there is a fundamental discrepancy between the foundational moral and ethical values of the Union as outlined in the Draft EU Constitution²⁰ and the rapidly expanding €500 million annual aid programme to the Palestinians.

Furthermore, we believe that European taxpayers' money was and probably still is being channelled to the PA and its affiliates in ways that contradict core EU values, contributing to the prevailing culture of corruption and incitement whilst failing to address the underlying causes of Palestinian poverty.

¹¹ Figures provided by UNWRA in November 2004 and the United Nations Office for the Coordination of Humanitarian Affairs in January 2004 and cited by Christian Aid: "Christian Aid in Israel and the Occupied Palestinian Territories", July 2005: <http://www.christian-aid.org.uk/world/where/meecca/isrpalp.htm>

¹² "Arafat 'ruining his people' says protégé," *The Guardian*, 2 August 2004.

¹³ "Expert says Palestinians don't need financial aid", *San Francisco Chronicle*, 4 September 2005.

¹⁴ OLAF, EU anti-Fraud Division, Press Release, March 2005.

¹⁵ Figures originally taken from website of the European Commission Technical Assistance Office for the West Bank and Gaza Strip, <http://www.delwbg.cec.eu.int>, and quoted by the *Funding for Peace Coalition* in their study "Managing European Taxpayers Money", August 2004; p 7. All links to specific annual EU aid totals to the Palestinians prior to 2003 have since been removed from this site.

¹⁶ EC Background Briefing, "EU Relations with West Bank and Gaza Strip", Section 4: "EU financial assistance to the Palestinians"; http://europa.eu.int/comm/external_relations/gaza/intro/

¹⁷ EC press notice IP/05/1224.

¹⁸ EC Background Briefing "EU Relations with West Bank and Gaza Strip" op cif.

¹⁹ "Managing European Taxpayers' Money," Appendix A, p. 35. The global estimate for aid received by the Palestinians via the PA and other agencies from 1993–2004 is over US \$10 billion, which approximates to some €8.9 billion using the 2003 annual average dollar-euro exchange rate of 0.89. €4.5 billion of this has been identified by the EC as coming from the EU and Member States, illustrating the scale of the European aid program to the PA when contrasted with the efforts of the rest of the international community combined. For a full breakdown of non-European aid to the Palestinians during this period, see Appendix.

²⁰ Cf. Article III-193 of Draft EU Constitution, cited above.

As stated by James Price, a consultant to the Palestinian Investment Fund and co-author of “The Economic Road Map,” a detailed analysis of the Palestinian economy published in July 2005,²¹ the funds have not done much beyond ensuring a minimum standard of living. “Many of the donor programs have not only been ineffective, they have harmed the economy,” Prince told the *San Francisco Chronicle* in September 2005. “Cash is not the issue.”²²

A. Corruption

Behind the reported disappearance of billions of dollars of international aid donated to the Palestinians since 1993, stands a PA culture of nepotism, graft, extortion and theft that characterised the chaotic rule of late PLO leader and PA Chairman, Yasser Arafat and continues to haunt the government of Mahmoud Abbas (Abu Mazen).

As far back as the mid 1990s when the post-Oslo euphoria was beginning to wear thin, ordinary Palestinians living in the territories became increasingly aware that international aid was not reaching them and began openly criticising the monopolies for fuel, cement, cigarettes and other key commodities held by senior cabinet ministers and Arafat loyalists.

The Palestinian Legislative Council meanwhile began challenging Arafat over his attempts to exclude them from the annual budgeting process. In 1997, the PA Cabinet offered to resign en masse after an internal report found widespread corruption by PA ministries, including the Office of the Ra’is -Arafat himself. The audit, which was ordered by Arafat and conducted by a close relative, concluded that \$326 million—or 37 percent of the PA’s budget—was unaccounted for due to fraud, corruption and mismanagement.²³

In December 1999, the UK-based *Daily Telegraph* reported that disgruntled PLO officials had hacked into the organisation’s computers at its Tunisian headquarters and discovered about £5 billion (approx. €3.5 billion) in numbered bank accounts in Zurich, Geneva and New York, extensive PLO-owned shares in the Frankfurt, Paris and Tokyo stock exchanges, plus lucrative properties acquired in several Western European capitals.²⁴

In September 2003 the International Monetary Fund (IMF) published a study stating that they had identified \$900 million in public assets that had been diverted into the private accounts of the Palestinian leadership including “\$591 million in PA Tax revenue” and “\$300 million profits from commercial investments.”²⁵

Two months later reformist PA Finance Minister Salaam Fayad assisted CBS News with a “60 Minutes” expose that claimed Arafat had diverted nearly \$1 billion in public funds to secret bank accounts.²⁶ Fayad’s openly acknowledged contribution to the program also included details that the then PLO leader was channelling an additional \$100,000 each month to his wife Suha in Paris.²⁷

In July 2004, former Palestinian Legislative Council Speaker Rafik al-Natsheh described Arafat as the “protector of corruption and the corrupt,” adding that the PA did not need foreign aid. There were billions of dollars that were in the possession of the Authority, he said, “but no one knows anything about the funds.”²⁸

By January 2005, not long after Arafat’s death, the pan-Arab satellite network *Al-Jazeera* estimated his private fortune at between \$4.2 billion and \$6.5 billion, some \$1.5 billion more than it had been reportedly worth in 1996.²⁹

Notwithstanding the efforts of Abbas since his election in January 2005, the engrained culture of corruption within the PA and the associated intra-Palestinian violence appears only to have worsened during the post-Arafat era and continues to this day.

In July 2005, PLC Deputy Speaker Hassan Harisha told the London-based Arabic daily *Al-Quds Al-Arabi*, that Abbas was incapable of rooting out corruption since he was surrounded by Arafat-era advisors who were “just as corrupt” as ever.³⁰ An investigate panel of the Legislative Council, meanwhile, concluded

²¹ Glenn Yago and James Prince, “The Economic Road Map: Beyond the Israeli-Palestinian Conflict”, Milken Institute, July 2005.

²² “Expert says Palestinians don’t need financial aid”, *San Francisco Chronicle*, 4 September 2005.

²³ “16 PA ministers offer to resign”, *The Jerusalem Post*, 3 August 1997.

²⁴ “Hackers uncover secret billions of Arafat’s PLO”, *The Daily Telegraph*, 5 December 1999.

²⁵ “Economic Performance and Reform Under Conflict Conditions”, International Monetary Fund Report on West Bank and Gaza, 15 September 2003.

²⁶ “Arafat’s Billions”, *60 Minutes-CBS News*, 9 November 2003. Transcript available at: <http://www.cbsnews.com/stories/2003/11/07/60minutes/main582487.shtml>. Fayad went on to release a scathing PA Finance Ministry report on 17 November detailing how Arafat was continuing to control as much as 10% of the total PA Budget in private bank accounts, siphoning off the money at a rate of NIS 1 million (€200,000) a day.

²⁷ The Paris public prosecutor confirmed to Reuters on 10 February 2004 that French authorities had opened an inquiry into money transfers totalling \$11.5 million into bank accounts held by Suha Arafat in France.

²⁸ Cited in “Managing European Taxpayers’ Money” Appendix A, p 37.

²⁹ PLO financier Jaweed al-Ghoussein estimated that Arafat’s financial empire was worth between \$3 billion and \$5 billion when he quit in 1996. Cf. “Arafat’s Millions Could Slip Away,” *AP/ABC News*, 9 November 2004.

³⁰ “PA Speaker: Abbas can’t beat corruption”, *Yediot Ahronot*, 4 July 2005. (<http://www.vnetnews.com/articles/0.7340.L-3069420.00.html>)

in October the same year that the cabinet of Prime Minister Ahmed Qurei had neither discussed the security chaos in the territories nor was ever asked to do so. Legislators concluded that there was a “clear failure,” by Qurei’s government to implement the PA’s own reform agenda or prosecute the “war against corruption.”³¹

B. Terrorism and Incitement

“[T]errorism constitutes one of the most serious threats to democracy, to the free exercise of human rights and to economic and social development. Terrorism can never be justified whatever the target.”

“Framework decision of the EC to combat Terrorism,” 19 September 2001.³²

A second major discrepancy between Europe’s funding of the Palestinians and its own basic value system is the money flow into a regime that directly and indirectly supports and fosters terrorism.

The al-Aqsa Martyrs Brigades, the terrorist group behind countless suicide bombing atrocities during the recent *Intifada*, remains an integral part of PA Chairman Mahmoud Abbas’ governing Fatah party. Furthermore many of the group’s active members continue to draw regular payments from the PA salary budget, provided each month directly from the EU. In a BBC interview in November 2003 both al-Aqsa leaders and Fatah officials confirmed that there was no distinction between the “political” and “military” arms of the movement, and that al-Aqsa members had received some \$50,000 in monthly expenses from the PA.³³

In June the following year, the point was reinforced by PA Prime Minister Ahmed Qurei who, speaking in Arabic to the London-based newspaper *Asharq al-Awsat* said that the political leadership of Fatah took full responsibility for the group, effectively promising them immunity from punishment for terrorist acts.³⁴

The al-Aqsa Martyrs Brigades remain outlawed by the EU as a terrorist organisation, being responsible for the maiming and killing of hundreds of civilians, both Israeli and Palestinian.³⁵ It is incomprehensible, therefore, that the EU has continued to fund the PA in recent years in the full knowledge that European taxpayers’ money with which they are charged could be directly used in the financing of terrorist acts.

It is also incomprehensible how the EU continues to justify its half-hearted dealings with both Hamas and Hizb’Allah. Both organisations openly confess an ideological commitment to fundamentalist Islamic terror but at all levels of the Union are still considered viable political and social entities capable of being co-opted into the cause of peace.

That Hamas will be allowed to participate in EU-funded elections in January 2006 is unacceptable. Hamas openly calls for the destruction of the state of Israel and is responsible for the death of hundreds of civilians in Israel.

But it is not only the existence of the numerous PA-backed terrorist factions that should cause greatest concern to Europe amidst its own attempts to foster a just and lasting Middle East peace, but the systematic indoctrination of a whole new generation of Palestinian children.

Despite countless studies and press reports, spanning right back to the inception of the Oslo accords, school textbooks issued by the PA Ministry of Education continue to incite against Jews, glorify *shahids* (suicide terrorists) and avoid any acknowledgement of the very existence of Israel.³⁶

The extent to which the EU is directly responsible for funding these books is still a matter of debate. But what is without doubt is the gravity of the PA’s violation of its most basic undertakings to Europe and the EU’s adamant refusal, as the largest single donor bloc, to hold the PA to account despite having the matter brought to the attention of the Commission time and time again.

C. Perpetuating Refugees

Almost 50% of the €500 million annual European aid to the Palestinians is accounted for in direct, voluntary contributions to UNWRA, the United Nation’s dedicated relief arm for Palestinian refugees. Although the importance of ensuring these people are not left destitute is without question, the way UNWRA operates throughout the Middle East puts the Arab population of 1948 Palestine in a unique category that flouts the universal norms of global refugee work, maintains their descendants in unacceptable poverty and contravenes the foundational principles of both the UN and EU.

³¹ “Panel: PA has done nothing to impose order”, *Ha’aretz*, 9 October 2005.

³² “EC Proposal for a Council Framework Decision on Combating Terrorism,” Brussels, 19 September 2001.

³³ “Palestinian Authority Funds Go to Militants”, BBC News, 7 November 2003: http://news.bbc.co.uk/2/hi/middle_east/3243071.stm

³⁴ “Fatah committed to Aksa Martyrs”, *The Jerusalem Post*, 21 June 2001.

³⁵ According to PA statistics on fatalities in the first nine months of 2005, the terrorist factions were responsible for more Palestinian deaths than the IDF, and the al-Aqsa Martyrs Brigades more than Hamas. “Fatah gangs run rampant in Gaza,” *The Jerusalem Post*, 13 October 2005.

³⁶ “Jews, Israel and Peace in the Palestinian Authority Textbooks,” Centre for Monitoring the Impact of Peace, June 2005: <http://www.edume.org/>

Founded in the wake of UN efforts to address the massive refugee crises in the years immediately following the end of World War II, UNWRA was established along the lines of the older, and highly successful sister agency UNRRA: the United Nations Relief and Rehabilitation Administration, which operated between 1943 and 1948.³⁷

UNRRA's mandate was to resolve the (largely Jewish) refugee problem created by the war. In so doing it set vital precedents for the future work of United Nations High Commission for Refugees (UNHCR), established two years after UNRRA's dissolution in 1948.

But while UN agencies successfully finished their post-war refugee work in most countries within the early 1950s, they have continued to oversee an ever-expanding operation among Palestinians in Gaza, the West Bank and in camps across the Middle East until now. The reason for this lies in the UN's unique definition on who constitutes a Palestinian refugee:

"Under UNRRA's operational definition, Palestine refugees are persons whose normal place of residence was Palestine between June 1946 and May 1948, who lost both their homes and means of livelihood as a result of the 1948 Arab-Israeli conflict. UNRWA's services are available to all those living in its area of operations who meet this definition, who are registered with the Agency and who need assistance. UNRWA's definition of a refugee also covers the descendants of persons who became refugees in 1948. The number of registered Palestine refugees has subsequently grown from 914,000 in 1950 to more than four million in 2002, and continues to rise due to natural population growth."³⁸

While it appears strange to define a refugee as a person that resided in Palestine in such a narrow window of time as the two short years between June 1946 and May 1948,³⁹ the crux of this definition is that it *"also covers the descendants of persons who became refugees in 1948."* This is not only in disharmony with the "UN Convention relating to the Status of Refugees"⁴⁰ which allows no room for a refugee status to be conferred on the descendants of the person originally displaced, it also explicitly foresees and discourages the integration of refugees in their countries of refuge.

According to §34 of the "UN Convention relating to the Status of Refugees" host countries are called upon to "facilitate the assimilation and naturalization of refugees" and to "make every effort to expedite naturalization proceedings." This is not only ignored by UNRWA but has been repeatedly and explicitly discouraged by the UN itself.⁴¹

In addition, the work of UNRWA, (the "large majority" of whose 25,000 staff are also "refugees")⁴² has, from time to time, come under suspicion of indirectly supporting armed Palestinian "resistance" against the State of Israel,⁴³ financial mismanagement, corruption and graft.⁴⁴

The totality of the agency's activity, therefore, could be summarised as an aid program that supports a self-proliferating refugee problem in the region. It does little to dissolve one of the greatest long-term human disasters in the Middle East but instead helps artificially to sustain and prolong what has become one of the major obstacles for lasting peace.

The unique Palestinian "right of return" in addition begs the question why a further half a million Jewish refugees, (who together with their descendants constitute some two million people), cannot claim similar charges on the bottomless purse of international beneficence following their expulsion from their native Arab lands shortly after the State of Israel came into being.

IV. *Light on the horizon*

Despite the scale and severity of the issues outlined above and their detrimental impact on the lives of ordinary Palestinians and the prospects of future peace, the *European Coalition for Israel* recognises that much is being done to address them.

The Democracy caucus in the European Parliament and the efforts towards establishing increased transparency with regard to the Commission's dealings with the outside world are commendable steps. The infamous cash payments to the PA and particularly the notorious "Presidential budget" of Chairman Arafat have been abolished.

³⁷ Harold Fruchtbaum, "Assisting the victims of War," *UN Chronicle*, 1 December 1994.

³⁸ "Who is a Palestinian Refugee," UNRWA operational definition: <http://www.un.org/unrwa/refugees/whois.html>

³⁹ According to Howard Sachar in the second edition of his seminal study *A History of Israel* (New York, 1996) large parts of the residents of Palestine at that time were "guest workers" from neighbouring countries finding employment through the British Administration or in Jewish Settlements.

⁴⁰ "Convention relating to the Status of Refugees", adopted on 28 July 1951 by the United Nations Conference of Plenipotentiaries on the Status of Refugees and Stateless Persons convened under General Assembly resolution 429 (V) of 14 December 1950.

⁴¹ Cf. United Nations Resolution 31/15, 23 November 1976 and UN Resolution 34/52, 23 November 1979 which calls on Israel "to desist from removal and resettlement of Palestinian refugees in the Gaza Strip and from destruction of their shelters".

⁴² "UNWRA: employment: organisation, structure and staffing": <http://www.un.org/unrwa/employment/organization.html>

⁴³ Cf. "Mofaz: Palestinians Smuggled Body Parts in UN Ambulances," *Yediot Ahronot* (Hebrew), 14 May 2004: <http://www.ynet.co.il/articles/0,7340,L-2916529,00.html>; UNWRA Press Notice HQ/G/09/2004: "UNRWA Calls on All Parties to Respect the Neutrality of its Ambulances," 13 May 2004.

⁴⁴ "Corruption cover-up in UNWRA?" *Al-Ahram Weekly*, 1-7 April 1999: <http://weekly.ahram.ora.eg/1999/423/re6.htm>

However more needs to be done in order to ensure that the funds from Europe serve the interests and purpose of the European Union and its member states.

To this end the recent draft EC recommendations to member states on ‘non-profit’ accountability⁴⁵ are particularly noteworthy. In particular, we would endorse the suggested development of a “European Label” that requires a “Code of Conduct” based on the understanding of a basic set of human rights values.

As the *European Coalition for Israel*, however, we also would call upon the EU to address its own suggested steps with more determination. We strongly believe that European NGO funding directed to non-EU states should be firmly attached to clearly defined benchmarks with a view to increasing freedom, human rights and democracy as universally understood in the founding treaties of the Union.

For that reason we propose the following model of “Moral Leadership Funding” which could serve as a distinctive “European Label” for funds disbursed not only to the PA but to all other external recipients of EU aid.

V. Moral Leadership Funding

*The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations, which share these values [of democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, equality and solidarity, and for international law in accordance with the principles of the United Nations Charter] Article III-193 of the EU Draft Constitution.*⁴⁶

The *European Coalition for Israel* believes that the EU and its members have a unique global leadership role, which should be asserted in a more positive way in the Middle East.

Over the course of the last century, Europe, together with the United States of America, has set the international standard of democracy, human rights and the rule of law. These values today are adopted and accepted by more and more nations worldwide, a fact attested to by the voting behaviour in the UN General Assembly where many nations now consistently follow the European lead. We therefore believe that the EU should utilise its potential to the fullest extent in using its resources and funds to foster and spread the very values that define Europe and the free world.

WINDOW OF OPPORTUNITY

The political landscape in the Middle East is currently undergoing an unprecedented shake up which could usher in new hope and perspectives to the citizens of the region. The masses that filled the streets of Beirut precipitating an end to Syrian military rule, unprecedented elections in Saudi Arabia, Egypt and in the Palestinian Territories give rise to a new hope for the whole region. And if the World Community will be determined to confront the Islamic terror militias in Iraq, the region might soon have a second functioning democracy alongside that of Israel.

We believe that Europe can have a far greater influence in this process if it will assume a more responsible leadership position within the Middle East. Talk of applying human rights benchmarks across the region is not new to the EU, but the policy has never been enforced. Instead funds have been made available for well-meaning purposes to a large number of totalitarian systems. These regimes in turn, have consistently failed to live up to their commitments and the funding has left a legacy of failure and fraud.

The greatest example of this is the funding of the Palestinian Authority and its affiliated institutions under the leadership of Yasser Arafat. As outlined above, since the 1993 Oslo Accords Arafat received billions of dollars in global aid and proceeded to use it to foster a culture of terrorism and hatred among his people.

But there are other examples stemming from what, at times, appears to be the unreflected optimism of the Barcelona Process. The recent EU free trade agreement with the failing regime of Syrian dictator Bashar Assad is a case in point. Assad’s Syria is a totalitarian state that openly supports and hosts the region’s most implacable terrorist organisations.

We therefore urge the European Union to adjust its funding philosophy towards the Middle East and to apply a “European Label” to aid given to countries and NGOs outside the Union. We propose the following model of “Moral Leadership Funding” to be the “label” earmarking all such EU funds.

⁴⁵ EC Draft Discussion Document: “Draft Recommendations to Member States Regarding a Code of Conduct for Non-Profit Organisations to Promote Transparency And Accountability Best Practices,” 22 July 2005.

⁴⁶ “Draft Treaty,” European Convention, July 2003; “Combating Terrorism,” EC Framework Document, Brussels, 19 September 2001.

FUNDING PRINCIPLES

Moral Leadership Funding is founded on four principles: accountability, human rights, zero-tolerance towards terrorism all within the framework of a long-term perspective. These are more fully outlined below.

A. Accountability

All funds given by the EU to Middle East states or NGOs should be strictly audited in order to avoid misuse and corruption. Cash payments similar to those made in the past to the PA should never be repeated in any form.

The *European Coalition for Israel* recognizes that the, so far unpublished, findings of the OLAF investigation into European funding of the Palestinian Authority encouraged a more controlled giving regime. We suggest that audits need to follow the following guidelines.

- *Independent*: An independent auditing mechanism needs to be implemented at every level of the transfer of EU funds to all external recipients. In particular we strongly suggest that the PA and all affiliated Palestinian organisations in direct and indirect receipt of European aid should be audited on an annual basis by an independent, internationally recognised and preferably European-based accounting firm.
- *Budgeted*: We suggest that on average at least one percent of the given funds both from the Union and the member States should be set aside to allow an independent auditing process.
- *Networked*: It is of no use if only European funds are being audited. Europe should take a lead and ask for audit reports of money given to the PA from all other donor countries. These can then be compared to the EU funding profiles.
- *Fair*: We urge the EU to use its funding leverage to enforce the elimination of the many goods and commodity monopolies controlled by individual officials within the PA.
- *Transparent*: Since all European funds originate with the taxpayers of member states it is incumbent on the European Commission to ensure that they are given in a responsible and transparent manner.

B. Human Rights

All funds, in particular long-term assistance, should be tied to a strict set of benchmarks on human rights. The Middle East and the Southern Mediterranean Area, which enjoys a privileged partnership with the European Union through the Barcelona Process, host some of the most undemocratic and inhuman regimes in the world today. A recent *Newsweek* report revealed that, in the entire region, only Israel received a respectable ranking for its adherence to the principles of democracy and human rights.⁴⁷

We believe that Europe has a moral obligation to tighten its policies towards these countries in order to effect positive change for the ordinary citizens of Middle East. This includes asserting fiscal pressure tied to the advancement of democratic freedom, the rule of law, freedom of press, women's rights, freedom of religion and education, all of which are currently ignored or paid lip service only.

We do recognize that some of these nations are not yet ready to fully adopt democracy. As has happened in Algeria in the 1990s and could yet happen in the Palestinian areas and other nations across the region, free elections today might bring radical religious elements to power that would further restrict basic freedoms and undermine human rights.

However, in order to establish a framework for a stable society a set of basic values needs to be established consistent with the universal norms of the UN Charter. At the forefront of our concern across the Arab world today is the freedom of press, women's rights, freedom of religion and the widespread incitement to hatred against the Jewish people and the State of Israel.

We believe that if children from an early age are educated in a culture of peace and tolerance that these societies can in the future be true partners in peace with Israel and can also be considered true partners of the European Union.

However if those nations fail to address an ingrained culture of religiously-sanctioned sectarian and racially motivated hate, the EU should apply strict measures to enforce the required change in each society. The flow of funds should be interrupted and, in the face of persistent violations, the status of "Partnership" with the EU should be reconsidered.

Partnership with Europe should be only given to countries which share the same basic values or which show determination to work towards them.

⁴⁷ Graphic illustrating conclusions of 2004 "Freedom in the World," survey issued by Freedom House reprinted alongside "What Bush Got Right", Fareed Zakaria, *Newsweek*, 14 March 2005.

C. Zero Tolerance of Terror

Where necessary to achieve the objectives [. . .], as regards prevention of and fight against organised crime, terrorism and trafficking in human beings European laws may define a framework for measures with regard to capital movements and payments, such as the freezing of funds, financial assets or economic gains belonging to, or owned or held by, natural or legal persons, groups or non-state entities.

*Article III-49 Draft EU Constitution.*⁴⁸

European funds should neither directly nor indirectly be used to aid terrorist sponsoring organisations or states, as it is clearly stated in the EU draft constitution and its framework document on combating terror.⁴⁹

We therefore call upon the Foreign Affairs Committee to encourage the EU to:

- *Develop* consistent guidelines for the EU and its member states that reflect a zero tolerance approach to terrorism.
- *Review* and enlarge international cooperation to effectively block the international transfer of funds for terrorist supporting organisations and states.
- *Ban* and freeze assets of any Palestinian group supporting terrorism.
- *Impose* conditions on bilateral relations with Syria, Iran and the PA. These countries need to cease their funding and support for Hizb’Allah, Hamas and other armed organisations.
- *Ensure* that no part of EU taxpayers’ money can be used to honour and glorify the murder of civilians by terrorists.

In our view, any continuing funding of the Middle East region should reflect the EU position that “terrorism constitutes one of the most serious threats to democracy, to the free exercise of human rights and to economic and social development,” and that it “can never be justified whatever the target.”⁵⁰

D. Long-Term View

All EU funding in the Middle East should have long-term perspective and should not only address the immediate needs of the target population. We urge the European Union to establish long-term objectives for the following areas.

- *Education* Increased funds should be invested in youth education with a view to fostering peace and democracy throughout the Middle East. The EU should assist in developing new curricula for all areas of education in order to promote the prospects of a peaceful solution to the conflict while bolstering respect and tolerance among neighbours. Passages which encourage intolerance against Israel, Christians or the western world should be removed.
- *Economic Development* Long term funds which are used to address social needs (like food programs) should be decreased and redirected into a economic infrastructure which will attract further investments and induce economic growth. Funds should be used to encourage a free market economy. If necessary this needs to be enforced by dismantling the monopolies over goods and commodities controlled by PA officials.⁵¹
- *Refugee Integration* Funds should not be used to maintain the refugee problem (as UNRWA has done for more than 50 years) but should be rather used to integrate refugees in their countries of residence as the UN actually suggests for all other displaced peoples. The UNWRA definition on who constitutes a refugee should also be revisited and revised.

Since UNRWA’s policy appears to be to prolong the suffering of Palestinian Refugees rather than alleviate it, the ECI calls upon the EU to establish in cooperation with UN, a new refugee organisation which has the aim of absorbing the refugees in their respective country of residence. In particular the refugee camps in Gaza need to be dismantled immediately and a strategic integration programme should be developed which could serve as a model for other nations and areas.

CONCLUSION

In conclusion we believe that the European Union can play a more positive and constructive role in the Middle East than it has done in the past.

Since the EU is the largest single donor to the region we believe that European money should be used more as a lever to bring peace, freedom and eventually democracy to this troubled part of the world. It is unacceptable that very little is heard and read of European criticism towards states which foster terrorism and show grave disregard of basic levels of human rights while Israel, as the only democracy in the region, appears constantly to be in the crosshair of criticism.

⁴⁸ “Draft Treaty,” European Convention, July 2003.

⁴⁹ “Combating Terrorism,” EC Framework Document, Brussels, 19 September 2001.

⁵⁰ *Ibid.*

⁵¹ For a more detailed analysis see Yago and Prince, “The Economic Road Map”, July 2005.

As soon as the rest of the Middle East understands that Europe will no longer tolerate a culture of terrorism and incitement it will either produce political change or raise the question whether the offered Partnership with states like Syria and the PA is indeed valuable to EU interests.

This is particularly important since these nations are our immediate neighbours. If we cannot be certain that the countries of the Middle East share and uphold our basic values, a close partnership could represent a serious threat to our own internal security and can eventually bring terrorism to our own homes.

However, we believe that were European funds to be linked to firm benchmarks of human rights while being invested in proactive education for peace, the end result could be the emergence of a stable and educated middle class, not only in the Palestinian areas, but throughout the region.

In doing this the EU has the opportunity to establish a solid foundation upon which to build a new democratic order in the Middle East, which in turn will be of benefit to the wider world.

APPENDIX

NON-EUROPEAN FUNDING TO THE PA

US AND WESTERN NATIONS

According to USAID, the official arm of US development and assistance programs overseas, America is the largest single-nation bilateral donor in the West Bank and Gaza, having given some \$1.5 billion (approx. €1.25 billion) in the period 1993–2004.⁵²

Many other non-EU nations, as diverse as Norway, Japan, Canada and New Zealand have consistently paid out generous aid allocations to the PA in excess of their existing commitments to UNWRA. Japan, for instance, a nation with little perceived strategic interest in the fate of Israel and the Palestinian territories, gave \$767 million (€640 million) in the 10 years following 1993.⁵³

WORLD BANK

The World Bank, meanwhile counts itself the “fifth largest donor in the West Bank and Gaza,” having disbursed some \$260 million (€216 million) to the PA since the start of the *intifada* in September 2000, “including over \$100 million on behalf of other donors.”⁵⁴

In recent months the organisation has increased its role mediating potential solutions for the economic recovery of the Gaza Strip post-disengagement soliciting substantial increases in international aid commitments for large-scale structural projects, such as the proposed Gaza seaport and airport.

ARAB LEAGUE

Harder to trace are the donations of Arab League members, which have been estimated at anywhere between \$1 billion⁵⁵ and \$2 billion:⁵⁶ vast quantities of which have been funnelled through private accounts of pan-Arab financial institutions. In February 2004 an IDF raid on Ramallah Branch of The Arab Bank uncovered a raft of documentation that, according to Israeli authorities, proved the Bank’s instrumental role in the systematic laundering of funds for both terrorist activities and graft.⁵⁷

ISRAEL

Partly due to the fungible nature of much of the aid from the Arab world, Israel, by the end of 2000, began withholding substantial sums of VAT revenue and excise owed to the PA for fear it would be used to fund terrorist attacks against its citizens. Under growing US pressure, however, Jerusalem was forced to abandon this policy following the 2002 appointment of Salaam Fayad to head up the PA Finance Ministry. Fayad, an internationally respected US-trained IMF official, began instituting major reforms in the handling of PA funds, introducing the direct payment of PA salaries through banks rather than by cash and even confronting PA Chairman Yasser Arafat’s personal control of the vast PA Presidential budget.

⁵² USAID West Bank and Gaza Program Budget: <http://www.usaid.aov/wba/budget.htm>

⁵³ Ministry of Foreign Affairs, Japan: <http://www.mofa.uo.jolregion/middleelpalestine/summarv.html>

⁵⁴ World Bank press notice 2004/333/MNA: “World Bank Launches Multi-Donor Trust Fund To Support Reform Program,” 27 April, 2004.

⁵⁵ For a discussion of the disbursement of the openly pledged \$1 billion in funds from Arab League members since 2000 see ECI Issue Brief “European Funding of Palestinian Institutions,” January 2004, p 14.

⁵⁶ “Managing European Taxpayers’ Money” cites a now expired link on Saudi Arabia’s UK Embassy website indicating that the Kingdom alone has given close to \$2 billion in aid to the “Palestinian cause” (Appendix A, p 36).

⁵⁷ For a more detailed discussion of Israeli allegations that the Arab Bank has played a leading role in laundering funds for terror see: <http://www.intelliance.org.il/eng/finance/bank.htm>

Between January and August 2003 Israel had paid out NIS 1.15 billion (€232 million) of the NIS 2 billion (€404 million) held back in tax revenue during 2001 and 2002.⁵⁸ The remaining NIS 850 million (€172 million) was used, by order of the Israeli courts to pay outstanding Palestinian Authority debts to Israeli hospitals, public authorities and utility companies.⁵⁹

November 2005

Written evidence submitted by The Funding for Peace Coalition

The Funding for Peace Coalition (FPC) actively campaigns to ensure that the financial commitments of the European Community towards the Palestinians reach their target population.

The need to re-establish an effective Palestinian economy is apparent now more than ever. The FPC strongly welcomes UK initiatives to support the efforts of Mr. James Wolfensohn and the Quartet to promote economic development in the Palestinian territories.

SOCIO-ECONOMIC BACKGROUND

It is generally accepted that following the launch of the Palestinian Intifada, the economic status of Gaza and the West Bank deteriorated significantly. The Israeli market, the main focus for Palestinian trade, was closed off. Whether due to Israeli military procedures or internal Palestinian violence, there has been a marked reduction of economic movement.

The World Bank has confirmed that from September 2000, over 100,000 relatively well-paid Palestinian jobs within Israel were lost. Today, there is an immediate need to find proper employment for tens of thousands of people currently in the pay of a myriad of militias.

On top of these issues are the social inequities. Transparency International (TI) is the world's leading independent observer of corruption in individual countries. TI's chairman, Peter Eigen, has emphasised the importance of fighting corruption: "Corruption is a major cause of poverty as well as a barrier to overcoming it. The two scourges feed off each other, locking their populations in a cycle of misery. Corruption must be vigorously addressed if aid is to make a real difference in freeing people from poverty."

The Palestinian Authority (PA) publicly adopted the reforms outlined by the IMF in its September 2003 report and demanded by the international community as a pre-requisite for ongoing financial support. In the following two years, TI's index has shown a 13% decline in the PA's absolute score and a drop from 78th position to 107th.

Many of the injustices are given form in the presence of the refugee camps. For years, UNRWA and numerous NGOs have been working in Gaza and the West Bank. Yet, as the Palestinians participants noted in the recent BBC sponsored Doha Debate, there is a credible case for stating that the leadership of the PLO and the PA have ensured that the residents of UNRWA camps have been kept in squalor; pawns in a larger game.

The FPC seeks to ensure that these practices are brought to an end, in the name of both peace and social equality. TI clearly points out that a poor Corruption Index score is not a reason to stop aid. What it advocates is that all aid should be strictly and firmly controlled to prevent it becoming a cause of rather than a cure for poverty.

THE FINANCES OF THE PALESTINIAN AUTHORITY

Encouragingly, Mr George Abed, a former senior official at the IMF and now governor of the Palestinian Monetary Authority stated recently that the Palestinian banking sector was "overflowing" with funds. This demonstrates the ability of some local commercial sectors to sponsor new infrastructure schemes. He was insistent that wealthy Palestinians, resident locally or abroad, "are, generally speaking, attached to their homeland. If the environment improves, they will definitely come exploring investment opportunities."

At government level, the lack of transparency of PA's accounting methodology was exposed by a detailed IMF report in September 2003.

The most publicized finding of the IMF report was the discovery and partial recovery of some \$890m in diverted revenues, where the Palestinian Investment Fund (PIF) acted as a transparent holding company for the diverse assets of the PA which had been hidden. Less noticed was the TMF discovery of PA expense budgets being open to abuse and diversion to corruption and violence. This was detected in poor budgeting and expenditure controls, bad purchasing practices, cash payrolls, and excessive public service salary budgets.

⁵⁸ Figures Based on the Representative Shekel (NIS)—Euro (€) exchange rate of 4.95 on 1 August 2003.

⁵⁹ "Israel Completes Hand-Over of Tax Levied for PA," *Ha'aretz*, 5 August 2003.

In order to refute charges of the diversion of its budgets toward corruption and violence, the PA started publishing its accounts on the internet. An analysis of the figures and recent reports reveal:

1. The PA itself appears well funded. Its financial reports show that, since January 2003, it has transferred \$151 million to Financial Reserves, and its net lending (or debt retirement) over the period was a further \$528 million. The PIF accounts are not available on line in English as was anticipated by the IMF, but it is noted that the PIF transferred some \$106 million to the PA Treasury this year.

While it is difficult to assess the total wealth of the PA, it emerged from a recent legal dispute in America that the PA holds \$1.3 billion in cash assets in the USA alone.

2. The PA wage bill has now reached approximately \$90m per month—or about \$1,100m a year. In 2003, the TMF had already identified the annual wages of \$673m as excessive, especially as so many of the services one might expect that the PA undertake are provided by UNRWA.

The EU and individual member states together have proudly claimed to be the major financial supporter of the PA since 1993. However, as the PA is taking on board more Al-Aksa people as “security” personnel and paying their salaries, the soft underbelly of foreign donors is exposed.

There is ample evidence of ongoing PA employee involvement in terror. Aside from some 20 cases listed in the FPC report of September 2004, reports of more recent acts of violence against innocent citizens, Israeli and Palestinians, clearly implicate PA employees.

The funding of budgets that pay the salaries of public servants who are involved in terror or its glorification simply cannot be morally justified.

3. In the first 8 months of 2005, the PA transferred \$16m to the PLO. The PLO continues to operate under its unchanged charter, which declares its sole *raison d'être* to be the violent removal of Israel from the world map. It is questionable whether transferring funds to the PLO, directly or indirectly, satisfies EU or UK legal requirements.

4. The level of corruption within the PA itself is still of significant concern; financial, judicial and political. Intelligence assessments are that, as a result of failures of financial propriety, “all international investment activities in Gaza are subject to the ultimate control of local warlords and terror groups.”

Recent investigative reporting in *Time Magazine* and other respectable journals highlighted the extent of the corruption and violence. The recent words of a Palestinian Legislative Committee should be stressed. It recommended the dismissal of the current Qurei government due to a failure to impose order on armed gangs and militias and a “clear failure in implementing the reform and development plan, as well as in the war against corruption.”

Since 1993, the EU has donated over €2 billion in direct and indirect aid to the Palestinians. The total from individual states doubles the contribution. Currently, the Commission estimates that approximately €0.5 billion is being given out annually. Direct aid to the PA from all donors, including the World Bank Trust Fund, amounts to approximately 25% of current annual expenditures.

Given the current instability in Gaza and the West Bank, aid funding, which is not carefully and scrupulously monitored, runs the significant danger of being used to reinforce corruption. As Mr Eigen of TI emphasises: “Corruption is a major cause of poverty as well as a barrier to overcoming it.”

INTERNATIONAL AGENCY RECOMMENDATIONS

The Committee is advised to consider the workings of OLAF, the EU anti-fraud squad. Resulting from its two-year investigation of contributions from Brussels to Palestinian organisations, OLAF established a unique international expertise in advising how donors should handle taxpayers' money. It sought to investigate if the target population had been serviced efficiently, while leaving no doubts in the minds of the citizens at home as to the propriety of their representation.

In its press statement of March 2005, OLAF concluded that:

... misuse of the Palestinian Authority's budget and other resources, cannot be excluded, due to the fact that the internal and external audit capacity in the Palestinian Authority is still underdeveloped.

OLAF outlined five recommendations. Once generalised, these should appropriately form the backbone of any effort, directed to help the Palestinians. They ensure that resources are not be diverted towards violence or corruption. These include:

- (a) Agreements must contain safeguard and monitoring provisions, closely coordinated across the international community.
- (b) A single system of auditing and monitoring shared by all members and duly implemented.
- (c) Support and controls for internal auditing and on-going monitoring processes.
- (d) Funds circulating outside statutory budgets must also be subject to accountability.
- (e) Practices, which are considered supportive of terrorism, must be halted. These include paying the salaries of those convicted for violence and other contributions liable to be misunderstood.

The Committee is also urged to consider the 11 recommendations of the Financial Action Task Force (FATF), of which the UK is a member. The FATF is an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing.

HOW TO GIVE AID:

The World Bank has repeatedly explained that a resolution of the economic crisis facing the Palestinians will come about through steps taken to increase freedom of movement coupled with deep reforms of the Palestinian social, financial and judicial systems.

What is emerging is a unique opportunity to ensure that aid is leveraged to direct the resources and wealth of the PA, the PLO, Palestinian financial institutions and private individuals towards the development of the Palestinian infrastructure and economy, for the benefit of the Palestinian people, allowing them to emerge from the poverty to which they are subjected.

It is recommended that donors direct their efforts to projects that enable all sides to carry out their obligations.

RECOMMENDATION NO 1:

Future help needs to be delivered in a transparent and accountable manner, directed towards ethically defensible projects. An independent and public monitoring system should immediately be introduced for all funds provided to the Palestinians. The Palestinian public will be able to observe the actual level of assistance being provided for them, and the propensity to misuse taxpayers' money will be curtailed.

An appropriate working model is that currently used by the World Bank (WB) for tracking its specific projects in the West Bank and Gaza. The level of fiduciary care and transparency is exemplary and has no doubt been a major contributing factor to both the success of the WB projects, and the acceptance by the WB as an "honest broker" by all parties. The careful project planning, selection of local partners, and honest appraisals of progress at every point, coupled with posting detailed reports on the internet for all to see must be contrasted with the ongoing criticism the European Commission has been subject to in the same arena.

It is difficult to justify pouring more resources into politicised NGOs or even UNRWA. It is advised that the latter, at least in the Gaza region, be progressively restructured, if not wound down. There is no longer any political validation for keeping Palestinians in refugee camps, when they possess full control over the whole of the Gaza Strip.

Former UNRWA Commissioner-General, Peter Hansen, put it very well on 1 November 2005, in a speech at Washington's Palestine Center:

There is no doubt that, at some point, the Palestinian Authority should take over all of UNRWA's capacity in Gaza and the West Bank. I would say the sooner the conditions for that are ripe and it can be done, the better.

RECOMMENDATION NO 2:

When considering recommendations of infrastructure projects, the Committee is advised to consider the € for € concept. The idea is not just to gain Palestinian ownership and commitment and appreciation of the true value of the investment considered. It will also encourage the local populace to take pride in its own economic revival and not rely on long-term charity.

The alternative was exemplified when Mr Wolfensohn sought overseas investors to purchase the greenhouses left by the Israeli settlers, who withdrew from the Gaza region in August 2005. Once the Israelis had ceased to protect the region, Palestinians ransacked the agricultural facilities. It can be surmised that if the investors had included local personalities, such malicious waste may not have occurred.

An alternative to this proposal is to limit donor participation in a project to 40%, 50% or 60% depending on its size, scope and third party involvement.

RECOMMENDATION NO 3:

The Committee should consider the case for the creation of a seed fund to co-invest in a growing number of Palestinian start-ups. The recent ExpoTech 2005 in Ramallah, sponsored by the Palestinian Information Technology Association, has demonstrated that there are clear opportunities for investment, which will encourage both employment opportunities and long-term economic growth.

A possible derivative to this idea is that certain parts of the investment might be reserved for companies seeking an Israeli partner, thus helping to promote regional coexistence.

RECOMMENDATION NO 4:

All investment recommendations should carry a pre-requisite of decommissioning of militias and private armies. Both in Northern Ireland and in Afghanistan, this stipulation has provided a greater sense of internal stability for the local population. It has also decreased the potential for distortions in the judicial, financial and democratic processes.

In this sphere, the Palestinian President, Mr Abbas, made a welcome move, demanding that members of militias must resign their posts before taking part in the forthcoming elections.

SUMMARY:

The FPC recommends that the international community attempt to find a moral set of proposals; proposals, which will show with evident transparency that projects can be established on behalf of the Palestinians themselves, and not just for an oligarchic leadership. Economic growth, especially established in partnership with economic neighbours, can only benefit all seekers of peace in the region.

Dr Jürgen Bühler
Coalition for Israel
23 November 2006

Written evidence submitted by Dr Waheed Hamzah Hadhem

TERRORIST MENTALITY

THE PSYCHOLOGY OF TERRORISM, AND THE TERRORIST BEHAVIOR

1. Defining terrorism
2. Causes of Terrorism
 - The Domestic Factors
 - The External Factors
3. Why Terrorism
4. The Vision of Us vs Them
5. Vision of The World
6. Vision of the past
7. Vision of the Present
8. Vision of the Future
9. The Mentality of Terrorism
 - Expectations vs Achievements
 - The Gap between reality and Idealism
 - The suffering phase
 - The Frustration—Anger phase
 - Discontent and Delusion
 - Relative Deprivation
10. The Behavioral Phase
 - Aggressive participation
11. The Micro—level of Analysis
12. The Macro—level of Analysis

THE TERRORIST MENTALITY: VISIONS AND PERCEPTIONS

Waheed Hamzah Hashem (Associate Professor of Political Science)

Terrorist mentality is a key factor in understanding as well as determining terrorist behavior. The last determine justifications for committing terrorist acts against the terrorists targets. Terrorist views of the world (particularly of the others that differ from them) determine their actions. Moreover, their understanding of the reality they live within and how they view the world determines their behavior.

Terrorist mentality is one of the subjects reviewed and analysed the least in the last two decades as a result of lack of understanding and the failure to answer the question: why terrorists unleash their hate, anger and frustrations on the others? and the question, how and according to what do they view and perceive the world? Finally, there have been no answers to the questions: what are the main factors that motivate terrorists to act? And what are the reasons that move them to act or not to act?

Reason, perception, and visions of terrorism

Terrorists and their savage actions against their propagated enemies is a confrontation not so much of terrorist operations as of strict values, negative perceptions, and highly sensitive emotions; but also of reason that is heavily based upon hate; of faith that do not believe in fear or in the human rights of the others.

The emergence of terrorism was (and still is) a result of the existence of harsh contradictions in human lives or let's say improper or human existence. In another word, man is a direct product of his or her social environment that has been heavily shaped by religious as well as political factors which both intertwined to produce such environment and hence reality.

Therefore, terrorist mentality is not as much a result of clash of cultures or civilisations; it is a clash between rigid and harsh mentalities that emanates from sharp and deep contradictions in some civilisations that might also lead to clash in civilisation itself and anarchy—between the rule of law and no rules at all.

In this struggle, terrorists view their adversaries as a direct threat to their ideology and human existence. They are likely to avoid traditional battlefield situations because of their inability to fight and lack of modern armaments.

The dominance of some harsh and rigid religious teachings as well as rigid dogmatism and harsh ideology are well established in the minds of the majority of terrorists. Therefore, first they perceive things and events in specific ways and through specific lens. Second, they think in a specific way and according to way of analysis. Thirdly they act according to narrow inflexible space of mind.

When asking the question Why? It might be argued that, on the one hand terrorists' lack of sophistication in receiving, processing, and analysing information or events; on the other, their inability to understand reality and their reliance on their religious leaders (Mashaiekh) to interpret all events and make the decisions for them. In short they are voluntarily highly obedient to highly centralised religious authority.

THE INTERNATIONAL ENVIRONMENT

The term "Terrorist mentality" then is broadly accepted as extremist militancy on the part of groups or individuals protesting a perceived grievance or wrong usually attributed to governmental action or inaction.¹ Generally, three principal issues are regarded to fall under that definition: The existence of foreign troops in the Arabian Peninsula, Palestinian–Israeli conflict, the intrusion of Westernisation in the Arab–Islamic World.

Even though it probably never fully existed, the artificial superficial equilibrium imposed by the Peace Process in the Middle East has been destroyed. Within the existing Arab political order imposed by Arab governments particularly on reformist, nationalist, and liberal movements has given way to religious groups' pressures and demands often accompanied by political violence including terrorism, various forms of low intensity conflict, as rapidly growing corruptions, unemployment, and inflation has intensified general anger and discontent. The instability has spilled over into various Arab countries where the various social groups are attempting to cope with the uncertainties of social and economic life, but in particular the fake democratisation.

Additionally, now that Moscow and Washington are no longer inclined to use regional surrogates as a way of avoiding direct confrontation, a number of regional powers are emerging. Neither Moscow nor Washington have either the inclination or the influence needed to constrain many of these regional would-be superpowers. Iran is a case in point. Countries like Iran, Syria and Libya use terrorism as a form of diplomacy and as an adjunct to their foreign policies.² To these states, terrorism is as integral a part of their diplomacy as the exchange of ambassadors. Smaller states can easily emulate their example.

In this era of what should be called a "new world disorder" the breakdown of central authority and the domination of the existing state system has been under assault from a number of quarters. First, the legitimacy of many states has been challenged by the growing assertion of both sub-national and transnational calls for "self-determination" by ethnic groups and religious movements that deny the legitimacy of what they perceive to be a discredited international order. Despite the optimism of the past, primordial loyalties have not withered away in the face of technology, democracy, and the introduction of free market economies. Indeed, many groups and movements have fed upon a reaction to what is sometimes viewed as the secular immorality of the West. Tribal loyalties on a sub-national level share the rejection of secular mass societies with fundamentalist movements. Some of these movements seem to offer the chimera of psychological, sociological and political security to people who are trying find their place in an uncertain, even threatening, world.

New and dangerous players have emerged in the international arena. The level of instability and concomitant violence is further heightened by the rise to international political significance of non-state actors willing to challenge the primacy of the state. Whether it be the multinational corporation or a terrorist group that targets it, both share a common characteristic. They have each rejected the state-centric system that emerged 175 years ago at the Congress of Vienna.

All of these factors have accelerated the erosion of the monopoly of the coercive power of the state as the disintegration of the old order is intensified. And, this process will in all probability gain even greater momentum because of the wide ranging and growing activities of criminal enterprises. These include everything from arms traders and drug cartels, which will provide and use existing and new weapons in terrorist campaigns as a part of their pursuit of profit and political power.

In sum, present and future terrorists and their supporters are acquiring the capabilities and freedom of action to operate in the new international jungle. They move in what has been called the "grey areas," those regions where control has shifted from legitimate governments to new half-political, half-criminal powers.³ In this environment the line between state and rogue state, and rogue state and criminal enterprise, will be increasingly blurred. Each will seek out new and profitable targets through terrorism in an international order that is already under assault.

TECHNOLOGICAL/OPERATIONAL CHANGES

The remarkable changes in the international environment have been accompanied by technological changes that may have serious ramifications as regards future terrorist operations both internationally and in the United States. Up to now, terrorists have not been especially innovative in their tactics. Bombing, although not on the intended magnitude of that at the Oklahoma City Federal Building, remains the most common type of attack. Hostage taking and kidnapping are fundamental to the terrorist repertoire and skyjacking is always a possibility. Automatic and semi-automatic rifles and pistols remain the weapons of choice.

However, the employment of stand-off weapons like American Stinger and Russian SA-7 hand-held anti-aircraft missiles, the US Army M-72 light anti-tank weapon (LAW), and the Russian-built RPG-7 anti-tank weapon may be more readily available to terrorists than many like to believe. The same may be said of terrorist bombing technologies. Dynamite has been replaced by the more destructive and easily concealed Semtex. Furthermore, the threat has grown as a result of increased technological sophistication of timing devices and fuses. But weapons need not be sophisticated to be destructive. One only has to consider what might have happened if the pilot of the lone single-engine light aircraft which crashed into the White House had filled his plane with something as simple as a fertiliser bomb. That incident, even if it was not a terrorist act, should serve as a warning for those who are concerned with more advanced technological threats. They should remember that smaller and more conventional instruments of destruction are still quite lethal and can have a profound affect on the targeted individual, corporation, government or what is often the ultimate target: public opinion.

A growing concern is that terrorists will cross the threshold to engage in acts of mass or "super terrorism" by using atomic, biological, and chemical (ABC) weapons. So far, the international order has been spared terrorist incidents involving nuclear weapons. Indeed, those that have been reported have turned out to be elaborate hoaxes. Fortunately, the threats have yet to be translated into actual incidents, but many believe it is only a matter of time before they are.⁴

All this could easily change as a result of the disintegration of the Soviet Union. The current trade in illicit weapon's grade plutonium serves to underscore the fact that the necessary material and attendant technology will be increasingly available for those terrorist groups who may want to exercise a nuclear option, be it in the form of a dispersal of radioactive material that could contaminate a large area or the use of a relatively small but very lethal atomic weapon. The illegal trade in weapons and technology will be further exacerbated by the very real dangers resulting from the proliferation of nuclear weapons. There is good reason to fear that either a rogue state, its terrorist surrogates, or independent terrorist groups will have the capacity to go nuclear. Whether this threshold will be crossed will depend in part on the motivation, attendant strategies, and goals of present and future terrorist groups. In sum, there is every reason to be concerned that terrorists will engage in their own form of technical innovation to develop the capacity to make the nightmare of a nuclear, chemical, or biological threat move from the pages of an adventure novel to the shores of the United States.

Scenarios addressing future acts of high-tech terrorism include a wide variety of assaults on the delicate interdependent infrastructure of modern industrialised society. These scenarios move beyond the bombing or seizing of conventional or nuclear power plants to include the potentially disastrous destruction of the technological infrastructure of the information super highway. However, the scope of what constitutes a terrorist act on computers and their associated facilities is subject to interpretation. The bombing of a multinational corporation or a government's crucial computer centers could be judged an act of terrorism, but what if a terrorist hacker placed a computer virus in a very sensitive network? The results could range from the massively inconvenient to dangerous or disastrous. Such an act, however, would lack an essential

element of terrorism as it is now defined: the use or threat of the use of physical violence. Nevertheless, as the technology expands so may definitions of what constitutes a terrorist act. From the terrorist's point of view the following dictum may apply, "so many new targets . . . so little time."

Finally, if indeed terrorism is "theater" and the people are the audience, the stage is changing.⁵ CNN and other networks provide the terrorists with a potential and almost instantaneous means for spreading their message of fear and intimidation. The reality of video proliferation is just as significant as that of nuclear proliferation. Some terrorist groups already have the ability to stage and videotape their acts, sending them out to either a broad or limited audience. They can even transmit live events through low power transmitter stations. Furthermore, the next generation of terrorists may produce highly imaginative presentations to seize the attention of a violence jaded public, one which has grown used to the now standard images of hooded terrorists holding hostages in embassies, prisons, or aircraft cabins. This kind of theater of the obscene will find a ready mass audience among those who watch the tabloid television shows and depend on the National Enquirer for their news.⁶ Given the public's fascination with television happenings like the O J Simpson trial, one can only imagine what might happen if future terrorists direct and produce their own television spectacles.

Terrorists are more interested if not concerned by weapons of mass destruction and by the cowardly instruments of sabotage, hidden bombs, and committing suicide in terrorist operations against civilians. These unconventional threats endanger not only World's stability, but also the existence of mankind.

CHANGES IN TERRORIST MOTIVATIONS AND GOALS

There are almost certainly going to be changes in both the motivation and goals of terrorist groups. The traditional motivations for terrorism: ethnic, tribal, and religious animosities, will continue and intensify. Even while people of goodwill struggle to find solutions to problems in Northern Ireland and in the Middle East, the disintegration of the former Soviet Union and the related turmoil in the former Yugoslavia and elsewhere have engendered new groups pursuing their own varied agendas through violence, including terrorism. While much of the violence is confined to the various regions, the potential for involving surrounding states and for international assaults is significant. Even in the Middle East, where the Palestine Liberation Organization (PLO) and Israel are moving along a tortuous road toward accommodation, various factions, willing and able to engage in non-territorial terrorism, will continue to "bring the war home" to Israel and its primary supporter, the United States.

Perhaps even more ominous is the growing significance of apolitical groups which resort to terrorism in pursuit of financial gain as a part of criminal enterprises. While a number of these groups may, in part, justify their actions under the rubric of political rationalization, their major goal will relate to maximizing their profits through co-opting, corrupting, and neutralising the authority of the states in their respective countries and regions of operations. These groups, which include narco-terrorists, are particularly difficult to counteract given their vast resources gleaned by illicit trade in drugs or weapons, and because of their ability to influence, control or demoralize governments in countries where they operate. This new criminal order can engage in operations with the kind of violence that makes the old Mafia seem pacifistic by comparison.

Finally, one might anticipate that in addition to existing extremists operating according to issue-oriented movements such as radical environmentalism, fringe elements of the pro-life movement, and extremist animal rights groups, there will emerge new groups willing to use terrorism to avenge grievances both real and imaginary. These groups, which at the outset may be small and not tied to any recognized social or political movement, may have the capability to maximize their impact through the availability of a wide variety of weapons, a rich selection of targets, and the skillful use of the media and communications technology. There will be both old and new adversaries to threaten the international order and, more specifically, US interests and citizens both at home and abroad.

Since there are many dimensions to international terrorism, effective counter terrorism calls for the skills and resources of various elements of the US government. We have learned from past experience with fragmented efforts that coordination of these resources is essential. For this reason, the President has designated the Department of State, in keeping with its overall responsibility for the conduct of US foreign policy, as the lead agency for managing and coordinating counter terrorism policy and operations abroad, whereas the Department of Justice has been designated the lead agency for domestic terrorism. These responsibilities were reaffirmed recently in Presidential Decision Directive 39, signed by President Clinton on 21 June 1995.

Since the creation in 1972 of the forerunner of the Office of the Coordinator for Counter terrorism, my office—known as S/CT—has been the focal point for this coordinating activity. Coordination, Mr Chairman, is central to State's counter terrorism role, and I want to emphasize this at the outset of my testimony, although the focus of this hearing is on specific responsibilities of State, Defense and the FBI. For this reason, I would like to explain State's particular contributions in the context of our coordinating role.

We must understand that this confrontation is long term. It doesn't lend itself to quick victories. To prevail we must summon our courage, and we must equip ourselves with a full range of foreign policy tools. Our armed forces must remain the best led, best trained, best equipped and most respected in the world. between rigid and harsh mentalities that emanates from

Diplomacy and International Cooperation

Terrorism affects the security and the political and economic stability of nations. Acts of international terrorism, by definition, involve the citizens or territory of more than one nation, and terrorists are expanding their regional and global reach. Diplomacy and international cooperation are, therefore, critically important to a successful effort against the terrorist threat.

To enhance such cooperation, my office conducts frequent consultations with many foreign governments, usually with interagency teams, which might include colleagues from Justice, FBI, CIA, DOD, FAA and other agencies. These consultations are a valuable means of projecting US policy aims and obtaining foreign cooperation. In recent months, I have led interagency teams to Moscow, New Delhi, Islamabad, Riyadh and Sanaa. We have held consultations with over 20 governments in the past year, and we have met with counterterrorism experts of the European Union and the Group of Eight.

This network of international cooperation is growing stronger, as more and more nations realise that cooperation is essential. A series of regional and international conferences on counterterrorism is a sign of the growing trend toward cooperation. In August, I led a US delegation to Buenos Aires to attend a conference of the states of the southern cone countries in Latin America, plus the US and Canada. The agenda was cooperation in fighting international terrorism against the backdrop of the 1992 and 1994 bombings in Buenos Aires. And we are now working with our partners in the Organization of American states to prepare for a hemispheric conference on counterterrorism in Lima this April, which was called for by the Summit of the Americas at Miami in December, 1994.

A Ministerial Conference on Terrorism of the Group of Eight in Ottawa in December, which grew out of the Halifax Summit in June, addressed concrete ways to enhance international cooperation against terrorism on a global level. The International Conference on Counterterrorism at Baguio in the Philippines last month, was the first such initiative in Asia.

Department of State-Law Enforcement Coordination

Strengthening the rule of law is a major tenet of US counterterrorism policy. As my colleague from FBI will describe, terrorism is a crime under various US laws and the laws of many other nations, and effective law enforcement and aggressive prosecution of international terrorists are thus critical to US and international efforts against terrorism. Therefore, the Department of State works closely in support of Justice and FBI efforts to pursue terrorists abroad who violate US laws. State facilitates anti-terrorism law enforcement overseas in a wide variety of ways, for example, in establishing and supporting FBI investigations abroad, and working with FBI, Justice and foreign governments when extradition or rendition of terrorist suspects to the US is an option for bringing them to justice.

My office, working closely with the Department's Office of the Legal Adviser and with Justice, is also making a major effort to persuade other governments, who have not yet become party to the 10 existing international treaties and conventions on terrorism, to do so.

State—Intelligence Coordination

Identifying international terrorists and their networks, providing warning so that protective or deterrent measures can be taken, and gathering information on terrorist acts requires a major US intelligence effort. For this reason, the US intelligence community and the technical and human resources they provide are an indispensable element in our overall approach to international terrorism.

My office relies heavily on State's Office of Terrorism, Narcotics and International Crime (INR/TNC) in the Bureau of Intelligence and Research to provide us with timely, all-source intelligence on terrorism, and analysis on issues of current policy concern. Intelligence is the lifeblood of effective counterterrorism, and without INR's expert, round-the-clock support, we could not do our job. It is essential that INR be given adequate resources to perform its indispensable role.

State depends as well upon intelligence collection and analytical support from other elements of the intelligence community. We have a very close working relationship with the DCI's Counter-Terrorism Center. And officers from the Center are our close partners in working groups, international consultations, and counterterrorism operations, which we coordinate.

State—Defense Cooperation

Our superb military counterterrorism capabilities, which my colleague from Defense will describe, are another important tool in our arsenal to combat international terrorism. When peaceful means fail and the use of military force is feasible, we need the world's best specialized military expertise to rescue victims of terrorism, apprehend terrorists, or deter acts of terrorism, and we rely on the Department of Defense for other forms of counterterrorism support.

Emergency Response Capability

To respond promptly to terrorist incidents abroad which require varied US resources, we have developed a unique fast reaction team. This team, led by an officer from S/CT, consists of experts from DOD, CIA, FBI and other agencies, as needed. At the request of a foreign government or a US Ambassador abroad, this team can be dispatched within a few hours on a specially dedicated aircraft provided by DOD to any place in the world. The team's job is to provide support to the Ambassador and the host government in resolving a terrorist crisis, and to advise on additional US assets that might be needed. Throughout the year, the response team joins our special forces in major training exercises. The team also supports our regional CINCS by providing role players for exercises.

Flexibility and responsiveness are the watchwords of this team concept. Small, tailored teams can be launched, depending on the crisis, and specialists from individual agencies can be sent alone, as the situation arises.

Other Examples of Coordination

Other recent examples of the integrated, coordinated process which State directs to deal with terrorist crises abroad include the following: a series of extradition, rendition and law enforcement cooperation efforts which resulted in the return in 1995 of two World Trade Center bombing suspects to the US including ring leader Ramzi Ahmed Yousef; discovery of and preventive measures to deal with a plot by this group to bomb US civilian aircraft in Asia, and the successful return to the US for prosecution of two more members of this group; investigation of the terrorist murders of two US Consulate officials in Karachi; the bombing of the US Training office for the Saudi National Guard in Riyadh in November, which killed five Americans; support and assistance to Argentina after the bombing of the Jewish cultural center in 1994; efforts to learn more about and take measures to deal with threats arising from the Aum Shinrikyo sarin gas attacks in Tokyo; responding to a request by Israel for extradition of a suspected HAMAS terrorist; and investigation of the recent bus bombings in Jerusalem, in which two Americans died.

These efforts required resources and careful teamwork from many members of the US counterterrorism community, including Justice, FBI, and often CIA, NSA, Defense, Treasury, Transportation, FAA and INS, as well as the Department's Bureau of Diplomatic Security. Because these cases involved international terrorism and foreign governments, they often require rapid reaction, intricate planning, and complex coordination. In each case, State played its coordinating role, relying on excellent cooperation from all elements of the US counterterrorism community.

Protection Abroad, Visa Denial and Threat Warnings

State's Bureau of Diplomatic Security is another important actor in the US counterterrorism community. DS is responsible for protection of US official civilian personnel and facilities abroad against terrorist and other threats. Since 1979, there have been 460 such attacks against US diplomatic personnel, buildings and vehicles. Twenty-five diplomats have been killed by terrorists, and 55 have been wounded.

In addition to protective duties, Regional Security Officers at US missions abroad have intelligence and investigative responsibilities, for example, to investigate passport and visa fraud, which often accompanies terrorist crimes. In Washington, DS plays an important part in the process of issuing warnings against terrorist threats and travel advisories. DS agents are active in many counterterrorism investigations, and played a lead role in the apprehension of Ramzi Ahmed Yousef. DS also helps US business firms and NGOs abroad, through its Overseas Security Advisory Council, which maintains an electronic bulletin board for exchange of security related and terrorist information abroad.

The Bureau of Consular Affairs is another important player in State's counterterrorism effort. CA, working with INR, S/CT, DS and the intelligence community and our consulates abroad, maintains systems for denying entry into the US of terrorists and suspects. It also issues threat warnings and travel advisories to American citizens overseas.

Identifying State Sponsors of Terrorism

Identifying State sponsors of terrorism and mobilizing international pressure against them is a major element of US policy, in accordance with Section 6(j) of the Export Administration Act and related laws. The Office of the Coordinator for Counterterrorism, working with regional bureaus, INR and the intelligence community, makes annual recommendations to the Secretary of State, which provide the basis for his annual review of state sponsors. We pursue through diplomatic channels, and through the UN in the case of Libya and Iraq, the maintenance and broadening of economic and other sanctions against these states. Mr Chairman, I believe we can point to this policy as one reason why terrorist acts sponsored by states or their proxies have declined in recent years, although state sponsors like Iran remain a serious threat.

Anti-Terrorism Training, Research & Development and Rewards

State's Anti-Terrorism Assistance Program, administered by the Bureau of Diplomatic Security with policy guidance from the Office of the Coordinator for Counterterrorism, is another effective tool in reducing the danger of international terrorism. Over the last decade, over 17,000 officials from 89 foreign countries have received training in a wide variety of ATA courses. This low cost program, funded at about \$15 million annually in recent years, has been a superb investment in reducing the terrorist risk to friendly countries and to US citizens and airlines abroad. We are pleased that the conferees recently increased the appropriation to \$16 million for FY 1996.

State also coordinates an interagency research and development program for counterterrorism technologies, through the Technical Support Working Group. The bulk of the funding for this important program is provided by the Department of Defense. We also chair US delegations that participate in joint research in counterterrorism technologies under bilateral agreements with the UK, Canada, and Israel.

State's International Terrorism Information Rewards Program is another important part of our counterterrorism effort. This program has paid out more than \$3 million to individuals who provided information leading to the prosecution of terrorists or the prevention of acts of terrorism.

Analytic Reports

The most prominent unclassified report by the Department of State on terrorism is our annual "Patterns of Global Terrorism." This report, which the Congress requires by 30 April each year, has become the recognized authority in this field. We are grateful for the many contributions we receive for Patterns from INR and CIA. From time to time, S/CT also publishes unclassified public papers on individual terrorist groups or countries. We have urged the Congress not to impose additional, mandatory reporting requirements because of manpower constraints.

Conclusion

Mr Chairman, from my experience as Coordinator for Counterterrorism at State, and from my intensive work with colleagues from other agencies, I can say with conviction that the United States is well served by our counterterrorism community. All US Government Departments concerned share the strong commitment of the President and Secretary Christopher to giving our counterterrorism efforts the highest priority. Our counterterrorism community is professional, dedicated, and committed to a coordinated, team effort. Terrorism is a difficult and dangerous enemy, but we are making a determined and impressive effort to combat it in all its evil aspects.

HOW VULNERABLE IS THE UNITED STATES AND WHAT ARE THE TERRORISTS' GOALS?

The following assessment is based on integrating the analytical components presented above. The focus will be on the vulnerabilities in the United States to attacks by international terrorist or domestic groups or by such groups with domestic-international linkages.

The new threat environment may see the emergence of a wide variety of sub-national and transnational groups intent on venting their frustrations with Washington for what they perceive to be a lack of support for their causes or, conversely, for supporting their adversaries. As the major military superpower, with an increased global involvement, even when engaged under the United Nations, the United States is likely to be viewed as the primary party in future disputes. Even when neutral, Washington is likely to be viewed suspiciously by one or more warring factions. In addition, when Washington moves beyond "peace keeping" to "peace enforcement" operations, the likelihood of a reaction among one or more disputants is possible.

Even though the United States may not want to be the policeman or the conscience of the world, the parties in any conflict may question whether Washington is intentionally or unintentionally pursuing a political agenda that may be counter to their objective. The result might be the spillover of violence to the United States by one or more parties in the dispute. Resort to terrorism could be a punitive action or it might be an effort to dramatize a cause. As the United States tries to redefine the formulation and execution of its

foreign policy in the post-Cold War era, even if Washington is motivated by the highest of ideals, ie, democratization, humanitarian assistance, or nation-building, those who will be the objects of such efforts might resent it. Their use of terrorism on American soil is a likely response.

The potential spillover effect may be intensified by the domestic political and economic environment. The potency of ethnic-based politics, coupled with the tendentious debates over immigration policy, may provide fertile ground by which ethnic-based conflicts from overseas may be transported to the United States. Even if that is not the case, the existence of large immigrant communities may provide the “human jungle” in which external terrorist groups can operate. The emergence of a variety of issue-oriented transnational groups could also lead extremists within their respective organizations to establish linkages with like-minded individuals or groups within the United States. Such groups could undertake joint operations against American targets in an effort to dramatize their causes or seek changes in public policy. Cooperation between home-grown terrorists and their foreign counterparts cannot be understated. In an increasingly interrelated international environment, a new “terror network” might emerge with issue-oriented groups launching assaults on domestic targets.

The threat posed by fundamentalist religious groups of all faiths cannot be discounted. Not only Islamic extremists, but other “true believers” of a variety of faiths are likely to engage in terrorist acts against American targets. These groups might be supported or joined in their operations by domestic religious extremists. In addition, they might also seek alliances with a variety of cultists, survivalists, or neo-fascists who, for their own reasons, reject the existing social, economic, and political order and await their own versions of Armageddon.

Perhaps even more dangerous will be the resort to terrorism by apolitical terrorists who are engaged in violence and intimidation as a part of criminal pursuits. Such groups have operated overseas with impunity. Inner-city America could become a fertile ground for their operations. They will be particularly threatening since, as a result of their illegal trade in drugs and other criminal enterprises, they may have access to vast funds with which to corrupt local authorities. What will make these groups especially dangerous may be the fact that their threats and acts of terrorism will not necessarily be meant to achieve publicity or to dramatize their cause.

Such groups may use terrorist tactics in extortion attempts like those used to “shake down the neighborhood”—only these gangs may attempt to blackmail the entire city. With their vast revenues, they could acquire a formidable arsenal of weapons with which to challenge local authorities and carry out their acts of violence on a scale not yet experienced in the United States. Furthermore, it may be very difficult for our already strained criminal justice system to address the development of new criminal cartels.

The scope and magnitude of future potential terrorist organizations will be enhanced by the rapid changes in technology that will provide the next generation of terrorists with capabilities undreamed of by the most highly dedicated and skilled terrorist of today. In a sense the capture of the infamous Carlos marked the end of an era. A new generation of terrorists armed with technologically advanced weaponry will be able to engage in violence that is more dramatic and destructive than that intended in the bombing in Oklahoma City. The threat at the lower end of the spectrum is likely to grow as well. The M-16, M-10, Uzi and AK-47 assault rifles will be supplemented by stand-off weapons like Stinger anti-aircraft missiles, LAWs and RPG-7s, already available on the world weapons market. Just because a weapon is relatively unsophisticated does not mean it cannot cause massive casualties. A stinger missile aimed at a jumbo jet as it takes off or as it approaches a large metropolitan airport could cause tremendous casualties. A LAW or RPG round lobbed into the right area of a nuclear power plant could produce catastrophic consequences.

Ultimately, the most fearful and recurrent terrorist nightmare may be drawing closer to reality. The proliferation of nuclear weapons and associated technologies, and the diffusion of knowledge needed to manufacture chemical and biological weapons, raises the fearful specter of mass destruction that makes concerns related to use of anthrax as a way of spreading both disease and panic pale to insignificance. The scary truth is that the United States is all too vulnerable to this kind of attack. The porous borders that have allowed massive illegal immigration are just as open to those who want to import new instruments of mass destruction. And, because there are significant profits to be made, there are suppliers who are willing to provide the new generation of portable nuclear weapons, chemical and biological delivery systems despite Washington’s growing concern and the improving technical means to counter such threats. Furthermore, the next generation of terrorists will have the capability of effectively exploiting the highly competitive electronic and print media both to dramatize their conventional or ABC capabilities and to extort money.

Technological changes will certainly have an impact on target selection. At the outset, the availability of more sophisticated conventional explosives could enable terrorists to inflict greater damage on potential targets while lessening the risk of capture that results from having to process or transport the material. Highly symbolic targets like government buildings and corporate headquarters will be more vulnerable to attack. Major public events, like the Super Bowl or the 1996 Atlanta Olympics are also prime targets.

Despite more effective physical security and technological countermeasures it will be increasingly difficult to harden potential targets. Even if the range of the weapons is relatively short, it will be a considerable challenge to expand an anti-terrorist security zone beyond the immediate periphery of potential targets like sports facilities, government buildings, or nuclear power plants. Defense in depth will require broader protective measures.

Even of greater concern is the potential threat of such weapons to aviation security. While anti-skyjacking measures have been largely successful in the industrialized West, the possibility of the threat or the destruction of commercial aircraft cannot be dismissed. It is exceedingly difficult to expand a security zone beyond the confines of an airport. Moreover, stand-off weapons provide the opportunity for highly flexible hit and run attacks. The resulting mobility will make it very difficult to predict or take appropriate action against terrorists. Finally, as potential targets continue to be hardened in urban areas, there is no reason to believe that terrorists will not seek softer targets of opportunity either in the suburbs (corporate headquarters) or rural areas (nuclear or thermal power plants and other installations). Despite these threats, it will remain difficult to develop the necessary awareness, technology and training among those corporations outside urban areas. Too many people may not take the threat seriously enough due to an "it can't happen here" syndrome.

Most ominous, however, is the threat issuing from mass or super-terrorism. Cities may be held hostage by threats to poison the water supply or to disseminate any number of dangerous chemical or biological agents. Such threats must also be taken seriously given the proliferation of ABC capabilities. The threat might be overt, in which case the authorities will have the onerous task of reconciling the need to take appropriate action without creating a panic. Or the threat might be covert, in which case governments will be facing a form of nuclear, chemical, or biological blackmail unknown to the public. Finally, one can anticipate that there will be more incidents of criminal terrorism directed against senior executives, public officials, and their families. The terrorists will justify such acts of hostage-taking and kidnapping on the basis of political causation, but in many cases they will be motivated by nothing more than a desire for ransom money. There is no reason to believe that criminal extortion, which has become a major industry in Mexico and throughout Central and South America, will not be emulated within the United States. In sum, the constellation of potential targets and the means to attack them will continue to expand in the coming decade.

The traditional motivation behind the resort to terrorism by various groups is sure to continue. Ethnic identification and hatred, the call to right perceived wrongs, and the demand for self-determination will continue to inspire terrorists. The ranks of the traditional terror mongers will be joined by religious extremist groups who have rejected what they view to be the excesses of Western and American secular society. These forces of reaction may come from the Middle East, but there will be the non-Islamic equivalents of the HAMAS and Hizbollah venting their anger and demanding the destruction of the "Great Satan." These true believers, in the conduct of what they view to be a "just war," may attack the symbols of their religious or secular rivals.

Acts such as the bombings of the Israeli Embassy and the Jewish Community Center in Buenos Aires might be emulated in Washington or New York. Moreover, domestic groups acting either independently or with the support of external terrorist organizations may launch their own assaults. One need only recall how a sectarian dispute within the United States was transformed into a mass hostage taking by the Hanafi Muslims in Washington, DC in 1977. The most alarming aspect of the religious extremists is the fact that they did not necessarily constrain their actions by using terror as a weapon to coerce or to propagandize for their causes. The new true believer, armed with the certainty of faith, may not be concerned with current public opinion or a change in the policy of an adversary. To them, being killed while undertaking an act of terrorism may be a way to paradise in the next life. The image of the smiling truck bomber driving his vehicle into the Marine barracks in Beirut may be duplicated in a large urban center in the United States. And the nightmare only becomes more horrific if such a perpetrator uses a nuclear device. While one does not want to overstate the threat, the strategic thinker must be willing to "think the unthinkable" so that appropriate responses may be conceived.

The panoply of potential attacks, save for the nuclear option or other forms of super-terrorism, will probably not create a major change in US foreign policy or the articulation and pursuit of US strategic interests and national security objectives. However, in this new world disorder terrorism may come to the United States whenever foreign adversaries want to test Washington's resolve in continuing its support for activities of the United Nations and friendly governments. Given the lack of coherence in the international environment and the low threshold of pain in regard to the taking of American casualties in ill-defined conflicts and the emergence of neo-isolationism, one must recognize that future acts of terrorism, if skillfully executed, might have a strategic result. The bombing of the Marine barracks in Beirut changed the course of US policy toward Lebanon. That kind of act could be duplicated in the United States with even more dramatic results.

CONCLUSION

As noted at the start of this chapter, it is difficult to see through the smog of terrorism to assess America's vulnerabilities. Furthermore, it is dangerous to either understate or overstate the threat. If one minimizes the threat, little action may be taken. If one overstates it, the public and the authorities might overreact. What is needed is a realistic assessment which avoids both extremes. While recognizing that there is a threat, but not overemphasizing it, appropriate measures can be taken to lessen the likelihood of an attack. Moreover, a balanced and cautious view can assist both the public and policymakers in developing a consistent level of anti-terrorism awareness and countermeasures. Constant awareness and preparedness are fundamental to deterring terrorists. Such a prudent approach is far better than the overreaction that might

occur after an incident. In the final analysis, the United States is vulnerable to the changing terrorist threat. But the threat can be met through heightened levels of awareness, resolve, counterterrorism measures, and consistent policies.⁷

ENDNOTES

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4. For a short chronology of chemical and biological incidents, see Joseph L Douglass, Jr and Neil O Livingstone, "Selected List of C/B Incidents by Terrorists and Other Nonstate Actors," in *America the Vulnerable: The Threat of Chemical and Biological Warfare. The New Shape of Terrorism and Conflict*, Lexington Books, 1987, pp 183–187.
5. Brian Jenkins, *Intentional Terrorism: A New Mode of Conflict*, Research Paper No 48, California Seminar on Arms Control and Foreign Policy, Crescent Publication, 1976, p 4.
6. See Stephen Sloan, "Acts of Terrorism or the Theater of the Obscene, in *Simulating Terrorism*, Norman, OK: University of Oklahoma Press, 1981, pp 19–28. This book illustrates how the techniques of improvisational theater in the form of highly realistic simulations were prepared and conducted to test the ability of police and military forces who are responsible for responding to terrorist threats.
7. Stephen Sloan, "US Anti-Terrorism Policies: Lessons to be Learned to Meet an Enduring and Changing Threat," *Terrorism and Political Violence*, Vol 5, No 1, Spring 1993.

Dr Waheed Hamzah Hadhem

January 2006

Written evidence submitted by Professor Robert Springborg, MBI Al Jaber Chair in Middle East Studies and Director, London Middle East Institute, School of Oriental and African Studies, University of London

1. This submission will seek to answer the following questions:
 - (a) Who are the Islamist political activists?
 - (b) What are the relations between them?
 - (c) Why does Islamism exist?
 - (d) How do fellow Muslims view Islamists?
 - (e) What is the Islamist view of the war against terrorism?
 - (f) How should the West deal with Islamist terrorism?

Who are the Islamist political activists?

2. The broad category of Islamist political activists includes several different types defined by their relationship to the state, of which only one consists virtually exclusively of dedicated terrorists. Those are the trans-national jihadis such as al Qa'ida, Hizb al Tahrir and the so-called Zarqawiyyin active in Iraq. These trans-nationalists believe that states are inherently antithetical to Islam, which in their view should consist of the ummah, or united community of believers. Their Manichean view sees Muslim states as typically subordinate to non-Muslim, western ones, hence all are legitimate objects of attack. Their leadership is not that of trained religious figures, but of political activists who are themselves opposed to established Islam as represented by its centres of learning, clerics and officials.

3. A second category of political Islamists are national liberationists such as Hamas and Islamic Jihad in Palestine, Hizbollah in Lebanon, some of the Sunni insurrectionists as well as the followers of Muqtada al Sadr in Iraq, and some Shi'a activists in the Gulf Cooperation Council states, especially those in Bahrain. These are believers in the legitimacy of states seeking not to destroy them, but to "liberate" their states from occupiers or, in the case of Shi'a activists in the Gulf, to induce ruling Sunni families to cede considerable, if not absolute power to Shi'a. The issue of whether or not political Islamists in this category should be considered and dealt with as terrorists or otherwise is partly an empirical matter (ie, when and how do they resort to violence, with Hamas, for example, being much more reticent to employ violence during the last year than Islamic Jihad) and partly one of political strategy (eg, should Hamas, Hizbollah and Sunni activists in Iraq be ostracized from or incorporated into their national political systems?)

4. National Islamists who are seeking to Islamicize existing Muslim states constitute far and away the largest category of Islamist activists and one only rarely thought of as terrorist. While they communicate and even coordinate with similar organizations in other countries, their political goals are primarily national, not trans-national. The Muslim Brotherhood in Egypt and its offshoots in Jordan (the Islamic Action Front), Syria, Morocco and elsewhere, Salafis in Kuwait, the AKP in Turkey and possibly the neo-Khomeinists grouped around President Ahmadinejad in Iran are the primary examples of national Islamists. A hybrid category of national Islamists who utilize violent insurrection and terrorism in attempts to “liberate” their country from the indigenous regime controlling it can also be identified. Examples of these Islamist “revolutionaries within one country” include the Gama’ al Islamiyya and Islamic Jihad in Egypt and the Islamic Salvation Front in Algeria.

What are the relations between them?

5. At the most abstract level, all Islamists are seeking the same objective, which is the creation of Islamic government. The lack of clarity as to what that would constitute, however, combined with the fragmentation of Islamists nationally, religiously, and by their preferred ends and means, results in profound divisions between Islamists. The majority are seeking the application of Islamic law within a particular Muslim country, but some are seeking the destruction of those nation-states and the creation of an *ummah*. Some believe that the application of the *shari’a* should be total, immediate, and compulsory, while others believe it should be achieved voluntarily, gradually and over a period that might extend beyond a single generation. Some believe violence to be legitimate, while others think that achieving a good Muslim state can only be through *al da’wa*, “the call”. In sum, there is no unified, global Islamist revolution, just as there was no communist one, although it came much closer to so being. While there was a single state—the USSR—that attempted to dominate and control international communism, there is no equivalent state in the Muslim world and no movement, whether the Muslim Brotherhood or al Qa’ida, that is sufficiently inclusive, united and powerful to speak on behalf of even Muslims in the Arab world, let alone Muslims more generally.

Why do they exist?

6. The rise of political Islam is sometimes explained in essentialist terms, namely, that Islam does not admit of a division between religion and state, so when left to their own devices, Muslims organize politically within a religious framework. The Muslim world, according to this argument, fell under foreign influence in the 19th and 20th centuries, so abandoned then its essentially religious forms of political organisation. Political Islam represents in this view a return to the original and true nature of Muslim socio-political organisation. Evidence offered in support of this proposition frequently includes reference to religiously inspired anti-colonial political movements in the 19th century in various countries of North Africa and the Middle East.

7. Most contemporary social science explanations of the rise of political Islam emphasize disempowerment at various levels as the primary cause. At the international level disempowerment takes the form of alleged domination by the West of the Muslim world, as evidenced most importantly and directly for Islamists by the presence of western forces in Iraq and Israel’s occupation of land conquered in 1967, but also in numerous indirect ways, such as by alleged gratuitous insults in the western media. With regard to disempowerment of Muslims at the national level, the argument is that incumbent, semi-secular regimes are unpopular, undemocratic, corrupt and subservient to the West. They are strong enough to subdue the relatively weak secular, liberal opposition, but not strong enough to repress Islamist political organisation, which benefits from the sanctity of mosques and the existence of Islamist social services. Having disempowered their populations through authoritarianism, these regimes are now extremely vulnerable to political Islam, a central appeal of which is the application of religious morality to politics. At the level of family, kinship and education, some social scientists argue that neo-patriarchal forms of social organisation disempower young Muslims, who then seek empowerment in public spheres. Political Islam, in sum, is seen by most social scientists as a reaction against widespread political, economic and social disempowerment of Muslims.

How do fellow Muslims view Islamists?

8. Public opinion polls reveal tremendous variation in attitudes by Muslims toward Islamists and violence committed by them. The Pew Global Attitudes project released in July 2005, for example, revealed that 60% of Jordanians expressed confidence in Usama bin Laden and that 57% saw suicide bombings, including those against Americans and British in Iraq, as justifiable in defence of Islam. Yet the Jordanian Institute for Strategic Studies poll conducted almost simultaneously revealed that only 8% of Syrians and 18% of Lebanese supported al Qa’ida, as opposed to 41% in Egypt. But 62% of Egyptians regarded the 9/11 attacks as terrorist, whereas only 22% of Palestinians did. This illustrative data suggests extremely wide variation in responses, not only between countries, but from question to question. This variation, although calling into question the reliability of the data as a whole, may reflect genuine ambivalence and ambiguity in the minds of Muslims about political and especially violent Islamism. Behavioural data, such as that in Jordan, where Jordanians demonstrated in large numbers against those who perpetrated bombing outrages

on 9 November 2005, could be read as suggesting that while significant percentages of Muslims might be prepared to support violence perpetrated by Islamists in the abstract and at a distance, when it is tangible, close to home and impacts Muslims it is disapproved. The behaviour of Saudis in reaction to al Qa'ida attacks there and the present conflict between foreign supporters of Abu Musab al Zarqawi and native Sunni Arabs in Iraq suggests a similar conclusion. There is, in sum, no *carte blanche* approval of violent political Islam by Muslims and the majority of Muslims seem abhorred by radicalism and violence within their own countries, but there appears to be some willingness to condone such violence, at least in the abstract form of verbal approval, as if to "teach the West a lesson."

9. But if polling and behavioural data reveal considerable ambivalence about radicalism and violence conducted in the name of Islam, virtually all available evidence suggests that within Muslim communities, especially those in the Middle East, parochialism and intolerance is triumphing over cosmopolitanism and tolerance. Public space is being appropriated by religious practice and symbolism, encroaching further and further into the life spaces of non-believers. Muslims are retreating further into their own communities, while members of minority faiths and non-believers are retreating into theirs. This tendency underpins an us versus them attitude that is increasingly characteristic of Muslim communities and that attitude, can in turn, provide support for radical political Islam.

What is the Islamist view of the war against terrorism?

10. Islamists of all different types tend to believe that the war on terrorism is conducted by a powerful opponent and directed at least in part against them, but that they are winning. The trans-national jihadis believe they are winning by not losing in Afghanistan and Iraq; by virtue of the fact that Usama bin Laden, Ayman al Zawahiri, and other al Qa'ida leaders remain at large; that they remain able to commit violent acts in various parts of the globe; that they have recruited European Muslims into their ranks and deployed them on missions of violence; that the alleged "conflict of civilizations" is becoming manifest in such forms as riots in Paris and global demonstrations against Danish cartoons; and that their principal enemies, namely President Bush and Prime Minister Blair, are suffering declining popularity for their conduct of the war in Iraq, while their allies in that war are retreating one by one. National liberationists base their optimistic assessment on claims that Hizbollah liberated south Lebanon from Israeli occupation while Hamas liberated Gaza; that both have emerged as the largest political parties in their respective national entities; that the West is divided on the question of how to deal with these alleged terrorist organisations; that President Ahmadinejad seems to be able to defy the West with impunity; and that the Iraqi insurrection is winning by not losing. National Islamists, although not on the receiving end of the war against terrorism, have similarly optimistic assessments of their present political circumstances. In Turkey they control government and in recent elections in the Arab world, including those in Egypt, Lebanon, Morocco, Jordan, and Kuwait, Islamists have emerged as the principal opposition force. Moreover, they sense ultimate strategic victory, for they see the West as committed to democratization, hence the inevitable electoral success of Islamists in virtually all countries of the region. In sum, Islamists of all types are of the view that despite the war against terrorism and western antagonism to them, they are becoming steadily more powerful and that success will ultimately be theirs.

How should the West deal with Islamist terrorism?

11. First and foremost the West should clearly differentiate between Islamists in its conduct of the war against terrorism. At present there is considerable confusion as to precisely who the enemies are. Although it is universally agreed that the trans-national jihadis are the West's enemies, and rightly so, there is less agreement about Islamist national liberationists, and rightly so. Some in the West believe Hizbollah, Hamas, Islamic Jihad, Gama'a al Islamiyya and other such organisations should be classified as terrorist and dealt with accordingly, while others doubt the wisdom of this approach, preferring to wean them away from violence by drawing them into national political systems. Finally, national Islamists, such as the Muslim Brothers, have for the most part not been identified as enemies in the war against terrorism, but equally it cannot be contended that suitable strategies have been developed in the West to deal with this form of Islamism. What is clearly needed is an overall strategy built upon differences between these types of Islamists. The rudiments of such a strategy might be as follows:

12. Trans-national jihadis should be confronted with the full array of counter-terrorist tools, while simultaneous education/information efforts are undertaken to isolate them from mainstream Islam. Because their views are essentially heretical and because their leadership is not well versed in Islam itself, trans-national jihadis are vulnerable to being isolated from and shunned by other Muslims. This is probably the single area in which facilitation of dialogue about the true nature of Islam and encouragement of Islamic liberals is a useful tool. National liberationists can best be dealt with through a combination of modifying policies toward Iraq and Israel/Palestine and facilitating the incorporation of those Islamists into their respective national political systems. National Islamists can be contained through their further incorporation into national political systems, by greater democratization of those systems, and by economic development, especially that which addresses issues of inequality.

13. In conclusion, the West is engaged in a war against terrorism in which the primary enemy, which is trans-national jihadis, seeks to blur distinctions between themselves and other Islamists as well as Muslims in general in the hope that the West will respond in indiscriminate fashion, thus alienating more Muslims and driving them into implacable opposition to the West. It is vital, therefore, that the war against terrorism be based on a clear appreciation of the nuances that divide different types of Islamists and the development of specific strategies for each sub-category of them. Key to the overall strategy is appreciation of the fact that the vast majority of Islamists are seeking to influence national political systems rather than to engage in trans-national jihad. Their incorporation into those systems through gradual democratization is likely to moderate, democratize and possibly fragment Islamist organisations as they seek to broaden their appeal and form coalitions with other political actors. Pressure needs to be applied on the Iraqi government to be more inclusive of Sunni nationalist Islamists and on the Israeli government not to prevent the inclusion of Palestinian Islamists into the Palestine Authority and to fulfil conditions specified in the Road Map. Finally, trans-national jihadis, the primary target of the war against terrorism, do not enjoy widespread support and what support they do enjoy is in inverse proportion to their distance from any given Muslim population. These jihadis are vulnerable to being isolated from local Muslim populations and the war against terrorism should seek to do just that.

Professor Robert Springborg

February 2006

Written evidence submitted by the Board of Deputies of British Jews and the Community Security Trust

INTRODUCTION

Since the Islamic revolution in 1979 Iran has used terrorism to further its strategic goals to a greater extent than other Middle East states.

The US State Department has consistently noted that Iran is the most active state sponsor of terrorism, that it plans and supports acts, and that it exhorts a variety of groups to use terrorism in pursuit of their goals.⁶⁰

It has further noted that Iran has refused to name, or bring to justice, the senior al Qaeda members it detained in 2003, that it does nothing to control the activities of other al Qaeda members who fled there following the fall of the Taliban regime in Afghanistan, and that senior Iraqi Interim Government and Coalition officials have publicly expressed concern over Iranian interference in Iraq.⁶¹

It should also be noted that Iran has a history of assassinating its own nationals living in exile abroad, or those deemed a threat to the regime, as demonstrated most famously by the murder of four Kurdish exiles in the Mykonos restaurant in Berlin in 1992. A German court subsequently found that Iran's political leadership had ordered the killing.

Iran offers training, material and finance to a range of terrorist groups that seek to confront western interests and the State of Israel, and which promotes its own regional aspirations. This aid is often provided covertly, but not always so.

In particular Iran has developed the use of suicide terrorism, and exported the ideology and technical know-how to others. Among the beneficiaries of Iranian capabilities in this field have been Hizbollah, Al Qaeda and Palestinian terrorist groups, including Palestinian Islamic Jihad and Hamas.⁶²

Despite the Shi'a/Sunni religio-political schism, Ayatollah Ruholla Khomeini's concept of an Islamic state governed by Sharia stands as a beacon and a desirable goal for Sunni Islamists. Those influenced by the Salafi ideology that guides the global jihad movement have been reading to co-operate across this divide and Abu Musab al Zarawi's effective declaration of war against Iraqi Shi'as has been criticised by religious leaders and other members of the global jihad movement, including Ayman Al Zawahiri, the second in command of Al Qaeda, and its main ideologue.⁶³

⁶⁰ Country Reports on Terrorism 2004, p 88, US Department of State, Washington DC, April 2005.

"Iran is World's top sponsor of terrorism: Rumsfeld Reuters, 4 February 2006. <http://today.reuters.com>, downloaded 5 February 2006.

⁶¹ Country reports on Terrorism 2004.

⁶² Israel Defence Minister Shaul Mofaz blamed Iran for funding the Central Bus Station bombing in Tel Aviv on 19 January 2006.

See "Mofaz: Iran-Syria 'Axis of Terror' to blame for Tel Aviv suicide bombing", Arnon Regular and Amos Harel, Haaretz, Israel, 20 January 2006.

According to Mofaz, Iran gave approximately \$5 to Palestinian Islamic Jihad in 2004 and approximately \$10 in 2004.

See Report by The Interdisciplinary Centre, Herzlia, 21 January 2006, Intelligence and Terrorism Information Center at the Center for Special Studies, Israel, 23 January 2006.

⁶³ See "Arab media shun al-Qaeda message", Sebastian Usher http://news.bbc.co.uk/go/pr/fr/-/2/hi/middle_east/4628028.stm. Some doubted the authenticity of al Zawahiri's condemnatory paper (see for example, "Is al-Zawahiri's Letter to al-Zarkawi a Fake?", Stephen Ulph, *Terrorism Focus*, Vol 2 Issue 19, Jamestown Foundation, Washington DC, 18 October 2005), but the full text is available at: <http://www.dni.gov/letterinenglish.doc>

Indeed Iran and Iraq have recently signed a number of far-reaching agreements covering security, energy and trade.

A recent Iranian threat to put its “martyrdom seeking forces” (ie, suicide terrorists) on full alert is a matter of grave concern.⁶⁴

ASSISTANCE TO TERRORIST GROUPS

Palestinian groups have received substantial Iranian aid. The purpose of this assistance has been aimed at frustrating peace efforts between Israel and the Palestinians. It has also been used against Jewish communities outside the region.

In March 1992, members of Turkish Hizbollah carried out a hand grenade attack against an Istanbul synagogue, and in January 1993 members of the Persevering Works of Islam group (also referred to as the Islamic Movement Organisation) attempted to assassinate Turkish Jewish community leader, Jacques Kimchi. In both instances the Turkish authorities claimed the terrorists were trained and armed by Iran.⁶⁵

There is now conclusive evidence that Iran was the inspiration and motivation for the terrorist attacks on the Israel embassy in March 1992 and the AMIA Jewish community building July 1994, in Buenos Aires, Argentina.⁶⁶

During 2002 Iran sent a large consignment of arms on the cargo ship the *Karine A*, in breach of international agreements to the Palestinian National Authority that were intercepted by the Israeli navy.

The Iranian press and those sympathetic to it regularly publish threats against Jewish communities. For example on 28 November 2002, the government-linked paper, *Kayhan*, stated that Muslims must threaten the lives of “Zionists” around the world.⁶⁷

SUICIDE BOMBERS’ PROGRAMME

The Iranian ISNA website announced on 14 November 2005 that a conference was to be held the following day at the Shahrud University of Technology for “martyrdom seekers”. According to the report the conference was to be held by the university’s student Basij (a paramilitary organisation commanded by Revolutionary Guards officers) with the theme of Palestinian intifada and martyrdom-seeking, and that a representative of Hamas had been invited to attend. The conference would address the theme of “martyrdom-seeking” from the Sunni and Shi’a perspective and examine its role in politics.

It added that similar initiatives had already been carried out in Tabriz, Bushehr and Tehran.⁶⁸

On 18 November 2005 the Iranian Farhang-e Ashti website noted that the conference had taken place and that 1,000 people had signed up. The spokesman of the Headquarters for the Commemoration of the Martyrs of the Global Islamic Movement, the organisers of the Sharud Conference, added that 50,000 had already signed up for the programme for “martyrdom-seeking operations”, and that “we will spread the sweet scent of martyrdom-seeking and the strategy of seeking martyrdom to all corners of Iran”.⁶⁹

The focus of this particular initiative, according to the report, was to be against Israel, but in another report Elias Nedran, a member of the Iranian parliament and former intelligence officer in the Revolutionary Guard Corps, referred to a “Zaytoon” initiative, an “organisation for men and women who wish to carry out suicide bombings against the enemies of Islam and Iranian revolution—in particular, the Americans, British and Israelis”.⁷⁰

He added that the organisation had so far held three public rallies: the first in Tehran attended by 300 participants; the second attended by 400 participants; the third by 500 men and women. At least one of the rallies was addressed by Ayatollah Muhammed Taki Misbah Yazari, a senior figure in the country’s leadership and an advisor to President Ahmadinejad. The report concluded that suicide terrorists were being trained in four camps run by the Revolutionary Guard Corps (RGC) and that the “Jerusalem Column” of the RGC were receiving physical and ideological training, including courses and explosives, and Arabic and English classes.

⁶⁴ Iran press: “Martyrdom-seeking forces” of the world on full alert, *Sin Yasat-E Ruz*, Tehran (in Persian), 6 February 2006, BBC Monitoring.

⁶⁵ Patterns of global terrorism 1993, US Department of State, Washington DC, April 1994. “2nd Attack on synagogue in Istanbul”, *International Herald Tribune*, 2 March 1992.

⁶⁶ In March 2003 the Argentinian Security Service (SIE) published its report on the bombing. The Investigating Judge Galliano subsequently commented on the report and blamed Hezbollah and Iranian diplomats stationed in Buenos Aires directly responsible for the attack (Associated Press, 9 March 2003), and issued an international arrest warrant for the former Iranian Cultural Attache, Mohsen Rabbani.

⁶⁷ *Kayhan*, Tehran, (in Persian), 28 November 2002.

⁶⁸ “Martyrdom seekers conference to be held at Iranian University”, ISNA website, Tehran (in Persian), 11.45 GMT, 14 November 2005, BBC Monitoring.

⁶⁹ “Report on formation of 50,000 martyrdom-seeking volunteers”, Farhang-e Ashti website, Tehran (in Persian), 17 November 2005, BBC Monitoring.

⁷⁰ “Iran admits “suicide column” program”, Roe Nahimas, *Ynetnews.com*, Israel, 26 July 2005, downloaded 8 February 2006.

According to this report Yazari had declared that “suicide operations are the peak of the nation, and the height of its bravery . . . this holy organisation of the Islamic Republic is aimed at those who are interested in suicide. The volunteer will join specialist course. Brothers and sisters who believe and are interested in defending Islam are invited to get in touch via PO Box Number 1653–664, Teheran, and are asked to send two photos, a copy of their birth certificate. Please enlist in the suicide squad.”⁷¹

An editorial in the English-language *Kayhan International* recently urged other Muslim countries to establish a parliamentary force similar to the Basij in order to prevent “all meddling powers from coveting Muslim territories . . . Iran is ready to share its experiences in that field with other countries . . . If the Islamic world were to mobilise its vast material and manpower resources, then no meddler would ever dare think of casting its covetous eyes at Muslim lands . . . it is the heroism and the awe of the word Basij that has deterred the global arrogance (ie the US and the West) from trying any new military adventure against the territorial integrity of Islamic Iran, and its resolve to achieve scientific and technological progress.”⁷²

Reports in the British press have also noted that Iran is responsible for training terrorists from other countries, notably Chechen secessionists (despite Russian involvement in the Iranian nuclear power research programme), and al Qaeda terrorists.⁷³

A report on this latter aspect refers to an interview with senior UK military personnel in Iraq, who stated that the technology for new terrorist bombs was now crossing into Iraq from Iran to al-Qaeda-linked terrorists.⁷⁴

Reports in the Arab press have noted a recent debate among senior officers called to a strategy seminar at the Center for Defence and Strategic Studies who considered attacking Israeli and American interests in the Middle East with suicide bombers as part of a concerted multi-force reaction if Iranian interests are threatened as a consequence of the nuclear proliferation issue. They note also the creation of a “lovers of martyrdom garrison” as part of the armed forces order of battle, and that volunteers from Arab and Muslim countries have received military and ideological training in camps overseen by the RGC.⁷⁵

It is therefore clear that Iranian inspired and funded terrorism is not only directed towards Israel but also the West, and potentially the UK.

ASSESSMENT

Promoting terrorism against its perceived enemies has been a feature of Iranian foreign policy since the Islamic revolution that ushered the late Ayatollah Ruholla Khomeini into power. It has been used to advance Iranian long-term strategic and religious aims in the Gulf and wider Middle East, and to attack and undermine its perceived enemies.

Iran’s drive to extend its diplomatic and commercial influence among its neighbours is not necessarily popular, or welcomed. Spokesmen for several neighbouring states’ governments have voiced concern over Iran’s aggressive and confrontational foreign policy.

“As a gulf area, we don’t want to see Iran as the major power in the area . . . and we don’t want to see Iran having this nuclear weapon where it will be a major threat to the stability of the gulf area and even the Arab world altogether” stated Mohammed Abdullah al Zulfah, a member of the Saudi Arabian Shura Council.

King Abdullah likewise voiced Jordanian concerns when he stated that Iran was trying to impose a “crescent” of influence in the region.⁷⁶

The recruitment and training of suicide terrorists should therefore be seen in this light. By publicising the terrorist training programmes, the Iranians may intend to hold out the threat of terrorist retaliation should it feel it has been pushed too far over the issue of nuclear proliferation.

Iranian foreign policy is not irrational. Nor is it directed by people who do not calculate the cost of their actions, and others’ reactions. It has historically been meticulous in its diplomatic initiatives and even the pursuit of nuclear weapons has been conducted carefully and spun out over several years. However, ideological and religious factors play a significant role in its foreign policy goals and this can affect their assessment of the cost (and benefit) of policy decisions. The election of the messianic zealot, President Ahmadinejad, is unlikely to alter Iran’s long term aims which are guided by a mixture of radical Islamist ideology and Persian pride.

⁷¹ *Keyhan International*, 3 December 2005, as cited in *Iranian Leaders: Statements and Positions* (part 1). The Middle East Media Research Institute (MEMRI), Special Report No 39, Washington DC, 5 January 2006.

⁷² “Teheran security trains Chechens in fight in Russia”, Con Coughlin, *Sunday Telegraph*, 27 November 2005.

⁷³ “Teheran proving refuge for al-Qaeda terrorists”, Philip Sherwell, *Sunday Telegraph*, 6 November 2005.

⁷⁴ “Exploring Iran’s Military Options”, Ali Nourizadeh, 23 January 2006, *al Sharq al Awsat*, <http://aawsat.com/english/prin/asp?artia=ia3528> downloaded 26 January 2006.

⁷⁵ “Exploring Iran’s Military Options”.

⁷⁶ “Iran the Great Unifier/The Arab World is Wary”. Michael Slackman, *The New York Times*, 5 February 2006.

However its effective use of suicide terrorism in the past against Saudi Arabia during the Haj against Iraq, and via proxies against its exiled critics, Israel and Jewish communities in the West indicates that it will not hesitate to use it in the future.

Board of Deputies of British Jews and the Community Security Trust

February 2006

**Written evidence submitted by Neil Partrick, Senior Analyst, Economist Intelligence Unit,
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**THE RELEVANCE AND IMPORTANCE OF SAUDI ARABIA
TO THE INTERNATIONAL WAR ON TERRORISM**

BASIC PREMISE

Saudi Arabia is a pivotal player in the security and stability of the Arabian peninsula. However, it is not advisable for the British government to maintain relations going forward on the old basis of acceptance that the strategic importance of Saudi Arabia excuses political sclerosis in the kingdom. There needs to be continued UK government attention to managing our relations with Saudi Arabia in a manner most conducive to steady reform, and therefore kept in line with longer-term British interests, in the kingdom and the wider Middle East region.

SAUDI AND THE INTERNATIONAL WAR AGAINST TERRORISM

The attack on the US on 9-11 caused significant reflection by the US government of the basis of its relationship with the Kingdom of Saudi Arabia. There were some whose closeness to neo-conservative administration opinion seemingly encouraged them feel to publicly think outside of the box in a way unimaginable for much of the previous three decades. In the UK responses were more measured, with the central assumption that the bases of foreign policy toward the Arab Gulf states was correct and that the comparatively gentle encouragement of good governance remained the right way to proceed. However in practice the US administration did not evince any willingness to promote radical new policies that might threaten existing Gulf Arab regimes by belligerent advocacy of western standards of political accountability, for example. Furthermore, the commitments to reform that were increasingly given by Saudi Arabia to its own people, and admonishments to the wider Arab world to change, and the beginning of practical measures in line with this rhetoric, suggested that the kingdom was aware of the need for internal change.

The specific grievance felt by the US authorities as well as the wider international community over the disproportionate role of Saudi nationals in the attacks of September 2001 had also led to practical measures to constrain the comparative ease of financial relationships between radical individuals inside and outside of the kingdom. In the context of a Financial Sector Assessment Programme (FSAP) organised under the auspices of the Financial Action Task Force (FATF), a long-standing body created by the IMF and the World Bank to promote better financial management, experts on money laundering measures from those bodies have visited Saudi Arabia, along with many other countries internationally, and recommendations issued. Saudi Arabia's central bank (SAMA; the Saudi Arabian Monetary Agency) began to initiate legal changes before the FATF visit, but, in the wake of the latter's initial recommendations, went further. The monitoring of significant bank deposits and/or transfers is now far more comprehensive, while charitable giving, formerly a key means for transferring monies to armed groups, is much more closely circumscribed, with one notable organisation eventually being prevented from operating.

PRACTICAL LIMITS ON STOPPING MONEY FLOWS

One area of residual US concern that continues to be expressed publicly however is the ongoing role of public fund raising in the kingdom, despite being taken out of the mosques, for Palestine, by which monies from telethon appeals have found their way to the families of militant suicide bombers. However Saudi Arabia has, through private channels, been a key financial supporter of Hamas since its inception. (As it was at the time of the Islamist group's less political antecedents, and as the kingdom was over three decades for the more secular, Fatah, formerly the backbone of the Palestinian leadership.) In the wake of the January 2006 parliamentary election results in the Palestinian territories, this connection is increasingly contentious. However, there is a clear and understood difference in the kingdom, and arguably internationally, between monies for those with a nationalist agenda, despite how disagreeable their means are judged to be, and money that hitherto had found its way into al-Qa'ida-related pockets. SAMA is more efficient in following financial trails and in limiting the potential for monies to be transferred out of the country for nefarious

purposes than a number of other GCC countries' central banks. However, there is still a practical, as well as political, limit to what can be done to prevent money transfers in either direction. With the operation for example of the *hawala* system, which Saudi Arabia and other GCC countries are very keen to stress they monitor very carefully, it is very difficult to prevent monies reaching terrorists. The ease with which this informal transfer system can operate is what defines it; harsh constraints would render it unrecognisable and make the transfer of monies by much foreign labour in the kingdom very difficult.

CONSTRAINING ISLAMIST RADICALS AT HOME AND ABROAD

Saudi Arabia has also taken a number of internal measures designed to inhibit what hitherto had been the state's effective promotion of radical Islamism via officials placed overseas by the ministry of awqaf (Islamic affairs), as well as longer term objectives evident with the beginning of educational reform and a less restricted media environment. These developments, and the practical challenge to ambitious US regional objectives motivating the invasion of Iraq, subsequently combined to mute any US criticism of Saudi Arabia. Instead, Washington has exercised political expediency in talking up what, in political reform terms, were relatively modest steps (albeit quite dramatic by the standards of the kingdom, at least judged by developments hitherto from the early 1990s onwards).

The Saudi leadership had for some time, however, realised that there was a need for a redirection in its internal as well as foreign policies, and this was not because of pressure from the US, the UK or other western governments. A reconfiguring of the excessive dependence of the country's economy and specifically fiscal receipts on oil revenues was set as a clear policy objective in response to the 1998 oil price collapse. That same year, in his then capacity as crown prince, Abdullah bin Abdel-Aziz al-Saud spoke plainly to his fellow GCC members. He bemoaned the failure of an organisation, which had been set up in 1981 to promote economic, political and security cooperation, to achieve any significant compromise of national sovereignty in order that collective interests be more effectively advanced. This, he said, left individual countries having to rely on outside forces, by which he primarily meant the US. There is an overlap with the then Crown Prince Abdullah's desire to reshape the kingdom's internal and external dispensation, and the call he made in 2003 for Arab countries to embrace political reform.

INTERNAL PRESSURE FOR REFORM

The period subsequent to Abdullah's late 1990s initiatives had obviously seen a shift in the US's perspectives toward the kingdom in particular. However there were, and there remain to this day, significant internal forces in the kingdom that have urged political reform and whose profile has made the taking of steps in this direction expedient. These were evident in the aftermath of the 1991 Gulf war. There was a need then to balance disparate and what then were more overtly conflictual internal forces, chiefly consisting of Sunni Islamic radicals and a broadly "liberal" business and academic class. This resulted in the Basic Law, the closest the kingdom has come to a written constitution, and the founding, in common with some of its GCC neighbours, of an appointed consultative council (*majlis al-shoura*). However, the drive for a more accountable decision making process reflected in the latter's founding in Saudi Arabia, and in efforts of reformers in the ruling family and without to secure elections to it today, largely remains a preoccupation of relative liberals. Islamist radicals seeking a shift in policy direction, as opposed to the overthrow of the Al-Saud, concentrated their fire then, as they do today, on the kingdom's relationship with the US and on concerns about the internal Islamic rigour of the country, reflected in concerns at corruption and the maintenance of a strict adherence to Islamic law (*shariah*).

Today, however, there is a greater coalescence of objectives among different reformist strands in the kingdom. This has been expressed in support for petitions that since 2002 have urged a programme of reforms upon the Saudi leadership. These have drawn support from Sunni Islamic radicals, Sunni liberal elites, and representatives of the Shia minority. The relative openness encouraged from the top down by Abdullah, then the de facto ruler, who was bent on tackling corruption and promoting transparent decision-making had created an environment in which he was literally, and publicly, petitioned. However, a year later this mood had passed, as more cautious voices, embodied in the person of interior minister Prince Nayef bin Abdel-Aziz al-Saud, targeted the leading petitioners. The petitioners' demands had grown stronger and events in neighbouring Iraq had compounded Al-Saud hesitancy in the face of a domestic terrorist challenge that was seemingly emboldened by the invasion, despite the fact that the kingdom had no public role in it. In keeping with the consensual pattern of al-Saud internal decision-making, Crown Prince Abdullah launched his National Dialogue in 2003 in what its more ardent liberal Al-Saud promoters sometimes presented in terms suggestive of a wholly inclusive decision making process, is in reality what its name says, a dialogue.

LIMITED NATIONAL DIALOGUE AND EXISTENTIAL FEARS

The National Dialogue has a physical presence in Saudi Arabia beyond a series of meetings; it has a permanent headquarters and a permanent staff. However, it is not underpinned by any constitutional or other legal authority, nor is there any obligation on the government to heed the deliberations of National Dialogue meetings, which is also the case with the *majlis-al-shoura*. What has unsurprisingly proven to be

largely a discussion forum on increasingly less pertinent issues, had at least provided a symbolic inclusiveness which, at its early stages, had seen an important expression of Shia “acceptability” in the eyes of the regime, underscored by the sight of radical clerics associated in the early 1990s with a militant assertion of an essentially Sunni chauvinism sitting with representatives of the Shia minority. The latter’s exclusion from much of national life continues to reflect the pivotal role in the Saudi political system of an ultra-conservative Sunni religious class. Their ascribed role under the operative legal code in the kingdom in interpreting Islamic law, and the existence of a historic compact with the al-Saud, circumscribes the latter’s executive authority. This, and Saudi clerics’ (*ulema*) highly puritanical interpretation of Islamic theology in which *tawhid* (or “unity”), has effectively cast doubt on the Islamic credentials of a number of key minorities in the kingdom, including the Shia. However, when influential Sunni clerics had completed the public, as well as the less photogenic, dialogues with the most senior Shia cleric, Hassan Al-Saffar and his colleagues, the community of which the ayatollah is the public focus remains frustrated, even if its more educated leaders appreciate that some hitherto sacrosanct ground has been broached. Shia Islamists, at least those of the more representative cast that almost swept the board in the 2005 municipal election in Qatif (near Al-Khobar), recognise that the environment in the kingdom is, from their perspective, more accommodating, but they still see considerable limits.

In essence, the National Dialogue has offered a more inclusive approach to the Shia and other minorities, raising the hope rather than providing the guarantee of fairer treatment for them as fellow Muslims. Their political representatives are not being brought in as equal discussants, rather the representatives, for example of the Shia, and of the Ismaili sect, have been taking part as religious elders. Thus the debate, such as it is, is about ending individual discrimination; it is not based on a formal recognition of structural inequality in power. It is not therefore conceived of as a challenge to the political hierarchy, more as an exercise in political choreography, which, by bringing such groups in from the cold, has begun to affect their official treatment. This though reduces key minorities’ desire for political accommodation within the kingdom to little more than the political expediency of senior al-Saud.

THE SHIA FACTOR IN INTERNAL DECISION-MAKING

Even in this limited respect, the setting back of the objectives of King Abdullah, and his allies among the more liberal of the al-Saud princes, reflects existential fears based on the perceived inter-relation between the political assertiveness of Saudi Shia and Shia authority in Iraq and Iran, and the influential role of the latter in southern Iraq and, so Riyadh fears, potentially in the kingdom’s oil-rich Eastern Province in which many Shia are located. In this, Saudi regime and wider Sunni elite memories abound of the country’s experience in the 1980s Iraq–Iran war, and the degree of political support among Saudi Shia that the Iranian revolution engendered. In organisational terms, as well as popular sympathy, this can link to Iraq, especially under its new dispensation. Mutual support existed then, and exists now, between Iran and what for many years was the leading Iraqi Shia Islamist party, al-Da’wa and its spin off, the Supreme Council for the Islamic Revolution in Iraq (SCIRI). The leading political trends among Shia parties in Saudi Arabia have connections and ideological commonalities with these Iraqi parties. Related to this is the status of the southern Iraqi city of Najaf, which, although politically problematic for the Iranian regime under Iran’s present spiritual leader at least, provides the key sources of emulation (*marja’iyya*) for Saudi Shia, with Grand Ayatollah Sistani’s status far eclipsing the authority of Ayatollah Hassan Saffar, who enjoys traditional authority but has comparatively limited religious credentials.

The reassertion of the Al-Saud’s traditional caution has ended what was shaping up to be a conjoining of the traditional Gulf practice of a ruler providing an audience for a broad cross section of the populace to voice their grievances, with what had been the presentation of fairly concrete political aspirations. Today senior Al-Saud, whether of a liberal or more conservative bent, continue to strike different tones on what had already been an ambiguous leadership commitment to extending the role of elections, for example. However, the senior al-Saud agree on the dangers of the war in Iraq and the impact that it is having on their ability to head off security challenges from radical Sunni fighters, especially those “schooled” in the “new Afghanistan” situated just across their northern border. *This is impacting on relations with Iran itself, and could raise further tensions between members of the Gulf Co-operation Council (GCC) as attitudes to US and EU policy vis-a-vis Tehran are liable to vary if the emergent nuclear crisis with Tehran develops further.*

The Iraq war has also emphasised Saudi concerns about US policy in particular in the region. While Riyadh is pleased that “strategic dialogue” has recently been formally institutionalised into a six monthly series of high level meetings, the kingdom is anxious that, in its eyes, the US and the UK are preparing to effectively “hand Iraq over” to Shia Islamists with firm connections with Iran. Saudi Arabia also fears that, in the medium term, a major drawdown of coalition troops will occur in Iraq that will not be due to them having helped create a relatively stable security environment on the ground. Thus Saudi Arabia may find itself increasingly drawn into a conflict in which other neighbours of Iraq are vying for influence. From the kingdom’s perspective this may be needed in order to head off a radical hinterland that would enable a disparate array of forces implacably opposed to al-Saud rule to operate against it. King Abdullah has recently been building links to radical Iraqi Shia leader, Moqtada al-Sadr, in an effort to build pragmatic relations of co-operation out of their common interest in Iraq not being subject to Iranian hegemony.

SAUDI ARABIA'S MISGUIDED JIHAD EXPORT POLICY

In the aftermath of the coalition invasion of Iraq, and the ensuing development of greater militant anger inside the kingdom, Saudi Arabia showed signs of re-running the failed policy it adopted toward Afghanistan in the 1990s when domestic radicalism at home was encouraged to find an outlet in territory removed from the Gulf. Erstwhile militant clerics were allowed to use public fora on television and the press to effectively urge angry youth to take the "jihad" to Iraq. While in 2004 a clampdown was being conducted at home against Saudi *ulema*, with a significant number either sacked or "retrained", *fatwas* issued without repercussion also legitimised jihad against the "invading forces" in Iraq. This is not in overt contradiction, given that senior Saudi officials are becoming increasingly public in their concern about the consequences for the kingdom and the wider region of Shia dominance in Iraq. However, it is understood among Saudi leaders that ultimately this not a wise policy for the kingdom to pursue, and that the kingdom is once again playing with fire, given that at some point these effectively "exported" fighters will return home. Furthermore, both conservative and more liberal senior al-Saud are aware that the Iranian dimension that compounded their and the widespread fears among other Sunni Arab regimes of a Shia regional crescent cannot be offset by a few thousand foreign Sunni jihadists in Iraq. *Officials keenly wish that the Iraqi/coalition side of the border could be more effectively policed to prevent the very "wash-back" that others have effectively encouraged.*

SAUDI AND UK HAVE COMMON REGIONAL SECURITY NEEDS

What Saudi Arabia's King Abdullah and senior players in the national security apparatus in the kingdom lack is a strategy for replacing a coalition drawdown with a role for neighbours that facilitates internal cooperation, as opposed to regional conflagration. Saudi Arabia backed away from the seeming logic of its 2004 proposal that "Muslim forces" be sent to Iraq, subsequently emphasising that greater security in Iraq was always meant to be the prerequisite of such an involvement, and that it had never meant that Saudi forces should be present. The bottom line of course is that an Iraqi government would have to invite in any such force. However a role for the forces of other Muslim states is still possible, even if the contradictory and controversial involvement of the militaries of Saudi Arabia, Syria, Iran and Turkey, may be impossible to agree, within and without Iraq. Ultimately though, a means to provide a framework for regional cooperation over Iraq, just as Saudi Arabia seeks such a structure over other regional security issues, is needed. *This provides a coincidence of British national interests with those of Riyadh, given the UK government's desire to withdraw its troops from Iraq as promptly as possible.*

The enhanced military capability of Iraq's fledgling national armed forces is the official prerequisite for a UK and US troop departure. Furthermore, the inevitably embattled new Iraqi government, assuming one is formed, as scheduled, by April 2006, is unlikely to want anything more than a symbolic drawdown of coalition troops, at least over the medium term. Therefore a mechanism should be encouraged by the British government that can downgrade the western troop presence and gradually introduce forces of Muslim, possibly Arab states, conceivably under UN "cover", that are not seen by different sectarian and ethnic interests in Iraq as overtly partisan. Such forces may have to be confined to more benign provinces and, central to wider ambitions, to contain terrorism as part of a combined Iraqi and international border security force. This would help ally the concerns of Saudi Arabia, and potential major flashpoints such as the Syrian, Saudi, and, not least, Iranian borders. Securing an international and Iraqi national presence on the Turkish border is more complicated, given the operation of Iraqi Kurdish autonomy. However, the latter could cooperate with international forces, thereby potentially easing Turkish disquiet about their border with Iraq.

DOMESTIC TERROR CLAMPDOWN SHOWS MIXED RESULTS

While Saudi Arabia considers its options to be limited regarding the shaping of events inside Iraq, it continues to pursue a mixture of short term conventional security measures inside the kingdom against terror attacks, and some steps with an eye toward shifting the longer term social and economic conditions in order to tackle the causes of disaffection. There were some undoubted preventive successes over the 12 months following the attempted terror attacks in Saudi Arabia in December 2004. Furthermore, those attempted attacks, at the US consulate in Jiddah, and at an interior ministry and related facility in Riyadh, suggested greater desperation on the part of the militants involved than the efficient operations that were conducted for example against two residential compounds in 2003. Penetration of the kind witnessed in two successful attacks in 2004 against energy and petro-chemical related buildings (as opposed to key infrastructure) was at that point not an option. However the attack on the US's Jiddah consulate succeeded in very publicly emphasising the daring of the militants and their ability to get very close to targets that lacked the moral ambiguity for many ordinary Saudis of more national targets.

ABQAIQ ATTACK EMPHASISES VULNERABILITY

Shockingly for the Saudi authorities, in February 2006 two attempted suicide car bombings were conducted at Abqaiq, near Dhahran, site of the kingdom's major oil processing facility run by ARAMCO, the state-owned Saudi Arabian oil company which controls all the country's oil and gas facilities. Abqaiq processes more than a third of the kingdom's daily oil output, from which it separates associated gas for use in the oil sector or domestic consumption. Senior spokesmen and those close to the intelligence establishment emphasised that key alleged al-Qaida-related figures were killed in the shootout and subsequent clashes. However, other sources create a more disturbing impression than this apparently efficient "counter-terror interception" would suggest. Apparently the first of three perimeter fences of the Abqaiq facility was breached by men dressed in ARAMCO uniforms and driving ARAMCO vehicles. Only as they approached the second perimeter fence were they shot at. The fact that insurgents either had inside assistance from members of the formal security operation of the state-owned energy company to the extent that, as was suggested in the attacks in Yanbu in 2004, they gained vehicles and uniforms, or that security was sufficiently lax that these items could be obtained and entry to the site obtained, is seriously concerning. ARAMCO security normally provides around 35,000 carefully recruited men, who, together with state security forces, are responsible for guarding energy-related infrastructure. This makes the attack all the more alarming, and emphasises the continued vulnerability of the kingdom. As failed attempts alone they represent a major psychological as well as practical blow, and if successful would impact majorly on oil prices as already limited spare production capacity internationally would have tightened significantly.

A state of heightened security has in fact remained an ongoing feature of daily life since 2003, with not just seemingly tight perimeter security around westerners' residential compounds, but a succession of roadblocks in the major cities. There are regular, if until recently reduced, incidents related to the ongoing terror threat, whether shootouts or intercepted bombs. Much of this goes unreported in the kingdom and internationally. However the authorities claimed that the shootout in September 2005 in Dammam on the Persian Gulf coast prevented what was a plot to attack oil facilities there. It is unclear how significant that threat would have been. The Saudis are the first to emphasise that the security force operating under ARAMCO jurisdiction, together with the National Guard under King Abdullah's direct command, are fiercely loyal. As far as oil facilities are concerned, the security operation of ARAMCO is rigorously policed, tribally incorporated and devoid of Shia. However, the latter no longer represents the focus of security concerns, whether infrastructure or other targets. According to a US investigative reporting programme last year, Ras Al-Tanoura, on the Persian Gulf, was the target of a conspiracy that was successfully intercepted. Since the accession of Abdullah as King in August 2005, despite the traditional caution in political changes, some senior intelligence and security personnel were replaced. This contributed to what had been the relative success of the Saudi security forces in maintaining an absence of actual or attempted major outrages, but has clearly not ended the security challenge.

A lot still happens outside of major cities such as Riyadh, Jiddah, Mecca, Medina and Dammam. Ironically this was evident in the development of the Saudi intifada in the early 1990s in the province of Qasim in the region of Najd. In Najd, the supposed "spiritual home" of the Al-Saud regime, the familiar and relative material sophistication of the capital and Jiddah are worlds away. Qasim is for many westerners particularly culturally and geographically remote, where in its towns and villages the austere values of the unitarian interpretation of Sunni Islam is a highly pervasive cultural as well as political force. Evidence persists that, while the more renowned leaders of the first generation active in the early 1990s demonstrations in Buraidah and Unaizah especially have been relatively successfully politically incorporated by the regime, others remain implacably hostile to the rule of the al-Saud and continue to seek to mobilise this opposition. This is by no means confined to Qasim and other parts of Najd, and it can be found throughout the country. Furthermore, the relatively small number of militant fighters at large in the kingdom, and their organisation in clandestine cells relies more on effective communication than territorial bases. Recruitment to such networks is difficult to define as any one process, but oxygen is effectively provided by the welter of websites, some produced and managed outside of the kingdom, whereby dissident clerics continue to expostulate what are effectively revolutionary views.

TAKING IT TO THE RURAL HEARTLANDS

That said, the case of Qasim and other more remote parts of Najd is an issue in terms of the need for popular engagement in the well publicised struggle by the state to ensure that its monopoly of violence is not undermined by a lack of political legitimacy. Over the last 18 months there has been evidence that the al-Saud had been able to more effectively police large cities in less conservative areas. However, the need to ensure cooperation in areas where the relationship of authority structures to the state has relied for its legitimacy on the overlap between religious adherence and al-Saud credibility is more problematic. Part of the almost secret war (to western eyes and ears at least) is related to events outside of main towns. On the other hand there is a clear sense that residents in more rural, as well as urban, areas are proving more willing to cooperate with security and police forces in the pursuit of wanted or suspected militants than was the case two years ago. For one thing, outsiders stand out, always a factor in the ability for the security apparatus to pursue wanted militants. However the deeper, more ingrained culture of religious-based opposition is a more complex challenge that still washes over with militant opposition and a willingness, at least, to conduct violence inside the kingdom.

CREDIBILITY GAP

Patently the Saudi “war on terror” is not just a matter of security force operations, headed by the “right” personnel. King Abdullah has been at the forefront of the battle being waged by the Al-Saud for hearts and minds, beginning when, during his period as de facto leader, terror incidents were stepped up in the kingdom after the Iraq war. Admonishments to ordinary Saudis to expel those defined as un-Islamic from their midst had greater cache in the aftermath of the May 2003 residential compound attack in Riyadh, and an interior ministry office later that year in which some Saudis and foreigners seeking passport or visa renewals were killed along with a few low level employees. However the al-Saud have a credibility problem that over many years has developed into a situation where some of the kingdom’s communities have been effectively complicit in the growth of militancy and in recent years have constituted the pool in which militant fish have swam. The work that has been done by Abdullah in pressing the moral case, backed up by pressure on clerics directly and through more willingness to police their ranks and his success in securing *fatwas* in which mainstream *ulema* as well as former *jihadis* explicitly condemn terrorism (albeit by implication only when conducted in the kingdom as opposed to Iraq), has been important. The messages that are endlessly conveyed on TV adverts, debates, newspaper articles; and in large, often ghoulis, hoardings depicting the after-effects of terror outrages have played their part too in the culture of condemnation of what until recently had seemed to seriously threaten the stability of the country.

THE RIYAL IN YOUR POCKET

The bottom line though is that the causes of discontent that have developed since the first Gulf war in 1991 have revolved around an ideological radicalisation spearheaded by disaffected *ulema* in which the al-Saud have been judged increasingly harshly. Despite the cyclical patronage power of oil revenue windfalls, radical clerics have been able to exploit a relative economic downturn that has seen per capita GDP, although rising again in recent years, remain far below that enjoyed from the late 1970s to early 1980s. With officially admitted unemployment running at 10% among a 26 million population rising in excess of 3% a year, and the state unable to provide meaningful jobs for its burgeoning numbers of annual school or college leavers, then economic pressures are likely to continue to cause political frustrations. In this context radicals are easily able to point to corruption and the effective political complicity of the al-Saud leadership in US and UK policies which, at the popular as well as elite level, are judged to be unconscionable, whether in Iraq or Palestine. Any increased tension, and even threat of military action, against Iran would be seen qualitatively differently by the majority of Saudis to what is happening in Iraq. However it would certainly run the risk of making the UK’s position in Iraq, and with more traditional Gulf Arab allies, more difficult. Given the existential dilemmas created by Saudi Shia discontent, it would certainly weaken our standing among this community as well as among the majority of Iraqis, which, given the potential for this relationship to unravel in the south, represents an unwelcome prospect.

UK–SAUDI RELATIONS

UK policy toward Saudi Arabia should continue to be based on the strategic significance of the kingdom and the extent to which the ruling al-Saud are able to continue to serve as an important ally to this country’s interests. This is not just in terms of the “war on terror”, but in some related aspects including attempts to re-energise the Middle East Peace Process (MEPP), and in the maintenance of a responsible balance of national and international commercial interest in sufficient a surplus of oil on international markets to offset excessive price pressures. After all, price pressures from geo-political factors as well as other supply issues affecting non-OPEC countries and consumer countries’ refining capacity, could easily see an already historically strong oil price rocket further. All of this, however, emphasises the pivotal importance of Saudi Arabia; not as a country to simply be appeased and for a blind eye to be turned toward unacceptable practices, whether *fatwas* or financial transfers. Being a “critical friend” also requires the UK government to encourage realism about the further steps that may be needed for Saudi Arabia to extend its spare oil production capacity. This must not be presented in ways that arouse suspicion that Britain’s economic interests are in anything other than a sufficient international oil capacity surplus over the longer term. It also requires greater UK government frankness about the political and administrative changes needed in the kingdom to enhance accountable and transparent decision-making; a direction that, if anything, appears to be being setback of late.

FOREIGN POLICY OPTIONS

Re-energising the MEPP is patently unlikely to wither violent “jihadi” fighters overnight. King Abdullah faced major risks domestically and regionally in drawing up what against Arab resistance in some quarters became known as the “Arab Peace Plan” underwritten at the Beirut Arab League summit in 2002. However, the plan’s initiation, while mindful of the immediate flak coming from the US after 9–11, was done in the longer term awareness of the poisonous impact on Arab–western relations and on local regimes’ ability to manage those relations that the conflict with Israel continues to present. Those who saw Abdullah’s spelling out of an offer that gave expression to the long Israeli demand for the Arabs to offer the vision of a “warm peace” simply as a Saudi attempt to placate the US administration were somewhat wide of the mark. The

Bush administration never took Abdullah's peace plan seriously, given the political mood in a Washington reeling from 9–11, but already thinking of the next phase after Afghanistan, and in an Israel that at the time was engaging in a military assault on Jenin. The infamous assault on the West Bank town only emphasised the risks to King Abdullah in launching the plan in the first place. At the same time the Israelis' heavy-handed response to the terrorist attacks upon them in the course of the second intifada only emphasised the need for the US and for the UK to offset criticism of their position in the Arab world with a more serious effort to give the plan some diplomatic ballast. That plan is not dead, however. In fact it has been resurrected in recent Saudi suggestions of ways in which Hamas might be eased into international acceptability, and could, should they be minded, enable Syria to play a role in the process as Damascus seeks to extricate itself from current US and European pressure.

IN CONCLUSION

Anglo–Saudi relations would benefit from an easing of the kingdom's regional unease through more innovative US and UK approaches to the Iraq question and to the MEPP. These are plainly not easily done, but they also emphasise how difficult it is to look at the kingdom in isolation from the regional problems bedevilling the UK and the US, with whom our policies are closely linked. Our need to engage with Riyadh on these questions, and to offer them incentives for greater involvement over regional issues vital to both their and our security interests, cannot be separated either from their need to address fundamental problems at home. In part these are security challenges requiring more effective interception work by the Saudis, who continue to work closely with the US and the British in maintenance of effective intelligence regarding common threats in the region. However, these are also challenges requiring consistent British pressure over the pace and nature of political reforms. For the latter to be effective, attention to popular perceptions of the al-Saud which feed a climate of delegitimisation, and can thus facilitate terrorist activity, needs addressing too.

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As you may be aware, 2005 marked the 30th anniversary of the entry into force of the 1972 Biological Weapons Convention (BWC) which totally prohibits the development, production, stockpiling and use of biological and toxin weapons. Since a biological weapons convention was first proposed (by the UK) in 1968, the UK has been a strong supporter of the Convention and efforts to strengthen it. However, in 2001, almost ten years of effort to negotiate a compliance protocol designed to improve implementation and verification of the Convention spectacularly collapsed. This was made worse by the failure of states parties to adopt a final declaration at the subsequent 5th review conference. After a year's hiatus, the conference reconvened in November 2002 and agreed a programme of work whereby states parties would discuss five specific issues relating to implementation at annual meetings of the states parties during 2003–05. The UK participated actively in the meetings and, notably, chaired the 2005 sessions. Attention is now turning to the 6th BWC review conference which is due to be held between 20 November and 8 December this year.

In April 2002, the Government initiated a dialogue with parliamentarians and others under a Green Paper on the BWC (Cm 5484). Subsequently, the Foreign Affairs Committee published two reports on the Green Paper (HC 150 and HC 671) and has also commented on the BWC in its reports on foreign policy aspects of the war against terrorism, most recently during its 2004–05 session (HC 36–I). In addition, the House of Lords European Union Committee stated last year that there is to be a review conference of BTWC parties in 2006, but it is unclear what might be achieved. In our view, the search for new ways forward needs to be energetically pursued. (HL Paper 96).

We believe that, with careful preparation and with leadership from the UK, the 6th review conference can achieve a successful outcome. To this end, we suggest that the Foreign Affairs Committee continues its constructive role by undertaking another inquiry into the BWC. The Committee should review the achievements of the annual meetings and what needs to be done by the Review Conference ideally reporting back before the 2006 summer recess. This would be a useful contribution to the UK Government's preparations for the 6th review conference. Attached is a selection of some issues we believe warrant parliamentary attention. We stand ready to provide any assistance which you might require.

1972 BIOLOGICAL WEAPONS CONVENTION

Possible issues for parliamentary attention

In the years since the Government published its Green Paper on the BWC (Cm 5484) (2002) and the Foreign Affairs Committee (HC 150 and HC 671) conducted its inquiries (2002 and 2003), enough has changed to warrant renewed parliamentary attention to the BWC. Scientific advances have continued apace, just recently for example, the reconstruction in the laboratory of the extremely virulent 1918 ‘Spanish Flu’ has been announced. The spectre of ‘bioterrorism’ has alarmed governments and people around the world and led to new legislation. While earlier concerns about biological weapons programmes in Iraq and Libya have been allayed, concerns remain about other countries and also about some ‘biodefence’ activities in the USA. In response, a number of new initiatives have been adopted including UN Security Council resolution 1540 (2004), the Proliferation Security Initiative, the GB Global Partnership against the spread of weapons and materials of mass destruction and the Global Health Security initiative.

The states parties to the BWC have met annually since 2003 to discuss the following five topics:

- “(i) the adoption of necessary national measures to implement the prohibitions set forth in the Convention, including the enactment of penal legislation;
- (ii) national mechanisms to establish and maintain the security and oversight of pathogenic microorganisms and toxins;
- (iii) enhancing international capabilities for responding to, investigating and mitigating the effects of cases of alleged use of biological or toxin weapons or suspicious outbreaks of disease;
- (iv) strengthening and broadening national and international institutional efforts and existing mechanisms for the surveillance, detection, diagnosis and combating of infectious diseases affecting humans, animals, and plants;
- (v) the content promulgation, and adoption of codes of conduct for scientists”.

The UK has played an active role in each annual meeting and Ambassador John Freeman chaired the 2005 meetings. The 6th review conference will take place in November/December 2006, following a Preparatory Committee meeting in April. It is essential that states parties carry out a comprehensive and effective review of the treaty at the 2006 review conference, as this has not been achieved since the 3rd review conference in 1991. (The 5th review conference (2001) could not even adopt a final declaration, while the 4th review conference (1996) focussed on the negotiations for the compliance protocol, which subsequently failed). Such a review will contribute to a successful outcome of the 6th review conference. A successful outcome is vital to avoid the risk that the BWC may be seriously undermined at a time when biological weapons are recognised as a growing threat to international security. It is therefore imperative that constructive preparations and consultations for this year’s review conference begin as early as possible.

Given the challenges faced by the BWC, new responses to those challenges adopted by some states outside the treaty regime, the voluminous information arising from the annual meetings of states parties held during 2003–05 and the forthcoming 6th review conference, we believe that an inquiry by the Foreign Affairs Committee is timely. We suggest the following as possible areas of inquiry for the Committee:

UK objectives for the 6th review conference

Does the Government expect a Final Declaration that reaffirms and extends the extended understandings developed at previous review conferences? What effective actions does the Government wish to see emerge from the review conference?

Progress in UK priorities

To what extent has the Government achieved success in the “five specific areas for immediate action” listed in its Green Paper? How does the Government assess the results of the annual meetings from 2003–05 and how would it like the achievements from these meetings to be taken forward into the review conference?

Compliance concerns

Given the collapse of negotiations on the BWC protocol in 2001 and the improbability of resumed negotiations in the foreseeable future, how does the Government intend to address concerns which it has about compliance by other states parties? How will it promote the need to strengthen and expand the UN Secretary-General’s investigation mechanism?

Scientific oversight

Given the rapid advances in the life sciences and biotechnology, is reviewing the BWC every five years adequate? Will the Government seek the establishment of a mechanism for more frequent review of advances of science and technology relevant to the Convention at the forthcoming review conference?

Linkages between the BWC and the 1993 Chemical Weapons Convention

In view of the accelerating convergence of biology and chemistry, will the Government be considering possible overlaps between the 2006 6th BWC review and the 2008 2nd CWC review, which is an opportunity for international action to which the Lemon–Relman report on *Globalization, Biosecurity and the Future of the Life Sciences* from the US National Academies has just drawn attention? (The report can be viewed at <http://fermat.nap.edu/books/O3091OO321/html>)

Addressing the institutional deficit

Given the success of the annual meetings of experts and states parties under the BWC between 2003 and 2005, will the Government support a further programme of annual meetings following this year's review conference? What subjects would the Government like to see such meetings consider? Will the Government seek a wider mandate for future annual meetings so that effective action can be agreed each year rather than deferring further consideration until the 7th review conference? Would the Government support the creation of a small BWC secretariat to undertake specific tasks related to the implementation of the BWC?

Enhancing transparency

The Government recently placed the BWC confidence-building measure returns made by the UK for 2003 and 2004 on the FCO website. The UK therefore joins Australia and the USA as the only BWC states parties to publish their returns in this way thereby enhancing International transparency and confidence. In what way will the Government be seeing a strengthening of the confidence-building measures at next year's review conference?

The BWC in the UK's counter-proliferation strategy

Where does the BWC fit into the Government's counter-proliferation strategy? What role does the Government foresee for multilateral treaties such as the BWC? What is its relationship to more recent measures such as UN Security Council resolution 1540, the Proliferation Security initiative and activities under the European Union's WMD strategy? Does the Government continue to see a possible role for International criminal law in strengthening the present array of constraints on acquisition and use of biological weapons? And how does the Government see the BWC in relation to public health activities such as the Global Health Security initiative and the World Health Organization's International Health Regulations (2005)?

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Oral evidence on Iran

Taken before the Foreign Affairs Committee

on Wednesday 8 February 2006

Members present:

Mike Gapes, in the Chair

Mr Fabian Hamilton
Mr David Heathcoat-Amory
Mr Eric Illsley
Mr Paul Keetch
Andrew Mackinlay
Mr John Maples

Sandra Osborne
Mr Greg Pope
Mr Ken Purchase
Sir John Stanley
Ms Gisela Stuart
Richard Younger-Ross

Witnesses: **Rt Hon Jack Straw**, a Member of the House, Secretary of State for Foreign & Commonwealth Affairs, and **Dr David Landsman OBE**, Head of Counter-Proliferation Department, Foreign & Commonwealth Office, gave evidence.

Q1 Chairman: Good afternoon. Welcome. Thank you for coming along at relatively short notice to see the Committee. We appreciate that, we know you are very busy. Can I begin by asking you whether you are absolutely sure that Iran is seeking a nuclear weapons programme?

Mr Straw: No, I am not absolutely sure. No-one is absolutely sure. Indeed, I have never suggested that we are absolutely sure. What we are absolutely sure about is that Iran failed to meet its very clear obligations under the Non-Proliferation Treaty. That is not a matter of intelligence or a dossier; it is a matter of fact. For 20 years they covered up their nuclear fuel cycle programme; it was only exposed to view when some dissidents leaked the information about it and that was how the Government of Iran ended up before the IAEA Board of Governors. What that showed when the details came out was that Iran had been developing a programme to produce nuclear fuel on a scale which is disproportionate to any known programme they have for nuclear power stations. There is a separate issue about whether a country which is sitting on such huge reserves of oil has an economic interest in a nuclear power station but that is a matter for them in the end because they have a clear right, the same as any other signatory to the Non-Proliferation Treaty, to have nuclear power stations if they wish. However, they have very clear obligations not to develop the fuel cycle. That is one element of suspicion, the fact they covered up the scale of the programme, the fact that the only power station currently being built is the one at Bushehr which relies on fuel exclusively from Russia and none of this fuel will go to it. There are no other nuclear power stations I am aware of under construction the Iranians say, although some are at a planning stage. Secondly, there has been research on polonium and plutonium. They were seeking to develop a research heavy water reactor which produces plutonium, not necessarily the best buy if you are generating electricity but an essential buy if you are trying to make hydrogen bombs. Then there is the fact that

this manual from AQ Khan, which showed how to produce depleted uranium hemispheres which have a use only in hydrogen bombs and not in nuclear power generation, was unearthed by the IAEA inspectors sometime in the autumn. So you add all that up and it is a case to answer by Iran. Not least because of the decision in September when the Board of Governors formally found Iran in non-compliance, the international community said, "The onus is now on you to disprove you are not using this programme in order to produce nuclear weapons capability".

Q2 Chairman: But the Iranians say other countries in their region bordering them have developed nuclear weapons—India, Pakistan, Israel—and there are other nuclear weapon states in the world. What would be so difficult about Iran having nuclear weapons?

Mr Straw: They are right, of course, India, Pakistan and Israel have nuclear weapons programmes. We would wish them not to have those programmes. Those three countries are the only countries of any significance which are not signatories to the Non-Proliferation Treaty. We continue a campaign for them to sign the Non-Proliferation Treaty, but that is a separate issue. We have also called for and voted for resolutions in the General Assembly of the United Nations for a nuclear-free Middle East but my response to that is this: let us just deal with the Middle East first of all. There used to be four potential nuclear weapon states in the Middle East. In addition to Iran and Israel there were Iraq and Libya. As a result of action taken by the international community over a 10 year period, Iraq, which had a well developed nuclear weapons programme, no longer has that programme. As a result directly of UK and US intelligence and diplomacy, which went on for many years covertly, and probably as a result of the action we were firmly taking in respect of Iraq, the Libyan Government agreed to abandon their nuclear weapons programme which was at a greater stage of

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development and on a larger scale than we had anticipated. They began to do that in December 2003 and the process has continued. Of the four countries, we are down to two with nuclear weapons potential in the Middle East. Iran has signed up solemnly to the Non-Proliferation Treaty and as a non-nuclear weapons state they have rights to develop nuclear power under Article IV but they have obligations not to do anything in the way in which they develop a nuclear power capability which could lead to the development of a nuclear weapons capability. Let me make this clear—I have made it clear time and time again—Iran has every right to nuclear power stations. The regime is claiming to their own people that what we are seeking to do is to stop them developing nuclear power plants, which is palpably untrue. As I pointed out to the Iranian media just this morning, Brazil has nuclear power plants and a fuel cycle and no-one is seeking to stop them because there is no question about Brazil's intentions being other than for peaceful purposes. The problem about Iran is its intentions. If you want to see a nuclear-free Middle East and then in time get back to a situation where there are no nuclear weapon states, you need to start in the Middle East. I say to the Iranians, as I said to their media this morning, the worst way of achieving peace and security in the Middle East is to have Iran developing a nuclear weapon, or leading to that suspicion, because that will then lead to other states in the region almost certainly developing their own nuclear weapons. I cannot speak for them but I offer this speculation: some of the larger Arab states would not stand idly by for a second if they thought that Iran was developing a nuclear weapon. If we are going to get to a situation where we can effectively say to the Israelis, "Sign the Non-Proliferation Treaty, become a non-nuclear weapons state", then we have to remove the very profound risks which that country faces to its very existence from Iran. Israel has run some controversial policies but Israel has never threatened the existence of any other state in the region. Israel has never said of Iran it wants to wipe Iran off the face of the map; Iran, of course, has said that of Israel.

Q3 Mr Hamilton: That is a good lead-in to what I wanted to ask, Foreign Secretary. We have heard President Mahmoud Ahmadinejad on many occasions say he wants to wipe Israel from the face of the map or see Israel completely destroyed. Should we not be far more worried than we seem to be about the prospect of Iran's nuclear weapon being developed, especially in the light of the fact that we know from media reports that they have the delivery systems capable of delivering a nuclear warhead into the heart of Israel?

Mr Straw: The whole world is worried about this. I would not have spent more time and effort on the Iran dossier than any other since the Iraq war were I not deeply concerned about this threat and the threat that it poses to international peace and security. Increasingly, there is a wide international consensus which shares our opinions. The vote in the IAEA Board of Governors on Saturday just gone

should give the Iranian Government very strong pause for thought because until last September the votes were either unanimous, because they were kind of milk and water resolutions, or in September we won a vote but with 22 out of 35 with the rest abstaining, apart from Venezuela that voted against, but we did not have any significant countries apart from India from the Non-aligned Movement on board, nor Russia or China. This vote, 27 out of 35, notwithstanding the fact it was a more difficult composition, it had changed, had three against: Venezuela, Cuba and Syria. A number abstained but the 27 who voted in favour included India, China, Russia, Brazil, Sri Lanka, the Yemen and Egypt. It was a tough resolution. Of course we are worried about it, the question is what do we do about it. I think the strategy we are adopting is the right one. I just repeat what we have is a high level of suspicion, we do not have absolute proof and I am conscious of the fact, not least because of the experience in respect of Iraq, that we have to be very precise about what we are claiming.

Q4 Mr Hamilton: Can I just move away slightly from the nuclear issue but still concentrate on Iran's desire to see the eradication of Israel. Do you have any evidence that Iran is funding Hamas both with money and with arms that are coming out of Iran to the Palestinian Territories? If so, what are we doing about it?

Mr Straw: We have a well-founded belief that Iran is funding Hezbollah and the Palestinian Islamic Jihad and has strong connections with them. We believe they are also funding Hamas as well although it appears that a good deal of the funds for Hamas comes from around the Arab world.

Q5 Mr Hamilton: Hamas has the same stated intention of destroying Israel.

Mr Straw: I understand that. Certainly there is political support for Hamas and that is reflected also in statements by President Ahmadinejad. Can I just say that one of the problems of dealing with Iran is that this position which President Ahmadinejad articulated in such a dreadful way is a longstanding one of the post-revolutionary republic. At one of my meetings with President Khatami, who genuinely was a moderate, I said to him when he was talking about Israel that it would help if, number one, they recognised the rest of the world thought a two-state solution was appropriate and, number two, if he as president of this republic ordered that the Shahab 2 missiles should not have painted on their side in English "Death to Israel" when they were paraded in the national parade each year. I was received with a shrug.

Q6 Mr Hamilton: One final question. In response to the controversy over the cartoons of the Prophet Muhammad, the Iranians have said, and they repeated their views about the Holocaust and Holocaust denial, we know about that, not only are they going to publish cartoons in one of the newspapers, or at least this newspaper is going to publish a cartoon which makes fun of the Holocaust,

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and okay that is Iranian free speech if you like, but I understand the Iranians are going to hold a conference about whether the Holocaust ever happened or not. Is there anything we can do about that or is that just a matter for the Iranians to—

Mr Straw: I would encourage people not to attend and to boycott it because it is a revolting idea. It is as revolting an idea as if those who oppose the way Iran behaves were to say that the million plus people who were killed by the Iraqis during the war against Iran, in which Iran was the unprovoked victim, were never killed. I think we have to put it in language which most Iranians would readily sympathise with.

Q7 Sir John Stanley: Foreign Secretary, the *Sunday Times* on 29 January began its extensive piece on Iran's nuclear options as follows: "The drab compound that houses the Iranian Embassy in Pyongyang is the focus of intense scrutiny by diplomats and intelligence services who believe that North Korea is negotiating to sell the Iranians plutonium from its newly enlarged stockpile, a sale that would hand Tehran a rapid route to the atomic bomb." Do you give any credence to the reports that have been extensive that negotiations are under way between Iran and North Korea for a plutonium transfer between the two countries and, if so, what steps are the British Government taking to try to ensure that does not happen?

Mr Straw: I have seen the reports but there is no publicly available evidence to corroborate them.

Q8 Sir John Stanley: I would not expect there to be much publicly available evidence. Do you give the reports any credence, Foreign Secretary?

Mr Straw: Let us leave it there, thank you.

Q9 Sir John Stanley: Can we be assured in this Committee that the British Government and others are taking all possible steps to ensure that such a transfer does not take place?

Mr Straw: You can indeed. We are alive to all reports of transfers of such material which are against international conventions.

Q10 Mr Purchase: Foreign Secretary, the balance of fear, mutual destruction, all those phrases were used in the post-war period when Britain, America, France and Russia held nuclear weapons as a matter of course. It was said by many to have given us a peace in those years. Why would it not do the same in the Middle East given that Israel already is a nuclear power and Pakistan has been mentioned, India? Why not Iran? We hear all the rhetoric I know.

Mr Straw: It is an important question to answer. Let me offer you an answer. It is this: the more states that have nuclear weapons and the less the behaviour of those states is constrained by international laws and obligations, the greater the likelihood is that there will be either by accident or by design a nuclear war. If you were identifying countries who fitted the category of being undesirable candidates to hold nuclear weapons, Iran would be quite near the top of the list. Let us be clear about this, if I may, Mr

Purchase. While it is easy to make points that the Permanent 5 have got nuclear weapons, the Permanent 5 have nuclear weapons in historical circumstances we all know about but by international agreement, and that was the purpose of the Non-Proliferation Treaty. President Kennedy and others said in the early 1960s that if the world carried on this arms race it could by the turn of the century just gone, end up with 20–30 countries with nuclear weapons and who knows what would be the consequences. That was the political origin of what became the Non-Proliferation Treaty. It was a deal between the so-called nuclear weapon states, the P5, and all others by which everybody agreed that there would be no more nuclear weapon states. In return for that, the non-nuclear weapon states would have this very clear right—it is not an unqualified right—to develop nuclear power and in certain circumstances nuclear weapon states would be able to ensure the availability of civil nuclear technology to the non-nuclear weapon states. Meanwhile, the nuclear weapon states were under an obligation to reduce their reliance on nuclear weapons. We, in this country, have got a better record than any of the other nuclear weapon states. We have reduced the number of weapon systems from three to one. We were in the forefront of trying to secure a constructive outcome to the Review Conference which took place in May of last year. I regret that no such outcome was possible but it was not for the want of trying by us. The last point I would make is this: this time four years ago there was a mobilisation on either side of the line of control in Kashmir between India and Pakistan. Those two countries came very, very close to nuclear war. I know because I was shuttling backwards and forwards between Islamabad and Delhi at the time. Thankfully, both of them backed away but what was shocking was that neither had a developed nuclear doctrine. Neither had worked out clearly the circumstances in which nuclear weapons could be deployed. Neither knew properly the nature of fallout. Although, thanks to statesmanship on both sides, they backed away from a conventional war, an accident or a misjudgment could have happened and we would not be sitting here with any kind of complacent suggestion that you have the more the merrier. What I want to see is the fewer the better and that is the purpose of our policy.

Q11 Mr Purchase: Thank you for that because I also would like to see the fewer the better but the International Strategic Studies organisation believes that Iran could, in fact, become a nuclear power by the end of the decade. Simultaneously we will probably be renewing our programme of Polaris. Is it a bit awkward for you in diplomatic circles that these two events seem to be happening simultaneously?

Mr Straw: No, it is not, as a matter of fact. I will set out the context in which it is taking place. What we want to see is a world where there are no nuclear weapons but there is a very big difference between the highly regulated circumstances in which the P5 hold their nuclear weapons by agreement with all the

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other non-nuclear weapon states, and states like North Korea or Iran which choose to misuse—these are poor countries—their resources that serve no particular strategic purposes we think to develop nuclear weapon systems. It is not going to make the world a safer place. What will make the world a safer place is the policy which we and to some degree the other members of the P5 have been pursuing, which is a gradual reduction in reliance on nuclear weapon systems. Mr Purchase, what you are running into is the argument whether in the special circumstances of P5 we should unilaterally disarm. I do not happen to take that view. I do happen to believe that we should use every effort to reduce the arsenals of all members of the P5 and we do accept that.

Chairman: Can we get back to the process that is going on now.

Q12 Mr Illsley: Foreign Secretary, a few moments ago in response to my colleague you said the resolution passed over the weekend was a tough resolution and it was the right thing to do. In reality, do you really have any confidence in the UN process which is underway in Iran at the present time as a result of that?

Mr Straw: I do. First of all, what I hope may happen is even at this stage it may encourage the Iranian Government to recognise that their future lies in the kind of path that we proposed to them and the previous administration were following, and even they were proposing to follow as late as December when they said to the Russians they were not going to break the seals on their enrichment processes. Secondly, I do not think anybody should underestimate the effect the authority of the Security Council can have. The question I ask is if the Security Council means nothing at all, why did the Iranian Government go to huge lengths, astonishing lengths, to lobby every single member of the Board of Governors they could find against this resolution? Why did they imply to many of these states that they would lose contracts in terms of oil? There were all sorts of insinuations made in order that this matter could not get before the Security Council. My answer to that is they are worried about being isolated and being before the court of world opinion. The last point I make on this is if you look at what has happened with Syria following the passage of 1559 and 1595, Syria is an incredibly difficult country to deal with, almost as difficult as Iran, nothing else has been decided in those resolutions but because of the pressure of Security Council resolutions Syria has by stages had to come into compliance with those resolutions, they have had to withdraw the whole of their army from the Lebanon, they have had to comply and co-operate with the Investigatory Commission and many other things. I do not ignore the authority of the Security Council.

Q13 Mr Illsley: I hope that you are right, but some Members of the Committee had a discussion a couple of weeks ago with Mohammed ElBaradei about referral to the Security Council and whether that was the right way to go. I know the resolution was only to report. We had a discussion as

to whether that would be productive or counterproductive in that once it is referred to the Security Council there is nowhere else to go other than through sanctions or some other action. If you have confidence in what is going on, why did the European Union ask ElBaradei to report prior to the February meeting?

Mr Straw: Why?

Q14 Mr Illsley: Why did the European Union ask him to produce a report in advance of the February meeting? Was there any reason for that? He gave the impression that perhaps the European Union wanted a more speedy process.

Mr Straw: We are a little impatient. These negotiations started actively in October 2003, which was a long time ago, and what is frustrating about it is that with the previous administration we were getting close to a serious long-term deal which was the one we proposed to the Government of Iran in early August of last year. There was discussion with Mohammed ElBaradei. Let me say that I know him well, I have got the highest regard for him and I have talked to him in very great detail about this, including two weeks ago before this process of discussions took place, and also to Kofi Annan. In drafting this resolution—it is ours, not his—we took account of his views, which is why in operational paragraph two the DG report required these steps of Iran to the Security Council and in paragraph eight effectively we wait until the large board. That was where we wanted to come out. That followed a late night dinner that I chaired in Carlton Gardens two Mondays ago—it was only a week ago, nine days ago, it seems like two years ago—with the Permanent 5 members of the Security Council in Germany where we agreed the approach reflected in this resolution.

Q15 Sandra Osborne: The resolution is a strong resolution but it does fall short of formal referral to the Security Council and obviously a consideration of sanctions, but it does commit to continuing the diplomatic effort. If there was a need to take stronger steps, how likely is it that there would be an international consensus on that? Is it the case that the international community is divided on what to do about Iran and Iran is well aware of that?

Mr Straw: The Prime Minister said yesterday, in answer to your Chairman, one step at a time, which is a hymn which I also think of as wise advice. There are available to the Security Council, as you will be aware, non-military sanctions under Article 41 and everybody knows what those are and how they have been used in the past. I do not want to anticipate decisions that the Security Council might or might not make in respect of sanctions except to say that it does not follow at all that just because the matter is considered subject to a resolution in the Security Council there have to be sanctions as well. What we have sought to do in having this dossier is to follow a very careful stage by stage approach. On the issue of a consensus, it is always possible there will be disagreements in the Security Council but I think they are unlikely for this reason: I do not believe the

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Russian Federation, China and other members of the Security Council would have voted for this resolution if when the matter got to the Security Council Russia and China, for example, were going to veto proposals that were put forward in a sensible way by France and the United Kingdom as the European members of the Council. I think the Iranians throughout this case have miscalculated the reaction of the international community. One of the attractions for them of the E3 process, of one country—Iran—negotiating with three countries on the other side of the table, was that they thought they could split the United Kingdom from France and Germany. They have comprehensively failed to do that. I think they then calculated that when push came to shove they would be able to ensure that China and Russia remained detached from the E3 and the United States. China and Russia showed on Saturday that was simply not the case. It would be an error by Iran to rely on divisions in the international community. The recent history of this has been that the international community is becoming more and more united. One of the things that have added to its unity is a strong sense of revulsion at President Ahmadinejad's remarks about the State of Israel, the Holocaust and much else.

Q16 Richard Younger-Ross: In resolving any situation it is a matter of both pressure and patience. I heard a Member of this House, sadly, who seemed to have very little patience with the situation and was implying more rapid pressure in another committee earlier today. Could you give us some outline of the timescale in which decisions have to be made? Can you tell us what your perception of the US position is in terms of that timescale? Are they really tied into the idea that we need to be patient on this matter in terms of resolving it? As I say, governments come and governments go and the Government of Iran may be there today but it may not be there tomorrow.

Mr Straw: I cannot give you an exact timescale, it is not possible.

Q17 Richard Younger-Ross: Ballpark?

Mr Straw: I will have to be trite: we are going to stick it out for as long as it takes. I was not anticipating when Joschka Fischer, Dominique de Villepin and I agreed this approach in the summer of 2003 that it would become an even more active dossier getting on for three years later, nor did anybody anticipate that the results of the General Election in Iran last June would be the election of Mr Ahmadinejad who was at that stage a rather obscure Mayor of Tehran. There is a process but I think it would be unwise to put particular times to it, except to say that Iran needs to understand that the international community and the E3 will be preoccupied with this issue as long as the suspicions about their programme remain where they are and they have failed to provide the objective guarantees which the Government of Iran promised they would provide that their programme is solely for peaceful purposes. That is the first thing. The second thing on the

United States is that it is fair to say the United States initially were sceptical about this E3 process. They understood that in the aftermath of the Iraq war the architecture of diplomacy of the E3 made sense but there was worry in the United States—to go back to a previous point—that the Iranians would pick off France and Germany from the United Kingdom. I am happy to say that has not been the case from day one and the Iranians understood that in the early key negotiations we had on 20 October 2003. Since then, I think it is fair to say, the United States Government's confidence in the E3 process has increased. There has been more and more active co-operation between the E3 and the Government of the United States. This led to some key confidence building measures being offered by the United States Government through me in negotiations which took place in Geneva at the end of May last year where we were quite close to the final stages of a deal where we agreed to produce these proposals which could easily have led to a deal had there not been a change of government. The United States Government—Condoleezza Rice—authorised me, subject to what the Iranians were doing in return, to make two really important concessions by the United States. One was that the US Government would lift its block on access by the Iranian Government to World Trade Organisation negotiations. The second was it would lift its block on access by the Iranians to American spare parts for Iranian aircraft. One reason why Iranian aircraft are amongst the most unsafe in the world is because they cannot get access to these spare parts. The US was happy to co-operate with that and also send out a message that a lot more could be on offer in return for moves by the Government of Iran. Just to repeat a point; Condoleezza Rice played a very important part in the dinner that I chaired nine days ago.

Q18 Mr Keetch: Foreign Secretary, I think you should be congratulated sincerely for the work that you did on the E3 because it demonstrates that Europe can work together on a huge important issue in a very sensible way and I am sure the support that we got in the IAEA was only because of the work that the E3 had done in the run-up to that. Just developing what my colleague was saying about the United States. You rightly said that there have been some calls in the US for a different approach. Do you feel now that the processes of the E3 and the United States have converged together and we are on the same track, as it were, in diplomacy? In terms of what President Bush said in his State of the Union address, he specifically made the point that he wanted his nation to be the closest of friends with “a free and democratic Iran”. Clearly Iran is not free and democratic in the same way that the United States is, but do you actually believe that President Ahmadinejad speaks for most of the Iranian people when he wants to pursue this nuclear programme?

Mr Straw: First of all, thanks for the congratulations, it was very nice of you. I said in the House yesterday that one of the things I think has helped on this issue is the fact that there is very broad backing, all-party backing, to what we have been

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seen to do on this, and I will do my best to ensure this continues. Secondly, it is a very good illustration of operational European foreign policy. The fact that it has been led by the three largest countries in the EU has been an essential part of that. I should also say, however, that Javier Solana, the High Representative on foreign policy, has played an increasingly important role in this and so has his staff. You asked whether we are completely knitted up with the United States, yes and no is the answer. They have been very co-operative and supportive. I cannot say what approach they would have adopted if they had been negotiating but the truth is they could not have been negotiating because they do not have diplomatic relations with Iran. Their history with Iran is much more fractured than is Europe's. It has been difficult in Europe, if you think of the problems we have had and of the problems that Germany has had particularly, but we have all had relations for quite a long history. None of us have had the equivalent of the 444 day siege which humiliated an American President, some say that led to his demise, and all that has gone on since then. Nor do we in Europe have the same kind of very vocal and vociferous Iranian Diaspora that the American Government has to cope with. There is that difference. On the question is Iran free and democratic, Iran is not free and democratic by customary norms and this is not the occasion to discuss this but their human rights record is lamentable and we chart this in our annual Human Rights Report. Iran is a very complicated society. It is replete with ambiguity, indeed their literature celebrates ambiguity. Aspects of it appear to be democratic and certainly responsive to public opinion, aspects of it are very autocratic. One of our officials, who knows Iran very well, described it as a pluralist theocracy with some pressure towards democracy but some pressure away from it, and I think that is probably the best way of describing it. Essentially what you have got is a series of democratic institutions, including the presidency and Majlis, the parliament, paralleled by a series of undemocratic institutions which are appointed, which are the guardian council, council of ecclesiastical experts, the supreme leader and this expediency council which is there to negotiate in-between. For the position of these undemocratic bodies read the position of the divine right of kings before the glorious revolution in 1688 or the situation we would face where the Bishops in the House of Lords had the power to overrule the elected House of Commons. In that circumstance it would not be that the House of Commons had no power but it would sometimes be frustrating. You asked also whether President Ahmadinejad is articulating a widespread desire by the Iranian people for a nuclear programme. He is when it comes to a nuclear power programme. It would be an error by everybody else if it was thought that it is unpopular in Iran for Iranian governments not to have an aspiration of a nuclear power programme, it is popular, and it is popular with opponents of the regime as much as it is with supporters of the regime, let us be clear about that. Of course, President

Ahmadinejad is playing on the suggestion—completely wrong—that we are trying to stop Iran developing a civil nuclear power programme because he is aware of that aspiration. If I may detain the Committee for a moment, Chairman, you have got to understand how isolated Iran feels in that Iran is not an Arab state, it may be Muslim but just as in Europe there were religious wars between Catholics and Protestants, and one in our country over decades, centuries, so the fact they are Muslim does not mean that they have been immune from conflict between these states, internal conflicts over many decades, not least the Iran–Iraq war. Secondly, Iran feels over the last 100 years it has been humiliated by great powers, by the United Kingdom. There was this constitutional revolution in 1906 and in 1908 we came along backing the Anglo–Iranian Oil Company and ensured that we got the lion's share of oil revenues and that went on for decades. We supported the Shah in what amounted to a takeover of that country and did not do anything when he implemented very crude anti-Islamic policies, including making it a criminal offence for women to wear even the hijab, the headscarf, on the street. We and the Soviet Union occupied the country for five years in the north from 1941–46 and then elements of British intelligence and the CIA stopped a perfectly democratic prime minister, Mossadeq, from office and failed to see the signs of the decadence of the Shah's regime and many Western countries, actually less so the United Kingdom and some continental countries, actively supported Iran in the Iran–Iraq war. You have got to see it from their point of view and if we do not see it from their point of view as well we will make mistakes in the way we handle this. As to whether there is widespread support for a nuclear weapon programme, that we do not know because the Iranian Government consistently say that they do not want it and have no intention of having a nuclear weapon programme.

Q19 Mr Heathcoat-Amory: Is it a consequence of the Iraq war that it sends out the message, “if you want to behave badly internationally first get your nuclear weapon”?

Mr Straw: Of the Iraq war, certainly not.

Q20 Mr Heathcoat-Amory: Nuclear weapon states tend not to get attacked, Iraq did get attacked. Is it not one of the perhaps obviously unintended consequences that it sends a message to rogue regimes that maybe they ought to arm themselves with nuclear weapons?

Mr Straw: I do not agree with you, I am afraid. Very few countries in the world have got nuclear weapons or even have that aspiration. Thankfully, because of the success of the non-proliferation regime, the P5 are not intent on attacking either each other or any other country in the world. You are then down to North Korea which is, shall we say, a challenging situation but where there is the six power process which I think could be successful. You have got India and Pakistan which are nuclear weapon states but they are potential adversaries only to each other.

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Then you have got the Middle East, which we have discussed. I am afraid I do not accept what you are saying. I believe it is the case that if we want to reduce risk in the world we have to work very hard to deal with any situation where there is a risk of proliferation.

Q21 Mr Heathcoat-Amory: We are still negotiating with Iran even though they seem determined to at least get the nuclear option. Is this simply to keep this rather fragile coalition on board, including Russia and China, or do you think there is still a faint chance that they will seek a retreat perhaps to allow Russia to take over part of the nuclear fuel cycle?

Mr Straw: I think the odds of that are less than they were but there is still a chance. Just to go back to this point about ambiguity: you get these very, very mixed messages out of them. I think they judge this is the way to handle their diplomacy but they misjudge this because if they had handled Russia, China, Brazil, India, Sri Lanka, the Yemen and Egypt rather better they would not have been voting against Iran in the last Board of Governors. There is a chance. The Iranians, so far as I know, although they have taken the seals off the centrifuges, have not started to produce fuel from them. We received some sedulous offers from the Iranians, that we should allow them to do research and development on these centrifuges in return for them undertaking not to go into full-scale production. One of the reasons why we decided to draw a line was because we said if you do any kind of work on the centrifuges, on enrichment, that is at the beginning of the fuel cycle and we were still unclear what they meant by research and development. The Russian offer is on the table, and the Iranians are blowing hot and cold about that, but we happen to believe that it would be a very constructive basis for a solution to this problem and one which could be a solution with dignity to the Government of Iran.

Q22 Mr Heathcoat-Amory: Are you moving to the American position that negotiation simply enables Iran to play a cat and mouse game with the rest of us and that finally Iran has to face consequences?

Mr Straw: I do not think that is the American position. First of all, I do not agree that this coalition is as fragile as you describe it, and I have set out why I think it has become stronger and stronger. The Americans have been actively backing the approach that we have followed. I discussed the issue of sanctions in an earlier question, with respect.

Q23 Ms Stuart: Could I follow up on what you said about the coalition not being fragile. Given the heavy dependency of China in particular on Iranian gas supplies it was surprising that China took the action that it did. Given that you suggested that Russia is probably our option in terms of solving that problem, it is a get out of jail card, do you not think there is still quite considerable potential for power play once we get to a proper referral to the Security Council?

Mr Straw: Yes, I do. Of course I accept that, Ms Stuart. The Iranians thought that they could use this power play to prevent the matter even being subject to a resolution with this size of vote. What we have seen is Russia and China make some very important strategic decisions. Yes, in the case of China they rely to a significant degree on Iranian oil and gas and in the case of Russia their direct interests are different but very close because they are a neighbour and Iran has potentially very significant influence in the Caucasus to stir up trouble. I think that Russia and China judged against those direct and immediate interests it was very important to make clear to the Iranians that the patience of the international community was being exhausted and if the Iranians were demanding of Russia and China that they choose between Iran or the international community and international solidarity then they would do the latter and not the former.

Q24 Ms Stuart: They are putting rather a lot of trust in the Russians in this whole area. Given at the last meeting of the Shanghai Corporation Organisation in Moscow in November, Iran, India and Pakistan were there were as observer status, is there not a real danger if we rely heavily on Russia to resolve that we may have an alternative power problem where we could be equally held to ransom?

Mr Straw: I do not think so. I understand the reason for your anxiety. I have to say that I regard the Russian Federation and my colleague, Sergei Lavrov, the Foreign Minister, as extremely helpful and co-operative on this. I am not saying that Russia always comes to the same conclusion as us, of course they do not, they have a different point of view and a different perspective, but they have been increasingly co-operative.

Q25 Mr Maples: You have put a huge amount of effort over the last two or three years into this diplomatic process and you must wonder sometimes whether it has really got any chance of coming to anything at all. To get this resolution of the IAEA you had to downgrade from refer to report, I think. Iran has rejected the EU initiative that you referred to yesterday in Question Time and today it has rejected the Russian proposal. Just suppose we get it to the United Nations Security Council and they do get some sanctions, the chance of those sanctions actually stopping Iran if it is determined on getting to what I think is called the point of no return where they are on the path to nuclear weapons and there is no possibility of a military option at all, I just wonder why in these circumstances, and I do not think we should threaten military action as part of this, you consistently rule it out and say it is not appropriate, it is not on anybody's agenda because that implies—this is the trade-off I would like you to discuss a bit in your answer—that living with the consequences of a nuclear Iran are better than living with the consequences of military action which stops it becoming a nuclear power. It seems to me while those are both extremely unpleasant alternatives, I do not see that it is obvious that it is easier to live with the consequences of a nuclear Iran.

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Mr Straw: First of all, I have found it frustrating from time to time but I also think it is very important as well and this is a better way than the alternative. In fact, I do not actually know what the alternative would be apart from hand-wringing and saying it is all very difficult but not doing very much about it. Secondly, we do not know for certain, as I have said, that Iran is developing a nuclear weapons capability and that remains to be seen. If they are, the result of this process will be that there will be a very much stronger international consensus about what further measures would be required if that were to transpire. That is important. The third thing I would say, and this is another reason why I have spent so much time on this, Iran is a really important country and, however frustrating I find their negotiators, Iranians are lovely people, they have got a very distinguished history and culture—

Q26 Mr Maples: What is the trade-off of living with the consequences? I am not interested in Iranian history.

Mr Straw: I am explaining why I am living with the frustrations. It is really important that we do everything we can to try and bring them into the fold. Why have I said that it is not on anybody's agenda? Because it is not.

Q27 Mr Maples: Perhaps it ought to be.

Mr Straw: I do not want to get down the road of speculating what kind of agenda it could be on in an abstract world. The Prime Minister—I do not want to sound sycophantic, which is not my usual approach—said to George Young yesterday: “You know what the difficulty is, George. If you are not careful, you put a word out of place, people think you are about to go and invade Iran and then people try and pin you down to saying no matter what happens you are never going to do anything” and so on. He said it is not on our agenda; it is not on our agenda. I do not think it is sensible or productive to speculate on the circumstances in which it could be on anybody's agenda.

Q28 Mr Maples: I did not ask you to do that.

Mr Straw: I am absolutely certain of one thing, that if it had been on the agenda of the E3 then the possibility of getting an international consensus would have been for the birds and it would have played completely into the Iranians' hands.

Q29 Mr Maples: Let me ask you the question slightly differently. Let us suppose that we do not get anywhere with this process or with the Security Council and in two or three years' time it turns out that Iran is past the point of no return, it does have nuclear weapons or is going to have them extremely soon in circumstances that we can then do nothing about. It seems to me that living with the consequences of that are absolutely horrific, which is presumably why you have devoted so much time over the last two and a half years to this. They would then have an impregnable home base, they would spark off a nuclear arms race in the Gulf, their terrorist activities would expand enormously, the

threat to Israel would be horrendous and the chance of a nuclear exchange would rise dramatically. I simply cannot see how we can say, oh well, because your analysis seems to have led you to this conclusion it is better to live with that than with the consequences of military action to stop them becoming a nuclear power.

Mr Straw: I have never said that I am denying what Article 51 of the Charter says, let us be clear about that. What I have said is that it is not on the agenda and I really do not think it is wise to speculate in an abstract way about the circumstances in which it might be on the agenda. The Prime Minister too has said it is not on our agenda, and it is not. I also do not believe that if Iran were in that position there would be nothing that the international community could do about it short of what you are implying, Mr Maples, of military action. If you take the issue of North Korea where the North Koreans, who for years denied that they were developing a nuclear weapon system, say they are, there is a process which I am reasonably hopeful will lead to a resolution of that problem by non-military means. I appreciate that North Korea is not Iran and Iran is not North Korea but that is not a bad example to take. This is very serious, very serious indeed, and it is all the more reason why we have got to stay engaged on this process until somebody comes up with a better alternative.

Q30 Mr Maples: I think all of us would support you in that and hope that the diplomatic process is successful but we cannot afford to let it be strung out for another three years or it will be past the point of no return.

Mr Straw: One of the effects of it being strung out so far is that whatever plans there were in the Iranian regime I am as certain as I can be that they have been delayed because by pressure of negotiation we got conversion for a period, we got the suspension of conversion for a period and in practice we still have suspension of enrichment and have done for many months, although that is now at risk.

Q31 Chairman: Foreign Secretary, you have been with us an hour, I wonder if I can ask one final question. The Chinese are buying \$70 billion worth of oil and gas from Iran. Iranian income has gone up massively with oil and gas prices being where they are. Even if we did get to a position of sanctions, do you really believe that those sanctions would be effective in any way? Secondly, in a way would they not be reinforcing the hold of this regime over Iranian public opinion?

Mr Straw: If they were ill-judged and ill-thought through, yes, and that is one of the reasons why I do not want to speculate particularly on what Article 41 measures might be available to the Security Council. We are not there yet, we do not know whether we have got international consensus. To repeat my point about Syria, there are plenty of examples where the international community has exercised great authority without needing to resort to Article 41 sanctions, so let us see on that. I also just say this: on the credit side in arithmetical terms of the

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Ahmadinejad regime they have had this windfall of a doubling in the oil price, on the other side this is a country with a population which is very young, it is very demanding, the institutional structure of Iran is very inefficient indeed and you have these foundations which dominate the economy and ensure great wealth for those who are running them.

Q32 Mr Purchase: A bit like here!

Mr Straw: I am sure they do good charitable work as well but they look after themselves. They have got a lot of industrial discontent, including a strike by Tehran bus drivers very recently, notwithstanding

the fact that the sanctions on people going on strike in Iran are a bit tougher than those for drivers on London Underground, if I may put it that way.

Richard Younger-Ross: Do you want to look at that? Change it.

Mr Purchase: It is increasingly sounding like here!

Q33 Chairman: Can I thank you for coming along today. I hope you will be able to update us. Certainly we will be watching the situation very closely as it develops over the next few weeks. Thank you very much.

Mr Straw: Thank you for your interest.

Written evidence on Iran

**Letter to the Clerk of the Committee from the Parliamentary Relations and Devolution Team,
Foreign and Commonwealth Office**

I am writing to confirm that the Foreign Secretary will give evidence to the Foreign Affairs Committee for one hour on Wednesday 8 February.

The Foreign Secretary has agreed to give this evidence on the understanding that it will be about Iran only, and trusts, therefore, that the Committee will not seek to raise other issues to which he would not deem it appropriate to answer at this time.

Chris Stanton
Parliamentary Relations & Devolution Team
Foreign and Commonwealth Office

6 February 2006

**Letter to Mr Alaeddin Boroujerdi, Head of the National Security and Foreign Affairs Commission,
Islamic Consultative Assembly from the Chairman of the Committee**

May I congratulate you on your election as Chairman of the National Security and Foreign Affairs Commission of the Islamic Consultative Assembly of Iran. I, too, was newly elected to my post as Chairman of the Foreign Affairs Committee of the House of Commons in 2005 and I have been pleased already to make the acquaintance of many of my counterparts from other Parliaments.

It would, therefore, be of considerable interest to me and my colleagues to be able to meet you and other members of your Committee, and indeed other members of the Majlis, if you were able to visit London. There are many matters of great importance to British and Iranian parliamentarians which I and other members of the House of Commons wish to discuss with our counterparts from Tehran.

I hope it will be possible for you to visit the United Kingdom Parliament in the near future.

Mike Gapes MP
Chairman of the Committee

8 March 2006

**Letter to the Chairman of the Committee from Dr Kim Howells, Minister of State,
Foreign and Commonwealth Office**

I was very pleased the Foreign Affairs Committee was able to visit New York on 27 February, including a visit to the UK Mission to the United Nations. I hope you found the visit both useful and productive.

At the wrap-up session with the UK Mission, Sir John Stanley asked whether we could follow-up two questions on Iran following the Committee's meeting with HE Mr M Javad Zarif, Permanent Representative of Iran to the United Nations.

Sir John asked about the origin of centrifuges which Ambassador Zarif referred to as having been "reverse engineered" by Iran. Iranian centrifuge technology—"P1" and "P2" technology—was obtained through an international procurement network. "P1" centrifuge technology is based on technology stolen by AQ Khan from URENCO and developed for use in Pakistan's uranium enrichment programme. "P2" technology is a further Pakistani development of the "P1" technology. Reports from the International Atomic Energy Agency (IAEA) make clear that Iranian procurement of centrifuge technology from the "international procurement network" included full drawings.

Sir John also asked about traces of enriched uranium on Iranian equipment which Ambassador Zarif said had been wrongly attributed to Iran (he suggested the traces of enriched uranium had—like the equipment itself—come from elsewhere). The latest IAEA Board report, of 27 February, notes that: "the results of the environmental sample analysis tend, on balance, to support Iran's statement about the foreign origin of most of the observed HEU [High Enriched Uranium] contamination. It is still not possible at this time, however, to establish a definitive conclusion with respect to all of the contamination, particularly the LEU [Low Enriched Uranium] contamination".

Kim Howells MP

9 March 2006
