

An analysis of international security issues compiled by security professionals for business leaders and those that advise them

The last issue of Janusian Thinking looked at possible measures that businesses could take to identify and disrupt terrorists during the reconnaissance and planning phases of their attacks. This issue briefly examines the intelligence failures and controversies associated with 911 and the recent war in Iraq and makes suggestions to improve the analytical record of the UK in particular through the greater involvement of the private sector.

INTELLIGENCE - TOO IMPORTANT TO BE LEFT TO THE GOVERNMENT?

The unhappy state of the intelligence community

The apparent universality and possibly catastrophic scale of the threat from Islamist terrorism means that the gathering and analysis of intelligence is of major concern to every man woman and child in the West for the first time since the Cuban Missile crisis of 1962. This natural quickening of concern, re-inforced by the lurid intelligence preliminaries to the Iraq War and the subsequent revelations in the Hutton Inquiry, have made intelligence a matter of every day public discourse. People want to know more and in general appear to trust less – just at a time when past notions of deference towards “state secrets” are rapidly waning.

And all would appear not to be well. In the UK the inquiry into the handling of intelligence connected to the Iraq War chaired by former Cabinet Secretary Lord Butler – has opened for business to a background of cross party discord just a few weeks after the end of the Hutton Inquiry. On the other side of the Atlantic a similar inquiry (but with more muscle, a wider brief and more independent figures) is getting under way in Washington.

The recent intelligence controversies about Iraq have highlighted two of the abiding characteristics of intelligence. First, intelligence often ends up being the crucial component in war policy and decision-making – necessarily perhaps. But second, intelligence is often not very good – at best partial and at worst misleading. The effects are compounded in the special case of a pre-emptive or preventive war since intelligence assessments provide the only solid spring for military action.

Two further points emerge - first that the current system of collection and analysis does not work particularly well. It may be inherently inefficient or it may be that in the case of a pre-emptive war the system just could not cope with the pressures. And second, it may be that the whole process of building an intelligence picture is so inherently difficult that the current pool of talent available to deal with the task is simply not up to it. In either case it may be sensible to turn to business to seek improved analytical structures and new analytical talent.

The private sector can help

Although there are continuing concerns over rogue states such as North Korea the real worry afflicting the West is the continuing threat from Islamist terrorism. All the more reason to turn to the private sector for help. There is of course a nice irony at work here. “New

terrorist" organisations may be difficult to describe and model but they seem to bear a closer resemblance to the private sector than to state structures. Certainly, the modus operandi of modern transnational terrorists are closer to the style of a modern corporate exploiting the globalised environment than anything within a traditional national government's experience.

And history is on the side of the private sector. The great triumphs of British intelligence in the Second World War were largely the responsibility of talented individuals imported from the private sector at short notice. Bletchley Park, the cryptanalytical centre whose brilliant analysts broke the German High Command's enigma codes, was largely staffed by Oxbridge dons, eccentric schoolmasters and chess enthusiasts – some of Bletchley's most outstanding analysts were recruited through a crossword competition held by the Daily Telegraph in November 1941. Few of them would have fitted into a formal disciplined career environment. Indeed the fact that they had not been formally trained or inducted over a long period into the procedures and outlook of the intelligence services underlay many of their successes.

One of the difficulties with any intelligence community is that the entry level for newcomers is set very high and not necessarily in accordance with criteria which are going to promote innovative thinking. In the UK all three collecting agencies (The Secret Intelligence Service/MI6 for overseas intelligence, the Security Service/MI5 for domestic security and intelligence and GCHQ for signals intelligence) require nearly all their staff to be committed to them on a career basis. The Cabinet Office Assessments Staff who draft the papers for the Joint Intelligence Committee and prepare the Prime Minister's intelligence reports is more widely recruited from throughout government service, including on occasion the police and the military. Nevertheless, this hardly represents a wide spectrum of society.

Private sector analysis

The first measure, which could be taken, and quickly, would be to open up the process of recruitment to the Cabinet Office Assessments Staff. The organisation already recruits through open competition from all those of appropriate rank in government service. It would be a fairly simple task to expand its catchment area. If large British companies, or private firms engaged in the business of intelligence analysis, were allowed to second talented individuals for two-year postings to the Cabinet Office, a considerable body of official intelligence expertise and experience could be built up over time in the private sector. Those who thrived in the environment (and most with an analytical frame of mind do) would subsequently be able and qualified to hold positions further up the chain of command. And such individuals are needed. Gone are the days when intelligence and civil service recruiters could take their pick of the brightest at the UK's best universities. It is an open secret that many of the UK's best graduates in a range of disciplines gravitate towards the City of London. Many of those become analysts where the essence of their work is to act on imperfect data and try to look into the future, in order to make money. Why not poach their skills and bring them to bear on more important matters like national security?

Private experts have considerable residues of knowledge and very often extensive intelligence networks of their own which reach into parts of the world that the official system may not penetrate. They are able to think and analyse freely without fear of any corporate or policy hindrance. They are very often able to provide "left field" original analytical thinking, which will be invaluable in foiling the new terrorists. It is much, much easier to interpret intelligence correctly with hindsight than to piece together a meaningful picture from partial and often distorted information – nevertheless, one of the distressing things about examining the intelligence clues left lying around in the run up to 911 is how poor the terrorists' security was at times and how close the authorities came to getting at least a good glimpse of what was actually being planned – tantalisingly close. In other words, even without the massively enhanced security measures now in place on both sides of the Atlantic, the FBI nearly unlocked the secret. But instead they did not and all the rest ensued. They were like Hercule Poirot darting from couchette to couchette on the Orient Express, suspecting one

person and then another, or perhaps a guilty pair – all the while unable to make the imaginative leap to realise that the murder had been carried out by – everyone.

Private sector collection

Although this kind of imaginative analysis is clearly at a premium in the current climate and most likely to be found in the private sector it is not just in the analytical field that the private sector can contribute. The reach of the private sector far exceeds that of any government. The amount of financial and political intelligence that flows into the headquarters of a large bank on a daily basis would dwarf the uptake of reports from across the world available to the Vauxhall Cross headquarters of SIS. Some companies have a truly worldwide reach on the back of a truly global culture. Their senior employees are no longer drawn from exclusively “expatriate” circles but instead hail from a range of different regions and cultural backgrounds. They are well placed to assess accurately local moods, attitudes and politics.

The best collection principle for human intelligence is to make use of everyone, or at least everyone who is on your side. This idea lies behind the best-designed anti-criminal and anti-terrorist information campaigns. Members of the public, alert and properly briefed, have a much greater chance – if only because of their numbers – of picking up indications of a criminal enterprise or terrorist attack than do the official organs themselves. The same can be said of private sector intelligence collection. Private firms are more numerous and more often than not have greater cultural penetration than the intelligence services.

Finally, the involvement of numbers of non-civil servants in the world of intelligence would help to restore a sense of legitimacy to the UK’s intelligence organs and insulate them in future crises from that all too human failure – wanting the intelligence to tell you what you want to hear.

This article is based on a longer piece prepared for the Stockholm International Peace Research Institute.

Further information: Janusian Security Risk Management is the specialist political risk and security subsidiary of The Risk Advisory Group Ltd. For further information please visit www.janusian.com