

1. This submission to the inquiry conducted by the Parliamentary Joint Committee on ASIO, ASIS and DSD into certain matters relating to intelligence on Iraq's weapons of mass destruction (WMD) is provided by the Australia Defence Association (ADA) at the request of the committee. The submission is formatted with numbered paragraphs to assist with any followup questions.

2. Founded in Perth in 1975 by a retired RAAF Chief, a leading trade unionist and the director of a business peak body, the ADA is an apolitical national organisation spread across every state and mainland territory of the Commonwealth. The Association is not formally affiliated with any other body and has often been described as Australia's only truly independent and bipartisan community watchdog and 'think-tank' on national security issues. Apart from limited numbers of standard subscriptions for ADA publications, the Association receives no funding from the Government or from sources outside Australia. To preserve its independence and ensure transparency the Association is organised as a company limited by guarantee under the Corporations Act.

3. The ADA seeks to promote, foster and encourage the best form of defence for Australia. In particular, the Association seeks the development and implementation of a deterrent national security policy directed at:

- a. a security strategy based on the protection of identifiable and enduring national interests;
- b. the development of adequate forces-in-being capable of executing such a strategy; and
- c. the development of manufacturing and service industries capable of sustaining defence force capability development and operations.

4. On a national basis the ADA maintains a comprehensive website at >www.ada.asn.au< and publishes a quarterly journal, *Defender*, and a monthly bulletin, *Defence Brief*. Both publications enjoy a high-level and educated readership. The Association also contributes to public, academic and professional debates on national security matters in the broader sense (including intelligence and security intelligence matters).

5. The ADA maintains regular contact and co-operation on security and related matters with individuals, research institutes and public bodies in 12 allied and friendly countries in the Pacific Basin.

6. This submission has been approved by the ADA Board of Directors and was prepared by a group of retired intelligence officers and other experts convened for the purpose. Not all these contributors are ADA members or supporters.

- 2 -

7. The ADA's current Executive Director, Neil James, is a retired intelligence officer of some 26 years service, including duty with the UN Special Commission (UNSCOM) in Iraq as a senior prohibited weapons inspector. Aspects of this submission incorporate these experiences and where they might not necessarily reflect the views of the Association this will be so noted. In light of the committee inviting personal testimony by Mr James, matters that may be deemed sensitive on security or other grounds will be covered in such testimony and not in this submission.

8. **Terms of Reference.** This submission addresses all four terms of reference detailed in the Senate motion establishing the inquiry. However, as an independent observer of, rather than a direct participant in, the intelligence, policy and government processes involved the Association can offer only general views on some issues.

## Background

9. The ADA considers that the issues involved in the committee's inquiry need to be addressed using a generally agreed background as a frame of reference.

10. At the end of the 1991 UN-endorsed military action to end Iraq's conquest of Kuwait, the ceasefire agreement and UN Security Council Resolution (UNSCR) 687 specified that Iraq was to declare and end (by destruction under UN supervision) all its biological, chemical and nuclear weapon programs, and all missiles with a range greater than 150 kilometres together with their production and launch facilities. UNSCR 687 also created UNSCOM to verify Iraqi compliance with this and subsequent resolutions (in conjunction with the International Atomic Energy Agency (IAEA) for the nuclear programs). The various sanctions on Iraq for invading Kuwait were to continue until Iraq complied with all the terms specified in UNSCR 687 (and its successor resolutions).

11. It is worth noting that, as matters of undisputed fact, Iraq did not comply with these UNSCR from the outset. Some examples are:

- a. only 10 of its 19 mobile ballistic missile launchers were declared with nine being hidden;
- b. only 45 of the approximately 140 long-range ballistic missiles were declared with the remainder being hidden;
- c. production facilities for the long-range 'Al-Hussein' (Scud variant) ballistic missiles were not declared;
- d. only limited stocks of chemical weapons were declared, with most chemical precursor stocks, missile warheads and artillery shells being hidden (including all stocks and production equipment involved in the VX nerve agent program);
- e. no biological weapons or weapons programs at all were declared (although UNSCOM subsequently uncovered large programs for the production, storage, weaponisation and deployment of biological agents);

- f. no nuclear or radiological weapons or weapons research programs at all were declared (although UNSCOM and the IAEA later uncovered programs for the production of nuclear materials not required for any civil nuclear energy purposes);
- g. in the 1991-98 period UNSCOM located most prohibited Iraqi missile programs and accounted for all but between four and 16 of the approximately 1800 Scud and Scud variants Iraq was believed to have procured or produced up until 1991;
- h. over the same period the IAEA was relatively successful in tracking down Iraqi nuclear programs in general but not as successful in monitoring Iraqi compliance with continuing prohibitions;
- i. up until 1998 UNSCOM was relatively successful in tracking down many Iraqi chemical and biological weapons programs, but Iraq continued to illegally maintain a capacity to reconstitute such programs, especially within six months of UN sanctions ever being lifted
- j. in 1991 Iraq created a special organisation to conceal its illegal WMD programs and this organisation continued to manage the Iraqi interface with UNSCOM (and UNMOVIC) up until the end of the regime;
- k. when caught out by UNSCOM on various matters over the next few years, Iraq illegally destroyed some WMD without UNSCOM supervision and verification (as required by several UNSCR);
- throughout the 1990s Iraq continually denied the existence (at any time) of many WMD programs in each particular case until UNSCOM uncovered irrefutable evidence, at which point Iraq would concede their existence but continue to obfuscate about their extent until this too was established beyond all doubt;
- m. high-level Iraqi defectors (including Saddam Hussein's two sonsin-law) provided UNSCOM with voluminous documentary evidence (later confirmed by UNSCOM inspections in the field) on both the extent and continuance of Iraqi WMD programs and on the operations of the concealment organisation;
- n. contrary to UNSCR 687 UNSCOM was unable to undertake inspections in Iraq after late 1998 due to Iraqi non-cooperation and its successor, UNMOVIC, did not commence inspections until late 2002; and
- o. initial and subsequent Iraqi 'full and final declarations' regarding WMD were proved false on several occasions over more than a decade, the most recent being to UNMOVIC in late 2002.

12. From April 1991 until the collective intervention in April 2003 Iraq continued to disregard its responsibilities and obligations under international law to both disarm and to disarm in a verifiable manner. In a nutshell, Iraq has never been able to prove to the UN's satisfaction that it had ceased its WMD

- 4 -

programs as required by the international community. On the contrary, UNSCOM continually discovered active Iraqi measures to evade its disarmament obligations and continue some WMD programs, especially regarding prohibited chemical and biological weapons.

13. The ADA notes that many participants in the public debate in Australia and overseas concerning Iraqi WMD programs often appear to ignore, in part or wholly, these clearly-established and well-documented facts. Some participants apparently even believe that Iraq never had WMD. The Association further notes that much of the public debate has focused on relatively minor and tangential matters, such as the extent or currency of Iraqi procurement of nuclear raw materials from African states. Nuclear WMD have not been a major component of Iraqi WMD programs since the mid 1980s. Much of the debate has ignored more integral issues such as the confirmed evidence of continuing Iraqi chemical and biological WMD programs, and of Iraq's continued non-compliance with the spirit and letter of the applicable disarmament resolutions of the UN Security Council.

14. Notwithstanding this background, subsequent arguments for and against the legitimacy of Australia joining the recent collective intervention in Iraq are necessarily part and parcel of the Australian democratic process. The Association notes that opinions on these matters do not always reflect conventional party-political or ideological divisions within the Australian body politic. This is especially so in that both perceived left and right-wing individuals and groups were and remain on both sides of the debate.

## NATURE AND ACCURACY OF INTELLIGENCE RECEIVED BY AUSTRALIA'S INTELLIGENCE SERVICES

15. The bulk of the ADA submission is contributed under this term of reference. Much of this detail, however, also flows on to the other references.

## The Intelligence Process

16. Before discussing any specific issue, there is a need to note that public debate on Iraqi WMD and other matters has often been based on an inadequate appreciation of the theory and practice of intelligence gathering and processing. In particular, there appears to be a widespread but erroneous belief that there are 'intelligence' solutions to all our national policy development or decision-making problems, or that 'intelligence' is always correct. Neither assumption is valid. Some problems have no intelligence solution because the information required cannot be gathered in the first place for a variety of reasons. The three most common are:

- a. the information sought does not exist (for example, an intention has not been formed or a decision has not been made);
- b. no means of intelligence gathering exists or is available to collect or process the information sought; or

c. the target of the intelligence gathering, or the type of information required, is not susceptible to intelligence attack (for example, access to people and information is difficult in totalitarian states such as Iraq).

17. The nature of intelligence gathering and processing, with its myriad of variables and assumption-based predictions is, by definition, one in which imperfect outcomes are more common than not. This is not widely understood by many of the customers of the intelligence. It is certainly not well understood by the Australian community generally. The complexity of intelligence work and the frequency of imperfect outcomes are why it is essential that intelligence agencies are managed, at all levels, by career intelligence specialists rather than 'generalist managers' (although the need for some leavening of outsiders is discussed below).

18. A distinction should also be made between those intelligence agencies that are both collectors and processors of information into intelligence, such as ASIO, DSD, DIGO and ASIS; and those agencies that are wholly or primarily processing ones, such as ONA and DIO. In general, for reasons discussed later in this submission, a predilection for 'groupthink' is more common in the latter than the former.

19. Finally, Australia's intelligence agencies have an overall record that includes both successes and failures. Any perceived failures concerning Iraqi WMD should not be considered in isolation from this wider background of mixed success. It is suggested that any committee recommendations on improving Australian intelligence agencies should address their reform in the wider sense not just in terms of their assessments concerning Iraqi WMD programs.

### Culture and Structure of the Australian Intelligence Community

20. The ADA has long advocated reform concerning the manner in which we develop national security policy, especially in how we plan and manage Australia's defence. These reforms include how we structure, staff, manage and task our intelligence agencies. It is the ADA's view that assessing the nature, accuracy and independence of the assessments made by Australia, on Iraqi WMD and other issues, is not possible without reviewing the prevailing culture and structure of the Australian intelligence community.

21. There are some quite fundamental reasons why Australian intelligence agencies do not function at the optimum level, although this varies from agency to agency. At DIO in particular and in the other agencies in general (with the probable exception of ASIS), there appears to be a conceptual or doctrinal problem that has had quite widespread detrimental effects. This is the general failure to appreciate and respect the intellectual and professional construct underlying the nature of intelligence work as a profession.

22. Irrespective of the type of agency, professional intelligence processing and production skills fall into two broad categories: analysis, and the less visible but more vital, underlying intelligence staff work (intelligence estimates, counter-intelligence estimates, collection management, indicators and warnings, etc). It is a well-proven intelligence truism that with sufficient training, enough time and professional supervision you can turn most willing and intelligent personnel with some form of 'operational' experience into intelligence analysts. What you can very rarely do, however, is use anyone other than a career intelligence professional for the staff skills.

23. This is doubly correct for management positions at all levels in all agencies. Just as analysts with actual collection experience tend to be better analysts in the long term, career intelligence professionals tend to make better managers of both the analysis and staff processes. This is because they are best equipped through experience and training to target, task, review and manage analysis and its reporting far more effectively. The failure to appreciate the importance of intelligence staff skills, rather than just analytical excellence, bedevils most of our intelligence agencies.

24. A directly related result of the intellectual failure to appreciate the nature of intelligence as a profession is the unfortunate habit within the Australian bureaucracy of posting far too many personnel with policy development backgrounds into analytical and management positions within our intelligence agencies. Often a tour with ONA and DIO in particular is seen as merely a 'ticket punching' exercise by ambitious careerists before they move on to policy-making areas offering better promotion. Tours with intelligence agencies are also often primarily used to gain an individual the security clearances that can speed promotion through the Defence and DFAT bureaucracies.

25. The large numbers of intelligence agency staff with policy-making backgrounds or ambitions has too often resulted, however unconsciously, in intelligence assessments being biased towards desired policy outcomes rather than them being objective in their own right. This is a fatal flaw in the intelligence process. It also leads to reactive rather than proactive intelligence reporting where intelligence assessments increasingly resemble media reporting and are rarely different from press reports in currency and depth. Such reactive, frequently banal and 'say nothing' assessments lack the predictive discipline and essence vital for effective use by the customers of the intelligence.

26. There is also a tendency for non-intelligence professionals employed as managers in intelligence agencies to demand forensic levels of proof rather than accept the 'balance of probability' inherent in most intelligence work. Such risk-averse behaviour is especially common among staff from policymaking backgrounds and is generally disastrous for employment in intelligence duties. As several of our intelligence agencies suffer from the problem of inadequately qualified and experienced management staff, intelligence assessments with input from more than one agency are even more prone to 'lowest common denominator' or 'groupthink' results.

27. In Australian intelligence circles there are a number of famous examples of failure to employ intelligence processes or product effectively. Several of these examples have been incorporated into intelligence training courses as lessons of the 'how not to' variety. Perversely, many of the staff posted laterally into senior management positions in intelligence agencies do not undertake these courses because they apparently feel no need to do so. 28. Many examples can be cited but most might best be explored in oral testimony. The following indicative examples are included to highlight these problems from several perspectives:

- a. In 1987 the first coup in Fiji was predicted by the relevant DIO desk officer but the assessment never made it out of the building. As the assessment rose through the many levels of the ponderous DIO hierarchy each successive level of management had less awareness of the issue and often less experience in actual intelligence skills. They therefore sat on the assessment rather than risk making a potential mistake that might affect their career.
- b. In 1994 DIO was requested to produce a proper strategic intelligence estimate on regional military capabilities in support of the 'Army-21' Study into Army modernisation. The organisation was simply unable to deliver the level and depth of product required (a two-page minute of loose assessments with no substantive intellectual foundation eventually emerged). This was one of the key reasons the resulting A21 Study was so flawed.
- c. In 1995-96 the Joint Intelligence Staff at Headquarters Northern Command in Darwin developed several intelligence estimates on various military contingency and other threats with the potential to affect northern Australia. The estimate on potential military threats was the first detailed one on this subject since the early 1960s (it ran to over 200 pages including annexes). It was also the first one ever developed completely from the start from a thoroughly integrated joint-Service perspective. The estimate uncovered several major flaws in ADF planning for the defence of northern Australia. The estimate was endorsed at Headquarters Australian Theatre in Sydney but buried when it finally reached Canberra because it contradicted the personal opinions of senior policymaking officials in the Defence bureaucracy.
- In 1999 the Joint Intelligence Staff at the Deployable Joint Force d. Headquarters in Brisbane developed an intelligence estimate that accurately predicted the probable result of the referendum in East Timor and, in considerable detail, the probable Indonesian reaction. This estimate was endorsed at both Land Headquarters and Headquarters Australian Theatre in Sydney. When it was briefed in Canberra, however, senior policy-making officials refused to believe it because it so starkly contradicted their own opinions and desired policy outcomes. They tried to have the estimate suppressed and the squabbling involved unduly hindered military and diplomatic planning for East Timor contingencies. ADF and DFAT lives were endangered by the structural and cultural failures involved. (It is also worth noting that ADA submissions in February 1999 along the same lines, and predictions of mayhem in the ADA journal Defender, were also ignored by the DFAT and Defence bureaucracies).

e. In early 2000 an Intelligence Estimate produced by the Joint Intelligence Staff at Headquarters Australian Theatre in Sydney predicted the high likelihood of a coup in Solomon Islands. Both DFAT and DIO rejected the prediction as absurd only a fortnight before the coup.

29. In all these indicative cases there was a cultural failure to appreciate the intellectual and professional discipline involved in the intelligence estimate process. This was exacerbated by policy-making staffs refusing to believe considered assessments that contradicted their own personal or collective prejudices. In the first case, inadequately experienced managers interfered with the process. In the other cases, the intelligence process retained its professional and intellectual integrity only because it remained wholly in the domain of career intelligence professionals until the final product was available. The value of the product was then threatened by a failure to understand the rigorous professional and intellectual processes involved and/or because it was a challenge to the comparatively inchoate and intellectually undisciplined 'process' driving the policy staffs.

30. The ADA suggests that any review of how the intelligence agencies performed with their Iraq WMD assessments needs to take account of these previous examples where the structure and culture of such agencies has hindered an optimum result.

## **Confused Responsibilities**

31. One overall structural issue in particular has perhaps had an undue effect on Iraqi WMD and other important assessments. When ONA was first established in the late 1970s it was never intended that it usurp DIO's longstanding specialist responsibility for national-level military intelligence assessments (such as Iraqi WMD). However, over the years ONA's general remit for political and economic matters, and its now extensive liaison with the intelligence agencies of allied countries, has resulted in ONA expanding its 'political' responsibility to include many military matters for which it really lacks an effective capacity for assessment.

32. The secondment of limited numbers of ADF officers to ONA, and the recruitment of ex-ADF personnel, has exacerbated this problem as it has ostensibly provided military analytical expertise. This has not really been the case as few of the ADF personnel concerned have had a professional intelligence background or appropriate intelligence training. This situation should be remedied forthwith with DIO being clearly designated the responsibility for national-level military assessments.

### Need for Professional Staffing

33. A related longstanding criticism of ONA is that too many of its staff have been ex-journalists, serving or ex-diplomats, or come from policymaking backgrounds. Such unbalanced recruitment always increases the risk of intelligence analysis and reporting failures, through either inexperience or subconscious weighting of analysis to match policy or diplomatic outcomes seen as desirable. This is exacerbated by the 'journalistic' style of much ONA reporting which, while ostensibly customer-focused, often results in reports structured as compendiums of the views of other agencies rather than integrated reports incorporating value-added analysis by ONA.

34. The recent high profile resignation from ONA, by a seemingly disgruntled mid-level staff member employed on analytical duties, would perhaps not have occurred if more ONA analysts were career intelligence professionals rather than apparently relative amateurs recruited laterally. ONA is meant to be the highest-level clearing house for input from diplomatic and intelligence sources. Surely this requires more analysts with significant experience of the difficulties of collecting and analysing intelligence from multiple sources. Put simply, it appears that ONA has too many analysts who are 'salesman' good with words rather than enough all-rounders thoroughly grounded in the mechanics (and pitfalls) of the intelligence profession.

35. ONA obviously needs a range of expertise in its analysts and management but this range needs to include more career intelligence professionals. It clearly also needs to include more genuine 'area specialists' with on-the-ground experience in the geographical, functional or technical area concerned.

## **Professional Leadership**

36. As the biggest and broadest focused of the processing agencies DIO has some particular structural and cultural problems. A major weakness is that it has far too many levels of hierarchy between the desk-level analysts and the head of the organisation. This affects the quality and timeliness of its reporting. In comparison, the number of levels at ONA is much fewer, as would be expected in a smaller, more tightly run organisation vested with the final responsibility for national-level assessments.

37. DIO is also the only defence intelligence agency in a major western country to be headed by a civilian official. It is worth noting, as one useful comparison, that in the Israeli Defence Force the head of Israel's defence intelligence agency is a military officer and with the rank and clout of a Deputy CDF-equivalent. Furthermore, when Australia's Department of Defence created the Deputy Secretary for Intelligence and Security position in 1997 it was, however, strangely assumed that this would always be staffed by a civilian official rather than the best gualified individual available.

38. Even more importantly, the current Director DIO, and most of his civilian and military predecessors, have not had any experience, education or training in intelligence matters. Furthermore most of the civilians have, with highly unfortunate consequences, been policy-makers transferred sideways from other departments or agencies.

39. The ADA considers that the continued appointment of such unqualified officials to lead our premier defence intelligence agency is a serious systemic weakness. It derives from arcane Defence Department habit. It is a symptom of flawed bureaucratic and political cultures that devalue the through-career skills of professional intelligence officers (both military and civilian), and which overvalue the supposed applicability of the management skills of generalist civilian officials.

#### - 10 -

40. If the head of the Defence Signals Directorate (DSD) is always an experienced intelligence officer from the requisite specialist background (albeit apparently always a civilian), why then are DIO (and DIGO) continually treated differently?

41. Both the Australian Security Intelligence Organisation (ASIO) and the Office of National Assessments (ONA) are headed by ex-career diplomats. Both current incumbents are experienced and highly respected officials. The position of DGONA, however, has never been held by an intelligence professional and it is some time since DGASIO was a career ASIO officer. It could also be asked why senior diplomats alone are considered as suitable to lead intelligence agencies?

42. Perhaps it is time to revert to the old policy of ensuring that at least every second intelligence agency head is a through-career intelligence professional (even if from another agency). In the case of the three intelligence agencies that are not independent of a parent department (DIO, DSD and DIGO), every head of such an agency should be a career intelligence professional unless very compelling circumstances dictate otherwise.

43. This is not to say that outsiders should never head or be employed in intelligence agencies. Indeed a leavening of outsiders at all levels is essential for intellectual objectivity and to avoid professional and intellectual incest in secretive cultural environments. The trick is in leavening not inundation, and in according appropriate respect to career professionalism.

#### **UNSCOM and UNMOVIC**

44. The Association notes that Australian personnel constituted a significant proportion of UNSCOM (and UNMOVIC) staff over a long period, including a disproportionate number of senior and other key positions. Many of these personnel were provided on secondment from Australian intelligence organisations, not least because these provided the main national repositories of the skills required (as did other organisations such as the Defence Science and Technology Organisation).

45. Due to these factors, Australia should have been well placed to independently evaluate much of the intelligence from allied sources pertaining to Iraqi WMD programs. It is worth noting, however, that few if any ONA analysts had on-the-ground experience in Iraq with UNSCOM or much of a background in Iraq generally.

46. One ethical constraint may also have had an effect. Personnel seconded to UNSCOM were not meant to provide specific UNSCOM material to their home countries without UNSCOM authorisation. While this may have been honoured more in the breach than in the observance it did, on occasion, lead to the 'generalisation' of information passed to the home country. This lead to the full implications of some issues not being fully addressed or understood in the home countries including Australia. This aspect will be addressed in some detail during the personal testimony of Mr Neil James.

- 11 -

# NATURE, ACCURACY AND INDEPENDENCE OF ASSESSMENTS MADE BY AUSTRALIA'S INTELLIGENCE SERVICES

47. This aspect has been covered by the structural and cultural issues discussed above.

## ACCURACY OF COMMONWEALTH GOVERNMENT INFORMATION PRESENTED TO PARLIAMENT AND THE AUSTRALIAN PUBLIC

48. Intelligence should never be the sole determinant of government policy or strategy. Intelligence assessments can support a policy or strategy but the national decision to employ armed force will always be the result of domestic political, and international legal, moral, strategic, diplomatic and alliance considerations.

49. As noted in the introduction to this submission, the general background to the debate has often not been conducive to considered discussion of the issues. Many Australians appear unable or unwilling to learn enough established facts to consider the issues on their merits. Too many Australians appeared to let their personal political opinions or prejudices unduly influence their stance on the matter.

50. Given the facts and factors discussed above the ADA suggests that, in general, the Commonwealth Government appeared to provide sufficient and accurate information to the Australian parliament and people to support Australian participation in the collective intervention in Iraq.

# ACCURACY OF PRE-CONFLICT ASSESSMENTS AS JUSTIFICATION FOR THE COMMITMENT OF THE ADF TO ARMED CONFLICT

51. The ADA suggests that, in general, the accuracy of the pre-conflict intelligence assessments appeared sufficient to support Australian participation in the collective intervention in Iraq. As noted above, how these assessments were presented in public, by all involved in the debate (including the media), is a separate issue.

52. It is perhaps outside the scope of the committee's inquiry, but the ADA suggests that discussion of the justification for the intervention cannot really be divorced from a range of other important considerations, especially:

- a. As a founder member of the UN, Australia had a clear interest in assisting with the rescue of the UN as an organisation, and the system of collective security underlying the UN Charter generally, from the situation where its strictures were being continually defied by Iraq over an extensive period but the mechanisms and cultural inertia of the UN were preventing the UN from responding effectively to enforce its moral, political and legal authority.
- b. There is a clear need to neutralize the Iraq problem as one of the 'cause celebres' in the Arab and Islamic worlds that help transnational, Islamic-extremist terrorist organisations to recruit. It is, however, too early to tell whether this has been successful or not.

- c. There was a clear need to remove Iraq as one of the territorial and jurisdictional sanctuaries sheltering terrorists. This was especially so where this also included the possibility, however remote, that such terrorist organisations might be able to obtain WMD from official or unofficial Iraqi sources. The very existence of the WMD in Iraq presented a continual threat in this regard as long as those WMD and the capacity to produce them in the future remained in Iraq. This directly concerns the issue of prudent pre-emption. The undeniable evidence of Iraqi dissembling over WMD, coupled with the ruthlessness of the regime and its links with terrorism over many years, obviously presented a serious threat of mass-casualty attacks against Western targets whereas the removal of this regime and its WMD would significantly reduce such threats.
- d. Finally, Australia has obligations to act as a responsible member of the international community and as a longstanding member of the 'Western Alliance'. Both these considerations naturally lead to Australia supporting the considered actions of its two principal allies and the two leading countries of that alliance.

## CONCLUSIONS

53. It is an old adage of career intelligence officers that governments and their bureaucratic advisers never admit to a policy failure or an intelligence success. Virtually all serious studies of supposed intelligence failures throughout history have usually concluded that the bulk of such incidents are instead examples of policy or decision-making failure. The intelligence assessments were correct but were not believed because the policy or decision makers did not want to believe them. The ADA suggests this should be borne in mind during the inquiry.

54. The quality and efficiency of the assessment of intelligence and information on Iraqi WMD programs was influenced by a diverse number of political, structural and cultural causes. Just as important as the actual facts concerned are the perceptions involved. Any recommendations as to the improvement of Australian intelligence assessments need to address the perceptions as well as the reality.

55. Australian intelligence agencies have too many management-level staff and analysts with inadequate intelligence backgrounds and training for the responsibilities involved. This includes the heads of some agencies. Only career intelligence professionals have the all-round skills required for most intelligence duties and tasks.

56. The Defence Intelligence Organisation not the Office of National Assessments should have primary responsibility for military assessments. The Director DIO should always be a career intelligence professional. The number of levels within DIO's hierarchy should be reduced.

## RECOMMENDATIONS

57. The Australia Defence Association recommends that the committee especially review the following aspects in compiling their report:

- a. whether the Office of National Assessments is actually an intelligence agency in the accepted sense or is instead purely a clearing house for the product of such agencies;
- b. the need for the Defence Intelligence Organisation to regain its primacy for national-level military matters (including the surrender of such matters by ONA);
- c. the need for all intelligence agencies to clearly differentiate between the skills required to undertake analytical compared to intelligence staff functions;
- d. the need to reform the recruitment and promotion policies within the intelligence agencies to maximise the employment of throughcareer professional intelligence officers rather than supposedly talented amateurs brought in laterally;
- e. the need to select at least some heads of intelligence agencies, and far more management positions within the agencies, from among the ranks of the professional career intelligence officers employed by such agencies (or in some cases other intelligence agencies); and
- f. the particular need for the Defence Intelligence Organisation to be headed by a career intelligence professional rather than a defence department official from a policy-making background, or senior ADF officer, with little or no intelligence experience or qualifications.