INTERVIEW WITH:
PHILIP HAMMOND.MPSECRETARY OF STATE FOR DEFENCE

ANDREW MARR: It’s exactly a year since Philip Hammond was appointed Defence Secretary, but any hopes of celebrating a quiet anniversary have been blown away by today’s news. There are multiple headaches facing Mr Hammond, notably, now the Sunday Times allegations that retired Top Military Brass, are willing to lobby on behalf of defence contracts. Philip Hammond is with me now.

PHILIP HAMMOND: Good morning.

ANDREW MARR: This, as we were saying earlier in the paper review, is a classic sting operation of course. None the less, you’ve got a series of extremely eminent people who appear to be prepared to use events like remembrance celebrations, commemorations, private dinners and so on, to push the interests of defence companies, what’s your view of this?

PHILIP HAMMOND: Well first of all I think the revelations are deeply damaging to the individuals concerned and their reputations. I would like to be clear that there is no way that retired officers influence the way military equipment is procured. I’m satisfied that the system we have is completely robust but there is an issue, firstly about whether any rules have been broken and clearly at least one, possibly more of the individuals named in the Sunday Times piece and were still under the terms of the two year restriction that applies after they have left the service. And secondly, I think we have to look at the level of access that we give retired officers to the MOD and to serving officers. There are many, many reasons why it’s sensible for the MOD to maintain contact with retired officers. They’re often asked by people like yourselves, to comment on things that are going on in the defence area. But if they’re abusing that access for commercial purposes, then we will have to tighten it up or maybe even shut it down; so that’s something we will now look at.

ANDREW MARR: And how do you feel personally about knowing that your Permanent Secretary for instance, was sitting next to somebody at a dinner and part of the purpose was that – was to tap him on a particular contract. You must feel betrayed.
PHILIP HAMMOND: Yeah, knowing my Permanent Secretary, I’m completely relaxed about it (interjection) because he will be totally immune to that kind of approach. I think what we’ve seen on these kind of sting operations before is people rather bigging up their capabilities and what they can do. (interjection) I hear a lot of bravado here.

ANDREW MARR: Yes.

PHILIP HAMMOND: I mean people that are talking about things that they’ve said or done at events and I don’t remember any of those things happening.

ANDREW MARR: But you have got an example here for instance of one senior ex military figure, Admiral Sir Trevor Soar it says here. Who says, I have to be careful, slightly careful lobbying Ministers- there’s some criteria on that; so how do you get around that asks one reporter – you just basically ignore it, he said. Which suggests that from their point of view at least, these rules don’t really matter or amount to much.

PHILIP HAMMOND: Well, there is a two year period during which ex officers are required to take advice of the Cabinet Office Committee that looks at business links and they’re required to abide by the advice that that committee gives. If we find that people are not taking that advice and not abiding by the advice they’re given, then we will need to look at whether there are steps we can take, certainly to shut down their access to ministers and officials.

ANDREW MARR: So you’re going to look again at the rules, you’re going to shut down their access.

PHILIP HAMMOND: Yeah, I mean it’s not so much looking at the rules, it’s about looking at the way they’re enforced and there are some difficulties. For example, military officers don’t have contracts in the way that civil servants do – they’re appointed by the sovereign, so they’re in a slightly different position but all of the companies that these people would be offering services to, rely on the MOD as their principle customer and I think if we were to make it clear to companies that the kind of lobbying that’s being talked about here will damage them, rather than benefit them, that will be quite effective.

ANDREW MARR: I’m putting to you newspaper stories but it is a day to do that actually. There’s a very interesting story here in the Mail on Sunday about the Second Battalion of the Royal Regiment of Fusiliers.

PHILIP HAMMOND: And we’re going to have a debate about that .. (overlaps) this week.

ANDREW MARR: There’s a debate about that in the House and it’s a debate therefore about army cuts and the position of different regiments against one another and in this much, there will be, it says here, serving officers taking place. It hasn’t happened since the days of Oliver Cromwell, serving soldiers, marching in protest to the House of Commons. They would be presumably breaking their contract.
PHILIP HAMMOND: Yes, it hasn’t happened and I don’t expect that it will happen. I think that ... (interjection)

ANDREW MARR: What would you do if it did?

PHILIP HAMMOND: Well, that’s not an issue for me. That’s an issue for the military chain of command and it’s very important, one of the things that’s very important in my job is that I understand what are my responsibilities and I don’t try and interfere and meddle in things that are properly the military’s responsibility.

ANDREW MARR: But to be clear for those who are watching, they could be Court Marshalled if they did.

PHILIP HAMMOND: Well, if they turned up in uniform and tried to march towards parliament, that would obviously be very serious. I think you know, we try to take a common sense approach to these things but I hadn’t heard until I read this story today of anything like this.

ANDREW MARR: You don’t expect it to happen.

PHILIP HAMMOND: I think what’s actually going to happen is that a few ex officers from this particular battalion are going to turn up, sit in the public gallery and watch the debate and they’re absolutely welcome to do so and I would be astonished if ex officers didn’t want to do that.

ANDREW MARR: We know that there has been a black hole as you describe it in the defence budget and we know that the regular army is to be cut by about twenty thousand people. You are now proposing to increase what’s still known as the territorial army, part time, unpaid, volunteers by about fifteen thousand.

PHILIP HAMMOND: Not unpaid. Part time ... (interjection)

ANDREW MARR: But not paid at the same rate obviously, as full time soldiers because they’re not serving ... (overlaps) ... .

PHILIP HAMMOND: When they’re called up they’re served – when they’re serving they get the same rates of pay as regular soldiers.

ANDREW MARR: Sure. But it’s for a strictly limited time, every five years and so on.

PHILIP HAMMOND: Sure.

ANDREW MARR: So they are cheaper. And the question will be, is this an attempt to get an army on the cheap because we can’t afford a proper army anymore?

PHILIP HAMMOND: Well the size of the regular army is being reduced to eighty two thousand. Unfortunately, that was one of the steps we had to take
to re-balance the defence budget after dealing with the black hole that Labour had created over many years. The senior army commanders are very confident that they can maintain the military outputs that we’re committed to maintaining in the strategic defence review, so we’ve set out what we’re going to be able to deliver – what the ambition, if you like of the armed forces is. We can do that with an eighty two thousand regular army.

ANDREW MARR: So why the drive to increase the TA?

PHILIP HAMMOND: We will need more reserves because the way we’ve restructured the army is with the focus on the front end. We’re taking out a much bigger percentage of the support functions, like logistics. Those are functions for which we have a limited need in peace time but when we mobilize or when we carry out an enduring operation like Afghanistan, then we have a much greater dependence on logistics – that’s an ideal area for reservists to be involved in. People that we can call up when we have a big operation on-going, but where we don’t need the same volume of people during normal peace time activities.

ANDREW MARR: Now they’re called the Territorial Army at the moment because they defend ‘the territory’. But of course you’re describing a force which would regularly be going overseas, that’s part of the point. Have you got a different name for them yet in your head?

PHILIP HAMMOND: In my head they’re the army reserve and they will be an integral part of the regular army. They will train with the regular army, they will do overseas training – already this year we’ve got a number of overseas training deployments that members of the TA will be engaged in. So I would like to see them renamed. It will take legislation but when the opportunity for legislation comes along, we will change the name.

ANDREW MARR: We will see the Army Reserve and it will look and feel a bit different from the TA.

PHILIP HAMMOND: It will look different and we’ve already started issuing regular army uniforms to TA units. They will have regular army style radios and personal protective equipment. Regular army style vehicles, so we are changing the pattern of equipment and kit, bringing them in-line with the regular army with whom they will train and work and under our new construct, each territorial battalion will be paired with a regular army battalion so that they will be in a permanent twinning arrangement.

ANDREW MARR: And presumably, some of the soldiers who have been made redundant or unable to serve in the regular army, will be in the army reserve, or so you would hope.

PHILIP HAMMOND: Certainly, that’s one of the steps we plan to take is to make it more attractive for ex regulars to do a period in the Army Reserve. It helps with the numbers, but even more importantly, it helps to change the ethos of the Army Reserve and it will help with the integration with the Regulars, if we have a significant cohort of ex Regulars in there.
ANDREW MARR: You mentioned Afghanistan just now.

PHILIP HAMMOND: Yes.

ANDREW MARR: I know you won’t want to comment in detail on the five soldiers who have been charged out there for allegedly improperly killing somebody. Are you absolutely clear that the rules of engagement are known to everybody and clear.

PHILIP HAMMOND: Yes, absolutely clear. Everybody serving in theatre knows the rules of engagement, they carry cards in their uniforms with the rules on them, in case they should need to remind themselves. I can’t comment on the specifics of this case and by the way, they’re not out there. This is something that happened last year. These people were back in the UK and are not in Afghanistan at the moment. But we’re very determined that rules of engagement will be followed. That any abuse will be dealt with through the normal processes of service justice and that is what’s happening now.

ANDREW MARR: Of course the army has paid a terrible price in terms of people mutilated and killed in Afghanistan and in particular, there’s been a rise of the green on blue killings, the blue on green. The Afghans who we are supposed to be training up and helping to prepare their country, turning and killing our people. Does that not show that the strategy that you defended in the House of Commons not so long ago, actually isn’t working and the truth is that we are losing in Afghanistan.

PHILIP HAMMOND: No, I don’t think that’s right at all. We’ve very clear that we are going to end our combat mission at the end of 2014, just over two years time.

ANDREW MARR: George Osborne apparently wants to come back earlier.

PHILIP HAMMOND: Let me come back to that in a moment. We’re clear we’re going to be out of the combat role by the end of 2014. In the meantime we are training what is now a very much larger Afghan army and Afghan armed police.

ANDREW MARR: Do you really think they’re going to be able to hold on against the Taliban after we’ve gone.

PHILIP HAMMOND: Yes, in two of the three districts that we, the UK, are responsible for, in Nadi Ali and Lash Gagar, the Afghans are doing all the day-to-day security work already. Transition is well advanced in those areas. Our forces are mainly in the main operating bases, going out occasionally to support them. But by and large the Afghans already, two years ahead are in control of security.
ANDREW MARR: And yet the Taliban can get in to Camp Bastion, they can mount major attacks in Kabul itself. This doesn't feel like a kind of secure situation.

PHILIP HAMMOND: Look, the attacks in Kabul, there have been one or two attacks in Kabul. Actually Kabul is remarkably quiet for a city at the heart of a country that is facing a major insurgency. There have been a very small number of significant attacks.

ANDREW MARR: (interjects) When George Osborne said at a government meeting, a security meeting that it might be a good idea to bring the troops back now. Was that a silly thing for him to say?

PHILIP HAMMOND: Well, anyone who knows the Chancellor’s style, will recognise this as a rhetorical posing of the counter-factual to the received wisdom. The Chancellor’s style is quite properly to challenge received wisdom. Everybody is taking about the plan... (interjection)

ANDREW MARR: So you don’t think he meant it seriously.

PHILIP HAMMOND: No. I think he was asking us to justify our current plan by putting it to us that there is an alternative, we could just come out now. And we take that challenge.

ANDREW MARR: Do you think there’s any chance of bringing the bulk of the people that we’ve got home next year.

PHILIP HAMMOND: Well, what I’ve said is that following my last visit to Afghanistan, that I detect a change in mood among the senior ISAF commanders, that it will now be possible to have a significant reduction in force numbers by the end of next year, after the next fighting season and that is because of the evidence, this year, that as the US has withdrawn its surge, the Afghans have in fact stepped up to the plate and taken over those positions.

ANDREW MARR: Can you give us any sense of numbers that you might draw back?

PHILIP HAMMOND: Well I would expect it to be significant. Which means thousands not hundreds.

ANDREW MARR: Yes.

PHILIP HAMMOND: But I would not expect it to be the majority of our forces ... (overlap)

ANDREW MARR: Okay, so we’re talking about something like four thousand, it sounds to me. That wouldn’t be a ... (overlaps)
PHILIP HAMMOND: (overlaps) Some, well we will have, by the beginning of 2013, we'll have nine thousand troops there and by the end of 2014, we'll have virtually none.

ANDREW MARR: So we can do the maths.

PHILIP HAMMOND: I would expect there to be a significant step at the end of 2013.

ANDREW MARR: All right. And we’re talking about the mood. Let me ask you about the mood on something else. Michael Gove is quoted in the Mail on Sunday today, talking about – off the record admittedly, but saying, in or out referendum on Europe is going to happen. Actually, if he was pressed he would now vote to leave the EU as it’s currently constituted. Do you agree with that?

PHILIP HAMMOND: Well there isn’t going to be a referendum now, In Out. I think the point that Michael is reflecting and many of us feel is that we are not satisfied with the current relationship between the EU and the United Kingdom. The balance of competencies is not right and the mood has changed, you’re right. And the mood has changed because for the first time in a decade, those of us who are uncomfortable with the way that relationship has developed, see an opportunity to renegotiate it. Because of the problems in the Eurozone, there will be a point and I can’t tell you whether it will come next year or in two years time or in three years time, but there will come a point where the EU, the Eurozone, needs to renegotiate its arrangements and thus its relationship with those of us who are not in the Eurozone.

ANDREW MARR: Could we survive happily and satisfactorily outside the EU because if that’s not the case the negotiation’s one-sided.

PHILIP HAMMOND: Nearly 50% of our trade is with the European Union. That’s declined slightly; it used to be more than 50% ... (interjection) ...

ANDREW MARR: (overlaps) ... I’m sorry ...

PHILIP HAMMOND: ... it’s still a huge proportion of our trade so it makes sense for Britain to be in the single market but to re-set the relationship so that we have a balance of competencies between Europe and Britain, which works for Britain and the British people.

ANDREW MARR: All right. Philip Hammond, thank you very much indeed for joining us.

PHILIP HAMMOND: Thank you.

END OF INTERVIEW WITH PHILIP HAMMOND