

Director-General, ASIS – launch of
'Intelligence and the Function of Government'
Monday 19 March 2018

I would like to acknowledge and celebrate the First Australians on whose traditional lands we meet, and pay my respects to the elders of the Ngunnawal people past and present.

A book launch marks an important moment in time—one that I am very honoured to be part of. In fiction, it marks the transition of images from an author's imagination to that of the reader; in non-fiction, and in academic tomes, it marks the transition of acquired knowledge, experience, reflection and wisdom to that of the discerning and conscientious reader. If I am helping in any small way with that transition, by emerging from the shadows, then I am pleased to do so and proud to be part of this transition. To the discerning and conscientious readers of the future, I commend this book to you. And I thank you, John, not only for your very kind introduction but to the outsized role you are playing in the education our next generation of intelligence and policy leaders.

Intelligence and the Function of Government is an important addition to the nation's scholarship and general understanding of Australia's intelligence community, and the fundamental role that it plays in the protection and promotion of our nation's vital national interests. Australia has never had an official history of the Australian Intelligence Community – there have been very few, if any, reflections on how the community works, its contributions, or of its importance to policy and decision-makers across government.

Of course, it's with this in mind that I welcome the contribution that this book makes. The authors, and their editors Daniel Baldino and Rhys Crawley, have captured the essence of intelligence: its history in Australia, the difficulties of getting it right, and the challenges that lie on the horizon.

In launching this book, I'd like to touch on a few of the elements addressed within its nearly 300 pages, that resonate most strongly for Australia's current generation of intelligence officers and analysts. I should add, and recognise publicly, that it is one of these current generation of officers who helped me with this book

launch speech, yet I am not allowed by law to name him or her. He or she knows who they are! And I thank them.

Intelligence-policy nexus; intelligence coordination; the IRAIC

The intelligence-policy nexus, and the coordination of our intelligence community to meet the gaps and answer the questions of government, is of fundamental importance for intelligence agencies. For the Secret Intelligence Service (ASIS), and its partners across the Australian Intelligence Community, this intersection can often be quite difficult to navigate. The 2017 Independent Review of the Intelligence Community has gone a significant way in terms of addressing this nexus.

As John Blaxland and Rhys Crawley have explained in their chapter 'A history of the Australian Intelligence Community':
“Enacted together, these changes, which include the formation of an Office of National Intelligence (as well as the Home Affairs Ministry) marks the largest shift in the Community’s structure... since the dramatic expansion of Australia’s intelligence apparatus in World War II.”

Such change can often be contentious – indeed for some of Australia’s partners, similar evolutions towards greater coordination have not been popular. But it’s worth noting the changes here in Australia have been widely supported by the community itself– all of the agencies see the value and need for such mechanisms to break down the barriers and silos to ensure our capabilities are working in a cooperative and integrated way – bridging the intelligence/policy nexus to help Australia achieve its very important national objectives.

Intelligence impact

Of course coordination is just one pillar. In order for intelligence agencies to be of true value to government, they must produce and disseminate intelligence that has impact for government. It’s true that for the intelligence community as a whole, the phrase ‘communicating with influence’ really does translate to having a genuine impact. In his chapter, ‘Intelligence Dissemination’, Michael Wesley describes this impact as “*delivering information that can inform government actions with transformative effect, at the right time, and to the right place.*” This is foundational for intelligence agencies, and something that the Secret Intelligence

Service has worked hard to ingrain in its own culture. Intelligence cannot be just about providing government with useful context, and keeping them informed. It must be about providing intelligence that makes a difference for government – influencing and enabling outcomes, judgments and courses of action.

Achieving this impact can be a significant challenge. As we all know, the contemporary world is awash with information. We are by far the most informed generation in the history of mankind. Intelligence agencies like ASIS must search beyond this information, identifying sources who can provide actual intelligence – that is, secret information that is withheld from us by design.

It follows that both the intelligence and policy communities really do need to understand one another. Now, I am the first to admit that, for many outsiders, the intelligence community can sometimes seem like something of a black hole. Traditionally our agencies have worked hard to maintain their secrecy on the basis that such secrecy protects their capacity to produce the intelligence required by government. But of recent years, we've

come to evolve that thinking, and agencies across the intelligence community work hard to educate policy agencies on what intelligence can do for them, and conversely to understand – in some depth – how the policy process works, and what information is truly required to support and have impact for that process. ASIS in particular has worked hard to get this right. We've looked at the nature of our own structure and the authorities that govern our activities, so as to enable our staff to be more closely involved and aligned with the goals of Australia's policy-makers across the spectrum of working level, middle managers and senior executives. This has been an important step forward for ASIS, and it has helped us culturally to be more open and engaged with government.

Complex methodologies and situational awareness

Of course, the methods of intelligence agencies are a vitally important and complex component of the intelligence business too. Not only do these methods enable to us to obtain intelligence, but they also serve as a means to mitigate the risks that gathering intelligence poses to the government as a whole.

Dirk Maclean and Charles Vandeeper's chapter 'Military Intelligence – expectations and challenges' provides what I see as a very honest and open account of the challenges we face when we think about these methodologies, and the issues the chapter raises, are issues that resonate strongly with Australia's current generation of intelligence professionals.

Intelligence agencies need to be careful to adapt and evolve techniques and methodologies – known in the intelligence business as tradecraft – to meet the dynamic nature of the world in which we live. We need to ensure that our intelligence professionals go beyond collecting the material. Indeed, they need to understand the context behind the material they're collecting, and how it fits into the bigger picture. We need to invest as heavily in our analytical capabilities as we do in our collection capabilities. And the same can be said for our technical capabilities. Technology will help us to process and manage complex data and information sets; but it won't necessarily give us situational awareness. For this, we must invest in developing staff with subject matter expertise who can provide situational awareness through a

complex understanding of what that data and information actually represents.

Avoiding group-think and conformity is an important component also – particularly for analysis and assessment. As a former Director of the Defence Intelligence Organisation – the Defence Department’s intelligence assessment and analytical agency – I know all too well how necessary it is to ensure that analysts speak up and voice disagreement. I know Paul Dibb would agree with me. Identifying the next strategic surprise takes analysts to have the courage to challenge prevailing mindsets and orthodoxies.

Leadership within the intelligence context

Leadership is important here too. Without dynamic leadership, intelligence agencies find it difficult to adapt and evolve to meet some of these challenges. Within the intelligence context, leadership needs to be collaborative, and it needs to cascade down through the organisation. Everyone, from the Director-General, all the way through to working level staff, has leadership responsibilities – to understand and exhibit the values of our organisation, and to understand the unique requirements they

have as intelligence professionals: to provide the government with frank, fearless and independent advice. To do this, you need to be able to act independently, you need to be able to challenge the status quo, and you need to be able to communicate with courage and influence at all levels.

Grant Wardlaw's important chapter 'Intelligence leadership and capability development' really captures this point well when he talks about collaborative leadership and the need for leadership responsibilities to be reinforced across an organisation – from top to bottom. Within ASIS, we've long worked to spread, encourage and inspire leadership across all levels within the organisation. We do this by empowering our people and encouraging them to express their views openly across the organisation. As someone who joined ASIS from the outside world in a leadership capacity, something that always struck me as a strong positive, was ASIS's flat structure. Our officers engage at all levels, and in discussions about operations and activities, everyone's perspective – junior, middle managers and senior executives – are expressed, heard and taken into consideration. I think that in driving this culture, ASIS is ahead of the curve on working to implement a truly collaborative

leadership culture, and government continues to reap the dividend.

Collaborative leadership enables us to make decisions, and provide advice with confidence. As Director of the Defence Intelligence Organisation, I recall one occasion – on my third day as Director – where a particular country put out an inflammatory media release, indicating that if a neighbouring country did not change a particular policy matter, they would look to attack a series of targets within the other country's capital. My analysts quickly plotted the target locations, discovering that one of the targets was located in the same building as Australia's embassy. As Director of DIO, I needed to brief the Minister for Defence, Chief of the Defence Force and the Secretary of Defence on the intelligence assessment about this threat. Because of the collaborative leadership culture I inherited, my analysts and I were able to take a three dimensional view of the threat – shedding ourselves of any preconceived notions, and focusing on the facts as we understood them. We assessed that the threat was unlikely to eventuate, and I recommended that the embassy not be evacuated. Well, intelligence is an imperfect and challenging business... I didn't

really sleep very well that night! But our assessment was ultimately correct. Without leadership across all levels of the organisation it would have been easy for us to make a very different recommendation – entirely unnecessarily!

Reputation, management of risk

This collaborative approach to leadership is key to our management of risk, which in turn translates to the management of our reputational risk as an agency. Andrew Brunatti's chapter 'Managing reputational risk in national intelligence' provides a sound overview of the challenges that intelligence agencies face in seeking to manage risk. Andrew's commentary on the reputation-reality gap between an organisation's performance and its reputation resonates, particularly when you consider that for an agency like ASIS, our very best work – indeed our highest level of performance – remains a tightly controlled secret.

Andrew's point that "*organisations are also at risk when stakeholder beliefs and expectations remain static in the face of evolutionary change in the organisation's business*" is one that is well understood within the intelligence community, and in many

ways is a catalyst for our outreach to government on the evolving nature of intelligence. Through this engagement – not just at ministerial level, but also with the consumers of our intelligence within government departments and agencies – we are able to educate on the challenges and evolutions within the intelligence discipline. Books like this actually support this too, by bringing these issues to the fore, and encouraging open debate.

Conclusion

To conclude, let me warmly congratulate Daniel and Rhys, and each of the outstanding authors who have contributed to this monograph– it really is a very important and serious piece of work, and I think it sets the standard for how we engage academically on the issue of intelligence and its contemporary role within Australia.

Thank you for inviting me to launch ‘Intelligence and the Function of Government’. I am very proud to do so now. And may it mark the transition into the conscientious minds of our next generation of students, academics, practitioners and those for whom I most earnestly carry responsibility—our next generation of spies!

Consider the book launched!

Thank you!