UKSTRATEGY IN ASIA: SOME STARTING PRINCIPLES

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About Britain in the World

Policy Exchange's *Britain in the World* project was launched in March 2016 by the Defence Secretary, Rt Hon Sir Michael Fallon, and by former Defence Secretary and NATO Secretary General, Rt Hon Lord Robertson of Port Ellen. It aims to bring more strategic foresight and fresh thinking to debates about the UK's place in the world.

UK Strategy in Asia

Some starting principles

Late last year, the UK announced a return "East of Suez"¹, reopening a naval support facility in Bahrain, and establishing new defence staff centres in Dubai and Singapore.² One should be cautious about concomitant talk of a UK "pivot to Asia". The idea that the UK will return to anything like the footprint it had in the region during the commercial peak of the British Empire is, of course, absurd. The death-knell for such ambitions came when Britain lost its foothold in Suez itself in 1956; once the Wilson government withdrew from bases in Singapore and Malaysia a decade later, there was never any real prospect of going back.³

Nonetheless, Theresa May's return from her visit to Japan offers a useful starting point for a new discussion on what the UK's strategy in Asia should be. Significantly, the Prime Minister's visit, intended to pave the way for a post-Brexit deal on trade, also coincided with North Korea's latest missile launch - which travelled over the northern Japanese island of Hokkaido. It was a graphic illustration of how trade and security are umbilically connected in the Asia Pacific.

Much fanfare has greeted the announcement that the maiden deployment of the UK's recently launched aircraft carrier, HMS Queen Elizabeth, in 2021, will be in Pacific waters. 4 Yet while the UK's statement of intent has been broadly welcomed in places such as Singapore, Australia and New Zealand, there remain questions about what it will mean in practice. For many in the region, there is work to be done to convince allies of the UK's long-term commitment to burdensharing.

Likewise, much stock has been placed on the importance of Asian markets and Asian free trade agreements in securing Britain's long-term prosperity outside the European Union. But more thinking has to be done to make ends meet available means and weave them into a global UK posture that also reflects changing realities in Europe, America and the Middle East. While Britain should avoid any grandiose announcements about a new era of involvement in Asia, the next Strategic Defence and Security Review needs to do more to articulate the importance of the region – and provide some guidance to the challenges and opportunities that greater involvement in this part of the world will bring.

A balancing act

In the first instance, a strategy is needed that is synchronised with that of Britain's closest allies. Reduced to first principles, this should be one that seeks the preservation of the existing international order on the basis of upholding international law and ensuring freedom of navigation. On this, it has plenty of common ground with Japan, South Korea, Singapore, Australia, New Zealand and the United State.

At the same time, the UK must also begin articulating a bespoke iteration of that strategy to reflect its changing national interest in the post-Brexit era – one that does more than follow in the wake of its most powerful allies, without being seen to undercut their fundamental interests at a time of growing geopolitical competition and power transition in the Asia Pacific.

This is no easy task and will require deftness, prudence and a diplomatic balancing act along the way. Cosying up to one power in Asia – as the Prime Minister attempted to do in Japan – will inevitably come at a cost of capital and influence elsewhere, notably in Beijing, which reacted "furiously" to her criticism of China for failing to do more on North Korea. Expressions of intent to "engage" more with the region's leading states only provide a starting point. From this point, each step towards greater involvement must come with greater consciousness of cause and effect.

Work on the basis of realities, not guesses

The global balance of power is tilting from West to East. Making sense of that shift is the greatest strategic challenge of the next quarter century. It does not simply follow, as too many commentators have been eager to announce, that the West is entering a period of terminal decline – likely to be easily muscled out of trade, financial markets and geopolitical influence. A more calibrated understanding of this change is needed.

As Gideon Rachman wrote last year in his book *Easternisation*, the raw metrics of power and economic growth illustrate the extent to which Asia's rise will define the century to come. ⁷ But all is not plain sailing: the Indo-Pacific region is facing a destabilising power transition and the diversity of local economies, cultures and sub-regions means that Asia not the monolith too often presumed by lazy depictions from the outside. ⁸ As Michael Auslin has also argued, the Asian

century is likely to be beset by a series of internal and regional crises that are already beginning to unfold – from population imbalances and property bubbles, to poor governance and intractable national security disputes both on land and in the international waters of the East and South China Seas. Today on the Korean peninsula we are witnessing only the tip of the iceberg of potential troubles.

The task for the UK is to adjust to these new realities without prostrating itself before an imagined version of the future in which the sheer economic clout of Asia becomes the foremost gravitational pull in global affairs. For the next five years, the UK must take the world as it is, not as it imagines it might eventually be. The alliances that Britain has already – defensive, commercial, bi-lateral and multi-lateral - are its best assets in the region. They are realpolitik-plus: that is, they are not only built around mercantilist self-interest but shared approaches to trade, open markets, international security and the preservation of the global commons. The first priority of UK strategy in Asia must be to ensure that these alliances are maintained and, where possible, bolstered - particularly in South and Southeast Asia. A strategic stance tuned to twenty-first century realities, rather than appeals to historical sentiment, will provide a far more effective basis for utilising Commonwealth links to India, Pakistan, Malaysia, Singapore, Australia and New Zealand.

Amplifying UK influence

It would be a mistake to overestimate the UK's leverage in the Asia Pacific, notwithstanding the enhancement of its capabilities. The deployment of HMS Queen Elizabeth in 2021 will not alter the military balance of forces within the region. Nonetheless, such commitments, and the reinforcement of the Five Power Defence Agreement that such naval deployments intimate, do amplify the diplomatic presence that the UK already has in the region.

For the most part, this comes by virtue of Britain's position as a flame-holder for "the international community". Admittedly, this notion – beloved of Tony Blair when he was Prime Minister - can be rather amorphous. We have seen how the international community can fail too often in this short century - most recently in Syria. In Asia, however, it is an idea that still cuts some ice.

Recent joint exercises between the UK and its allies in Asia should be seen in that light. In October last year, RAF Typhoon fighter jets were sent to Japan to take part in the first ever joint drill with the Japanese Air Self-Defense Force. ⁹ This

coincided with increased tensions over Chinese actions in the East China Sea and, according to Japan's defence ministry, demonstrated "shared fundamental values" and "common strategic objectives to maintain the rules-based international order". In August this year, the UK joined South Korea and US forces for joint military exercises that came in response to new missile tests by the regime in Pyongyang. ¹⁰ In both cases, this is likely to be the prelude to further cooperation in security.

The point here is not that the UK brings indispensable skills or capabilities to its allies in this region; nor will North Korea or China be watching these manoeuvres with any sense of awe at the UK's ability to project force in Asia. What matters is how such actions fit into the broader alliance system within the region as a whole, and how this is projected within Asia – notably in the South China Sea and in the Indian Ocean – and beyond.

The UN dimension

The active engagement of the UK reaffirms the fact that there is a perceived community of interest among nations – that are, broadly speaking, liberal, capitalist, democratic and under the rule of the law – that transcends the geographic dividing line between East and West. This also makes it easier for Japan and South Korea to present their own most pressing national security needs as matters of shared concern, tied to the functioning of the international system in its current form.

Rather than being seen to follow the US at every turn, the presence of the UK, alongside France and other European and ASEAN partners adds another layer of legitimacy to their stance. In practical terms, the support of another seat-holder on the UN Security Council means that internationally-agreed actions like imposing new sanctions on North Korea through the UN become easier when the occasion arises. Conscious of appearing intransigent or "rogue-friendly", such collective action puts pressure on China, and Russia, to collaborate in these efforts rather than exercise their vetoes in the Security Council.

Thus, a seat on the UNSC is one key British asset that has long outlasted the maintenance of large military and naval establishments east of Suez, allowing the UK to maximise the presence it does have in the Asia Pacific. Britain's role in the Commonwealth adds a further potential layer of support to UK policy in the Far

East. But once again, this matters only in so far as it is synchronised with UK strategy as a whole.

Brexit and the Special Relationship in the Asian context

As the attempt to carve out new trading relationships continues, there are more than narrow economic interests at play. Japan's concerns about some of the negative effects of Brexit on Japanese business interests are well-documented. ¹¹ Nonetheless, at the very least, the UK's willingness to lend support on other issues entails that a hearing is guaranteed. Security assistance and close economic relations should be considered almost a *quid pro quo* as, in the Asia Pacific, the two function interdependently. This goes against the trend in Europe where the EU's negotiators have reacted furiously at any attempt to link the two.

A close relationship with the United States remains the foundation of almost every action that the UK takes abroad and this applies in Asia too. This reality is likely to long survive the Trump presidency, notwithstanding the pressure on the Prime Minister to distance herself from her counterpart in the White House. It therefore makes sense to coordinate the UK's actions in Asia around those of the US, much as Japan and other key regional allies do.

Thus Theresa May used her visit to Japan to urge China to do more on North Korea – an increasingly familiar refrain from the White House that also plays well with the Japanese. ¹² Yet such actions are not cost free. The fact that this provoked a "furious" reaction from Chinese state media is another illustration of how improved relations with one regional power can come at the expense of another. ¹³

Britain's perspective on North Korea

It is now apparent that North Korea already has the game-changing intercontinental ballistic missile technology (and nuclear micro-weaponising capacity) that the US has been desperate to prevent it from attaining for years. For now, however, it seems like the only viable next step in dealing with the regime in Pyongyang is the resumption of the 6-party talks that broke down six years ago. 14

For the UK, the fear of nuclear breakout in North Korea is clearly easier to live with than for many other nations – by virtue of the sheer distances involved. But the UK has, in the past, played a limited but still active role on the Korean peninsula because of its centrality to the future of Northeast Asia during the Cold

War, and the implications that it has long held for the preservation of the international system.

Following the outbreak of the Korean War in 1950, Britain intervened militarily (as part of a US-led and UN-mandated force) primarily to preserve the system of collective security that had collapsed during the interwar years. The lesson here was the Japanese assault on Manchuria in 1931, which was the first serious test for the League of Nations' principle of collective defence. The League's failure to act in that instance led to the collapse of its authority shortly thereafter, and to the series of international law violations that culminated in the outbreak of the Second World War.

For the post-1945 generation of leaders, therefore, it was vital that the United Nations did not show itself to be similarly impotent the first time it was tested in Asia. As Prime Minister at the time, Clement Attlee had many objections to the way the Americans approached the crisis. He thought that General Douglas MacArthur, the Supreme Commander for the Allied Powers, unnecessarily provoked the new Communist regime in China. Long before Nixon and Kissinger came to the same realisation, Attlee felt the Peoples' Republic of China could be peeled away from the Soviet Union, with which it had limited affinity. He also felt that the US had too swiftly resorted to the threat of using nuclear weapons on the field and made a dash to Washington DC in December 1951 to seek reassurances that this would not occur.

On the fundamentals, however, Attlee understood that the advantage that the UK gained from its privileged perch on the UN Security Council, and its comfortable resting place under the wing of the American eagle, was not cost-free. It required the UK taking an active role in preserving the alliances, treaties and international commitments to which it expected others to remain faithful. Thus, as many as 100,000 British soldiers saw action in Korea before the armistice was signed in 1953.

Asia in UK grand strategy

Taking a larger view of the changing global balance of power today, the UK is still best served by the preservation of international stability and the avoidance of great power conflict. This may seem trite at first glance, but it goes to the first principles of British grand strategy for the last hundred years. Since 1945, at the least, and arguably as far back as 1918, the UK has been the ultimate status quo

power – best served by the peaceful preservation of the international system, and the expansion of commerce within it.

This has implications for its stance in Asia today. A ratcheting up of tensions between China and other powers in Asia goes directly against UK's core grand-strategic interests – more so an intensification of great power rivalry between Washington and Beijing. China is, of course, the elephant in the room in any foreign policy discussion of economic and security linkages in the Asia Pacific. The UK wants to engage economically with China. At the same time, however, in stressing the importance of international maritime law, it is de facto reaffirming its commitment to resisting Chinese territorial claims in the South China Sea. As Singapore, Vietnam and Australia have recently discovered, aligning too closely with the US or endorsing the decisions of international arbitration tribunals against Chinese maritime claims entails costs.

Much has been written of the dangers of the so-called "Thucydides trap", whereby the growth of a rising power and the fear which this causes in an established hegemon may, but does not necessarily, end in war. ¹⁵ It is in the UK's interests to see US-Chinese relations take a prudent course. This would be along the lines of what Henry Kissinger calls the "co-evolution" of the two most important powers on the globe. ¹⁶

In the meantime, UK policymakers should remain aware of the fact that even "co-evolution" might require both "brinkmanship" on part of the US, and hard choices imposed by the tectonic shifts of China's rise. This, on its own, could increasingly limit the scope of an "engage and hedge" UK strategy in Asia. There remains, for example, some residual tension between the UK and the US in the former's decision to join the China-led Asia Infrastructure Investment Bank last year.

From a British point of view, of course, it is always preferable to have one's cake and eat it. Pre-Brexit, David Cameron and George Osborne sought to court President Xi Jinping in the hope of encouraging Chinese investment into the UK economy. While the economic benefits of investment are hard to dispute, security concerns over Chinese involvement in the Hinkley power plant ¹⁷, as well as the dumping of Chinese steel ¹⁸, were curtain raisers to the types of intrinsic dilemmas that the "engage and hedge" mentality entails, even without reference to American policy. Brexit or no Brexit, the strategy was unlikely to be cost-free for an extended period of time.

Recognising the dangers of "engage and hedge" does not entail a lurch to a one-dimensional policy on China, falling in behind the prevailing line in Washington DC. The UK can do more than follow in the slipstream of the US in every action it takes in Asia. This is by necessity; Brexit requires more dynamism and risk taking than we have grown accustomed to in our foreign policy. Equally, however, Britain should exercise prudence and be wary of pushing out on its own in a way that is seen to counteract its most important ally's fundamental interests. Crucially, it must avoid stretching American goodwill. If it does so, consequences might be felt in other matters of strategic priority – such as the future of NATO, where progress has been made in reaffirming the Anglo-American relationship as the bedrock of the alliance.

In the short-term, the heightened importance of Asia to the UK's economic future entails an increased diplomatic and security footprint in the region. Ultimately, the priority given to re-setting trading terms with like-minded liberal-capitalist and free market economies like Japan and South Korea does means indicating a strong preference for one version of future development in Asia, and the choosing of particular friends, in a way that is likely to be contested. That the Prime Minister's visit coincided with the firing of a North Korean missile over mainland Japan underscores the fact that Britain cannot dip into the region in pursuit of trade deals without getting more involved in Asia's most pressing security problems. It must tread lightly, act prudently, and spend its limited capital wisely, rather than hedge its bets and chase paper tigers.

Endnotes

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