

Defence Committee

Oral evidence: UK Defence and the Indo-Pacific, HC 183

Tuesday 6 September 2022

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Members present: Mr Tobias Ellwood (Chair); Dave Doogan; Richard Drax; Mr Mark Francois; Gavin Robinson; John Spellar.

Questions 44-85

Witnesses

I: Dr Marcus Hellyer, Senior Analyst at the Australian Strategic Policy Institute (ASPI) and Professor Rory Medcalf, Head of National Security College, Australian National University.

II: Ben Bland, Director, Asia-Pacific Programme, Chatham House, and Dr Rob Yates, Lecturer, University of Bristol.

Examination of witnesses

Witnesses: Dr Marcus Hellyer and Professor Rory Medcalf.

Chair: Welcome to the Defence Committee on Tuesday 6 September 2022. Today, we will focus on the tilt to the Indo-Pacific, on AUKUS, ASEAN and the Quad. Our session is divided into two parts, and our first panel is Professor Rory Medcalf, who is Head of the National Security College, in the Australian National University, and Dr Marcus Hellyer, Senior Analyst at the Australian Strategic Policy Institute. Welcome to you, joining us this morning. I do not know what time it is in your time, but we are very appreciative. We have you for an hour, so we will kick off straight away. Gavin, will you start us off?

Q44 **Gavin Robinson:** Thank you, Chair. Good evening to you, gentlemen, and a good morning from us. What assessment, Professor Medcalf, do you make of the UK's tilt to the Indo-Pacific and of the actions taken so far?

Professor Medcalf: Thank you very much for the opportunity to speak to the Committee today. The UK tilt to the Indo-Pacific is, I think, a worthwhile endeavour. It is of a kind with the turn or attention of a number of countries, of global stakeholders, in this region in recent years. We need to be fairly cautious about leaping to any sudden evaluation of its success or otherwise.

The tilt, as articulated in the integrated review and expressed in a number of policy actions in the past year or more, is a recognition that the global centre of strategic gravity, and indeed economic gravity, is in this region. It will be in the Indo-Pacific for many years to come. This region is really a zone of maritime connectivity with the global system and, frankly, with the economies of Britain and others in the Atlantic.

The tilt is wisely cautious in the way that it expresses its ambitions. The ambition for the UK to be one of a number of partners making a difference in this region is right—I do not think that anyone here has miraculous assumptions about the UK being, for example, the militarily decisive force in the Indo-Pacific. There is a recognition, as far as I have heard and seen, that this is not only about force presence, exercises, visits by, for example, the carrier strike force last year, or positioning a small number of relatively light surface vessels here, but also about diplomacy, intelligence, geo-economic engagement and diplomatic solidarity with countries in the region. If you add all those elements together, so far we could say that there is modest and very welcome achievement, but that there is a long way to go.

I think my main advice, if I were to offer at least an observation from an Australian friend at the moment, is to keep matching aspiration with capability, do not over-promise, and proceed in good company.



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If I could add one last point before we either go to the next question or I hand over to my colleague, the economic component to this is going to be just as important, if not more important, than the military dimension, not only in paving the way for freer trade between the UK and partners in the region. It is also about sharing technology with regional partners. It is about development assistance, and co-ordinating countries like Australia and QUAD members in ensuring that the commercial benefits for Britain of closer engagement with the Indo-Pacific are matched by a strategic balancing of Chinese influence in the region.

Q45 Gavin Robinson: Thank you very much, Professor. Dr Hellyer, is that an assessment that you share?

Dr Hellyer: Yes, I broadly agree with Rory. I think that we are realist enough to know that UK military assets are not really going to change the balance of power in the Indo-Pacific. It is nice to see the visits from the carrier and the Astute submarine, but I think in the longer term the prolonged deployment of the two offshore patrol vessels is more significant because it exposes the UK to the kinds of issues that we have been experiencing now for five, six or seven years.

For a number of years, we have felt a little alone here, as almost the first country to strongly push back on China's bad behaviour, as I would broadly describe it, in our region. As time has gone by, more and more countries have realised that China is not all upside; there are serious negatives to the growth of China. We deluded ourselves about that for a long time. Other countries are slowly starting to realise that that is the case.

The good thing for us is that by having greater British involvement here, and broader European involvement, you are getting direct hands-on experience of what the rise of China actually means. To give one small example of that, the Solomon Islands has been in the news here a lot recently, because Prime Minister Sogavare entered into a security arrangement with China, and seems to be taking his country, using Chinese money and Chinese influence, off a democratic path, which has been pretty successful so far, and starting to hint at delaying elections. We are starting to see what a Chinese satellite looks like in our region, which could mean the end of democracy in what was quite a strong democratic state.

One of the things that happened recently is that the Solomon Islands banned from its ports a US vessel and one of the UK patrol vessels. Those vessels are there essentially doing fisheries protection. We are trying to strengthen the Solomon Islands' economic resilience. Meanwhile, the Prime Minister of the Solomon Islands is undermining that. That is what we have been facing now for quite a few years: China actively undermining Australia's efforts to develop economic and social resilience in the south Pacific. Will that one UK patrol vessel turn that around? No, but I think that it is playing a very important role in bringing greater awareness to Europe and to the UK of the actual situation on the ground here in the Indo-Pacific.



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- Q46 **Gavin Robinson:** Thank you, Dr Hellyer. You mentioned the patrol vessel. What action would you like to see the UK commit to in the short term in the region?

Dr Hellyer: Continuing to do those sorts of activities, working with our partners here. It is no secret that we are in a long contest with China. We are not going to win this in the short term. We can have serious losses in the short term if we take our eye off the ball, but we are in this for the long term. It is not primarily a military contest. It could become a military contest, but it is operating at a vast number of levels, ranging from the development of military capability all the way through to interference in political systems. It extends right across the board.

The main thing is to have friends and partners involved on the ground here showing China that its bad behaviour is being noticed. One of the best ways to respond to so-called grey-zone activities is to shine a light on them. Having more liberal democracies around the world involved, seeing it and drawing it to global attention is a good thing, and it would be great for the UK to keep doing that.

- Q47 **Gavin Robinson:** Professor Medcalf, do you have anything final to say about what activity or action you would like to see, or do you agree with Dr Hellyer?

Professor Medcalf: A couple of things. Although I know the conversation will move later to AUKUS and the UK-Australia relationship, which some of us here are obviously very interested and invested in, it is really important that the UK is as multipolar in its engagement in this region as possible. Whether it is with the presence and activity of the offshore patrol vessels or other naval visits, or whether it is in defence engagement or development assistance, the UK needs to be one of a number of partners engaging with our friends in south-east Asia, and with Pacific island countries and the small Indian ocean counties, where there is also a contest for influence under way. Wherever possible, it should join more-than-bilateral engagement with those countries. It should co-ordinate with others and help to create alternatives, particularly for small and developing countries in the region, other than China, and perhaps even other than an exclusive choice of China and the United States as partners.

- Q48 **Chair:** On China's advancement, are we not paying enough attention to the slow progress that they are making in pressurising countries to look one way or another? Is that something that we are starting to see and may be evidenced over the next 10 years as a slow burn? Countries will not want to upset China simply because of its economic and military might, and will almost have to choose sides. Who would like to answer that?

Professor Medcalf: I will jump in first, if I may. I know there will be a few other questions later on which Marcus will have far more to say than me.

I cannot comment on how the UK security community perceives this. My working assumption is that the UK intelligence community and your



strategic analysts in foreign policy and defence are well aware of what is occurring in this region, are mindful of it, are in constant dialogue with counterparts in Australia and other countries about it, and have no illusions about what is happening. If a few of us can say in hindsight that our Governments had their eyes somewhat off the ball on China's expansive influence five or 10 years ago, that is not the case today.

The bigger question for me is how we translate that into policy. We are well aware that the United Kingdom has a very proximate strategic threat in Europe with Russia's aggression. We are also mindful that we all have stretched and finite resources, so how do we overlap concern about the changing strategic environment with the ability to act in concert? That is how I see the picture. If there are those in the British policy class who still assume that the strategic situation and strategic tensions in the Indo-Pacific are going to resolve or ease without the active involvement of all democratic global stakeholders, there needs to be a greater raising of awareness. That is because we are seeing in Australia now a strategic environment that has deteriorated rapidly and that shows no sign of improving.

Chair: Let us turn to AUKUS now.

Q49 Dave Doogan: Good evening, gents. How important is AUKUS to the defence and security posture of Australia? Perhaps you could contextualise that for the Committee in a way that details a pre and post-AUKUS reality in terms of defence and security for Australia. Where was Australia before AUKUS came to be? Given that it is a work in progress, where is Australia now, and where will it be in the future?

Dr Hellyer: I will go first. The short answer is that we haven't actually seen a lot out of AUKUS to date. At ASPI, we did an AUKUS update in May. We are doing another one to mark the first year anniversary. In concrete terms, there is not too much to say. There have been some important steps forward in the nuclear submarine space. Very early on, there was the signing of the nuclear information sharing agreement between the three states, which was done in record time and was, I think, a very important building block to allow the nuclear submarine enterprise to progress. We have seen a few other kinds of announcements around allowing Australian submariners to train on both US and UK boats. Again, they are important steps forward, but mainly we are becoming more and more aware of the magnitude of the challenge of delivering SSNs. There were some early assessments that it was simply about buying a Virginia-class submarine or two or buying some Astute-class submarines and that it was just a matter of picking one or the other. We are realising that this truly will be a long, long endeavour. That is the good news.

On the other side, there were the original four areas of advanced technology, which have now grown to eight areas of advanced technology, and other than a few statements out of the three Governments that there have been working groups, we have not seen any real concrete measures at this point. I am sure work is going on, but to date we have not seen anything.



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At some level, in concrete terms, nothing has changed. What I will say though is that the AUKUS agreement was a very important negative statement, in a way, with the three Governments saying, "We are very unhappy with our current capability, development and processes, and we are very unhappy with the way we develop technology. We are being out-competed by China in some of these areas, and we need a new way of doing business." We have not quite seen what that is, but I think it is an important step forward to acknowledge that you have a problem.

There is a lot of speculation around how that is going to pan out in future. For me, one of the first, big steps that needs to be made is to address the US ITAR regime—the International Traffic in Arms Regulations—which really has acted as a dead hand on co-operation and the sharing of technologies. One of the highest priorities for me would be for the three countries to find a way forward to minimise the impact of US ITAR regulations. I also think that if we are waiting for SSNs to deliver, we could be waiting at least 20 years. We need quick wins in the meantime, and they are going to be in those eight other areas of technology that have the potential to deliver them.

Professor Medcalf: To add to that, I would not draw a straightforward picture of before AUKUS and after AUKUS and somehow say that Australia's strategic settings fundamentally changed on the 15 or 16 September last year when AUKUS was announced. AUKUS has to be seen in the context of a whole lot of other defensive and frankly assertive—assertively defensive—steps by Australia over the past five or six years. That is going to be a continuum. We will see more under this Government as well.

There is obviously the hardening of domestic security, and all of this is in the context of a fundamentally disruptive strategic environment and particularly the challenge of China's authoritarian power in our region. We have had a hardening of domestic security, foreign interference laws and critical infrastructure protections, with the momentous decisions about Huawei and our 5G network in 2018. The modernisation of our defence force, which although it may be proceeding unevenly, is now a firm bipartisan commitment from our Government, and it includes making Australia, frankly, a more lethal power in our own conventional strike. There is the intensification of the alliance with the United States and the quadrilateral process with India, Japan and the United States. There is a whole range of activities that converge on a strategic objective of defending our interests and values in a contested region and helping our partners and allies do the same. AUKUS, to my mind, is part of that much bigger package.

AUKUS was momentous at a number of levels. It was a kind of crossing of the Rubicon moment, but that is setting aside the question of whether AUKUS alone fundamentally changes our outlook. My response when AUKUS was announced and my response still is that we had better be serious. The three partners in AUKUS, collectively, had better be serious, because AUKUS is such a profound enterprise. It has diplomatic costs. We



do not know yet what the budgetary cost will be but, obviously, it is going to be massive. There is the fact that the Australian bureaucracy has mobilised very impressively behind it; the fact that we have political bipartisanship on it here now; and the fact that it has both short or shorter-term objectives in the advanced capabilities side and longer-term objectives in the nuclear-powered submarines side. All of that together suggests that it is kind of a capstone of all those other strategic buildings blocks that I have mentioned.

Q50 Dave Doogan: Finally from me, it is a work in a progress, as I have said and as you have set out, but AUKUS is live and is a real thing. Can you give me an idea of a hostile or sub-threshold hostile event that may take place in your region? How would that be marshalled and managed differently in an AUKUS regime than it would have been, say, two years ago?

Professor Medcalf: I will jump in on that and then perhaps Marcus and I can have a friendly debate about it. I would gently challenge the argument that AUKUS is a piece of the security architecture in the region. To my mind, AUKUS is a capability-building capstone, fundamentally, for the purpose of making a stronger Australia and, by extension, a stronger alliance system. It is good for the United States and I think it is good for Britain in that regard as well. I do not think that we should understand AUKUS as something that would mobilise in the event of a regional crisis—a Taiwan crisis, a South China sea crisis—in any kind of alliance-like or military sense. Instead, the intent would be that it is preparing the capabilities that Australia would need in such a crisis and the capabilities that would be to our collective benefit.

Dave Doogan: Marcus?

Dr Hellyer: I would agree with that. One of the key deliverables of AUKUS is the fact that it exists and that we are now developing a nuclear submarine programme with the US and UK. Five or six years ago when we went down the path of acquiring the Attack-class submarines from France, SSNs were simply not on the table. They were simply not on the table as an option for Australia because the US was not offering them. The fact that they now are available and the President is mobilising significant resources to make that happen—and I am sure similarly in the UK—is sending a very clear signal to China that we recognise that the security environment has changed and we are taking concrete steps to respond to that.

One of the things that we have all become aware of is that the US in the Indo-Pacific no longer has the unrivalled capacity to ensure peace and security. It is no secret that many Americans are sick of paying 3.5% of GDP to ensure the security of people who are only paying 1% or less than 2%. If we want the US to remain engaged, and if we want the ability to deter China, everybody needs to increase their own investment and capabilities. That is what is driving AUKUS from an Australian perspective. The fact that it exists is in and of itself a clear messaging strategy to China.

Chair: Thank you. John, do you want to continue the AUKUS focus?

Q51 **John Spellar:** Yes. I certainly sympathise with anyone who is having to deal with ITAR with the US. My impression was that there were far too many people in Washington who could say no, and not enough people who could say yes. We have talked about what Australia is getting out of its involvement, but what do you think the UK and the US get out of AUKUS?

Dr Hellyer: I know I am a bit old, cynical and sceptical nowadays. One of the questions we ask ourselves is, what is the UK getting out of it? I guess the true cynics would say, "They were hoping to sell us Astute-class submarines." My view was that that was never going to happen. Other cynics might say, "Now we're all partners, we can't dump our Hunter-class/Type 26 frigate programme because that would upset our new AUKUS friends." I would be interested in hearing your views on what is in it for the UK.

I know I am being a bit flippant here, but I think with all three countries working together, we can accelerate the development of a number of technologies, provided we have focus and it does not become a talk fest. There is certainly a clear opportunity for the UK to benefit from US and also Australian technologies. I am a big advocate for the Australian defence industry. We have a number of word-leading companies here. We may not be building traditional platforms like fighter planes and things like that, but in a number of areas such as autonomous systems and artificial intelligence, we have very advanced capabilities here.

Professor Medcalf: It is good to hear the summary of some of the sceptical views that Marcus has given, because we have all got to be very frank with ourselves about this. Having said that, I think the benefit for the UK is very much a set of decisions for current and future UK Governments. I think that the potential and opportunity there is vast, and I do not mean that necessarily only in the submarine decision.

As Marcus said, the very trusted pooling of the industrial research and innovation capabilities of the three countries, if it gets the sustained political momentum that we saw called for at the start of August, can have significant capability benefits for all three countries moving forward. For the United States, I see AUKUS much more in a clear, strategic, balance-of-power framework to balance China in the Indo-Pacific. To the extent that the UK benefits from that—I think it does, and I think the UK is a global stakeholder in the Indo-Pacific and shares our values and, to a large degree, our interests here—AUKUS makes a significant difference in the balance of power in the long term.

The very fact that China has been almost hysterically outspoken about AUKUS and has such an active anti-AUKUS propaganda campaign under way in the region suggests that it genuinely sees the possibility of a stronger Australia with SSNs as significantly reducing China's ability to shape the regional security environment. Some of these benefits are indirect and long term, and I know that may be a political hard sell in a



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democracy, but that is where I would commend the vision of AUKUS. Like Marcus, I think we should be cautious about how easily it is going to be executed.

- Q52 **John Spellar:** The alliance of democracies is necessary to counter the clearly growing alliance of autocracies in the world. You are talking about capabilities, and a lot of it is towards the high end of capability—basically, the final equipment manufacturers. Hasn't the Ukraine war shown the enormous problems that we all have with supply chains, going back to tiers 2, 3 and 4—not just in industrial physical capacity, but in the skilled and even semi-skilled assembly workforce, let alone in access to key materials, where China has been consolidating control of the refining capacity for so many of those? As far as you are aware, what sort of work is being undertaken to strengthen those to the advantage of all three of our countries, and possibly also additional international partners?

Dr Hellyer: The first thing I would say is that AUKUS is not meant to solve all our problems, certainly not initially. Yes, we have become very aware of supply chain challenges; covid-19 made us aware of that. In Australia, we had people fighting in supermarket aisles over toilet paper, as we ran short of it. More recently—for example, as you said, because of the war in Ukraine—everybody has suddenly become very fixated on the supply of guided weapons. Guided weapons are not one of the eight areas of technology set out in AUKUS, but we do not necessarily need AUKUS to fix that for us; we still have many other tools. For example, about two years ago, the Australian Government identified the supply of guided weapons as a key challenge and said that we would establish a sovereign guided weapons enterprise here. There was much speculation about what that really meant and how it would happen. As we go through time, it is becoming clearer that what we want to do is be able to manufacture guided weapons here. Initially, it is highly likely that they will be US weapons that we already use in the Australian Defence Force, but those weapons would be available not only to the Australian Defence Force in time of crisis; they would be available to the US in time of crisis. There are many strains of activity going on to try to build greater resilience, but they do not happen to fall under the AUKUS rubric.

Similarly, there is a lot of study going on here at the moment into the issue of rare earths. One of the things we have realised is that rare earths are not actually all that rare. There are lots of them in Australia. The issue is not finding them and mining them; it is the refining of them and turning them into batteries. We are aware of these problems. We are addressing some of them by ourselves, and we are addressing other ones with our partners. All I would say is, yes, there are issues, but we don't necessarily need AUKUS to fix all of them straightaway.

- Q53 **John Spellar:** But it could be a framework that facilitates the process.

Dr Hellyer: That is exactly right. If we get some quick wins through the AUKUS structure, you can expand it. One of the issues that come up here



is if it works, should you bring in other partners? There has been the suggestion that you bring in Japan as an advanced technological power, with democratic commitments, that lives here in the Indo-Pacific, facing China as well. They would be an ideal candidate. Another one that has been raised is South Korea, which now also has a full-spectrum industrial and technological base and has much to offer, so there are ways forward, both in the number of partners and the scope of AUKUS, but you don't want to put too much on it initially. You want to get some quick wins.

What I will say is that here in Canberra, you hear this big sucking sound. That is, every senior public servant who is not nailed down is being sucked into the nuclear submarine enterprise. In the space of a year, we have gone from nobody there to well over 250 people working in that space. At the same time, we are trying to do a whole bunch of other strategic reviews. We have limited capacity, so I think it is important to make some quick wins and then further down the track we can look at further directions to take.

Professor Medcalf: I would echo Marcus's point about the distributive or diversified nature of the network. Whether it is for resilient supply chains or whether it is for defence and security industrial capacity for our countries, AUKUS is important, but I think some of the really interesting work in the future will be how we ensure that AUKUS and the Quad are complementary, how AUKUS and the South Korea relationship and how AUKUS and NATO, in the long run, are complementary, because there is a long-term argument that AUKUS is good for NATO and even for the EU. If I had said that about 10 months ago, it would have been considered a little bit provocative to our good friends in France. I think we need to take a long-term view and ensure that there is a division of labour among all of the democracies and that we start off with some early wins for AUKUS, rather than putting too much weight on it.

Q54 **Richard Drax:** Good evening, gentlemen. With China throwing its toys out of the pram, how serious is the difficulty of the non-proliferation regime for Australia's acquisition of nuclear-powered submarines? Perhaps you could kick off, Rory.

Professor Medcalf: I am happy to jump in first. That is a question to be taken very seriously. One of the current accelerations we are seeing in our bureaucracy is a rebuilding of non-proliferation arms control expertise, which Australia has always been reasonably strong at, but which probably has weakened somewhat in recent years. Chinese objections are of course to be taken with certain grains of salt. We are having a difficult time at the moment in reminding some of our regional neighbours that while they may be concerned, often at China's instigation, about perceived non-proliferation risks from a currently non-existent Australian SSN programme, meanwhile there are Chinese SSBNs travelling probably through their waters—there are certainly Chinese SSNs. There is a pretty uncomfortable record of China's own proliferation relationship in nuclear weapons technology, with Pakistan and others. There are all sorts of double standards at play.



Where we do have to do better, frankly, is in respectively engaging with countries like our south-east Asian neighbours, with many of the genuine middle ground of non-aligned countries in the world, to make a case that AUKUS not only is proliferation-neutral but also that, in a way, having a country like Australia that is in very good non-proliferation standing developing best practice for this new ambition can in fact strengthen the non-proliferation regime long term. It will be very difficult and will take years of patient engagement with the non-proliferation regime, but we have made a start with the IAEA. I think the ambition of a very specific safeguards regime—an Australian model—is a realistic one and it is something we should all turn our minds to.

Q55 **Richard Drax:** Marcus?

Dr Hellyer: The first thing we have to do is acknowledge that this is a serious proliferation issue. It is a precedent. It is the first time that a non-nuclear weapon state has developed nuclear submarines—not just any nuclear submarines, but submarines fuelled by highly enriched uranium. We chose that for ourselves. We can ask whether we should have got low-enriched uranium fuelled submarines from the French, for example, or should we have gone HEU. Well, we have gone HEU and I don't think we are going to turn back from that, so we have to accept the consequences of that. This is a serious—I don't want to say proliferation event, but it is the first time that a non-nuclear weapon state is getting significant quantities of highly enriched uranium, and it is weapons-grade uranium—so we need to accept that other countries legitimately can have concerns about that.

That said, the three AUKUS partners have made it very clear publicly and to the IAEA that we are willing to work very closely with the IAEA to develop a robust non-proliferation regime or safeguards regime. The head of the IAEA, who was recently out here, expressed his confidence that the three AUKUS countries were willing to do that and were working well with the IAEA. In fact, he said he was confident that we would be able to develop an adequate safeguards regime, so I am reasonably optimistic.

In terms of our neighbours—to echo Rory—the Chinese are going to say what they are going to say. If we bought new boots for our soldiers, the Chinese would have an issue with that. We have to accept that and acknowledge that they will do everything possible to make life difficult for us, so we need to be on the front foot to deal with that.

Other countries in the region, despite their public protestations, are reasonably supportive of what Australia is doing. Indonesia, for example, expressed concerns. In fact, at the recent non-proliferation conference, they submitted a working paper, which the media latched on to and said that the Indonesians were getting a coalition of 100 non-aligned countries together to vote us down and to kill the whole SSN enterprise. Actually, if you read their working paper very closely, what they say is that they have some concerns and there needs to be a good safeguards regime, but, ultimately, if there is a robust safeguards regime for Australian SSNs, they can accept that. Again, somewhere below the surface there is a realism



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among our neighbours that having a credible deterrent capability is stabilising for the region and not destabilising

- Q56 **Richard Drax:** Marcus, as time is running out, briefly, are there any other difficulties around acquiring nuclear-powered submarines, other than the proliferation ones, which I think we all accept? China's we take with a slight pinch of salt, as I think you said, Rory.

Dr Hellyer: I am reasonably optimistic that with the help of our partners in the US and UK, we can do it. We need to be realistic around the timeframes involved in doing it. We need to be realistic around the cost. It will be extremely large. Some people have said, "You can have SSNs or you can have a navy." I do not think it is quite that bad, but it will require higher levels of spending than we have at the moment, and it will require setting up levels of regulation, safety and stewardship. That will be a big undertaking for us, because currently we have one reactor in the entire country, which is a medical and research reactor. Developing that kind of infrastructure will be a big task and take time. You certainly do not want to short-cut that; the US has made very clear that they expect Australia to be a responsible custodian of this technology. Both the US and the UK have an impeccable safety record with nuclear submarines and we need to emulate that, which means that there are no short cuts.

- Q57 **Richard Drax:** Rory, can you comment briefly?

Professor Medcalf: There are two obstacles: one is ensuring that the custodians—the US navy and the Department of Energy—recognise Australia's nuclear stewardship, commitment and credentials. That in turn will require Australia having the highly skilled, highly educated, highly motivated and highly trained workforce that we will need. That is work in progress, which has already commenced. I think that the mobilisation of Australian bureaucracy around this issue has been extraordinary; and the mobilisation of the Australian education sector, which I am involved with, has also been quite surprising in many ways, because this is a national interest issue for Australia. There have been a few universities in this country which, a few years ago, were being criticised for being too close in their relations with China. They have not only gone through a kind of foreign interference reality check in recent years, but are now very genuine in their efforts to build the training and education programmes the country will need. I think we will get there, but it is going to be a major commitment for Australia.

Mr Francois: Dr Hellyer—by the way, for those of us who came to Australia, thank you very much for all the support we were given by ASPI. You made us very welcome and we learned a lot, so we should thank you.

Dr Hellyer: You are very welcome.

- Q58 **Mr Francois:** Isn't one of the problems with all this that you have got a bit of a dichotomy? On the one hand there is cynicism about how much meat there really is in these other eight areas. On the other, some of it is so sensitive that you cannot actually say what is going on, so you cannot



answer the accusation. Is there not a creative tension there?

Dr Hellyer: It is like many areas of military technology. There are ways you can talk about it without actually talking about it in detail. I am not expecting our defence organisations to share every single discussion and every single technical performance detail of the things we are trying to develop. We can talk about these things. For example, in the last five years I would argue that our publics have become much more aware of cyber issues and the threats posed by cyber-attack. That has not required every Australian to become a cyber-expert and it has not involved our cyber-organisations disclosing all their secrets. It is possible to generate public support for investments in various technologies when you make them understand the threat environment. One of the things that the Australian Government and our broader strategic policy community has been quite successful in is making the Australian community much more aware of the threat posed by China. In that kind of environment, it is possible to have a conversation about the things we are doing, without going into too much detail.

Q59 **Mr Francois:** We are tight for time, so I apologise profusely for cutting across you. One concrete programme, at least on one level, which is in parallel with AUKUS is Type 26 and the Hunter programme, which I think you referred to, Marcus. What is your assessment of how Hunter is progressing, if at all? We will go to Marcus and then perhaps we can ask Professor Rory as well.

Dr Hellyer: I have written about Hunter and I am very concerned about it. I'll be honest and up front: I don't think it was a good choice to start with and it certainly wasn't a good choice to—we were trying to pick a mature, existing, in-service design and then we went with something that was none of those things, plus we asked for five major modifications to it, such as the radar, the combat system and the weapons. I wouldn't have done it that way, but it's where we are, so I don't think the Government is going to change path; in fact, it has said it's not going to. Interestingly, Navantia has injected itself into the conversation by saying, "Hey, we can build some more air warfare destroyers for you very quickly and at a pretty good price—faster than you will get any Type 26s." Interestingly, not long after that, BAE went public and argued that it is recovering schedule and achieving a lot of milestones. It's interesting how injecting even a shadow of competition has focused BAE's mind.

I am very worried about the Hunter-class frigate programme in terms of actually being able to establish a stable baseline design. I am extremely concerned about the timelines involved in that. Even if BAE recovers schedule, the first ship is not going to become operational until the 2032 kind of timeframe, so we are still 10 years away from seeing the first frigate, and then, with a roughly two-year delivery drumbeat after that, the full fleet of nine will be another 16 years after that, so we will be nearly at 2050 before we have the full fleet. I think that in this era, when we are very concerned about the shifting military balance of power and China's willingness to use military coercion, we have to be moving faster.



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Q60 Mr Francois: We are very proud of the design. I think we would still argue that it is a world-class anti-submarine-warfare frigate, but there have been delays in the UK programme that we have our own concerns about. When we were in Australia, we were shown a brand spanking new frigate factory, which was extremely impressive, save for the fact that there was very little going on inside it.

Dr Hellyer: Yes, we don't actually have a design to build yet, so that is a problem.

Q61 Mr Francois: Don't get me wrong—we are very proud of the ship, but we would like to see it speeded up at our end as well as at yours. In fairness, Professor, you have been very patient. Have you any observations on Hunter?

Professor Medcalf: I have nothing to add, really, on Hunter. I would just add to your previous question the observation that I am not anxious about the advanced-capability side of AUKUS, because I think that within a relatively short time—I would say within one to three years—you will start to see tangible early harvest from that. For example, it is a matter of public record that there will be experimentation with autonomous underwater vehicles under the AUKUS mantle very soon; it will perhaps be going on this year. I think that in hypersonic and counter-hypersonic capabilities, within years you are likely to see either declared outcomes, in terms of the results of experiments, or perhaps capability improvements. I think, in a way, that is going to become an easy story to tell, despite the sensitivity and the classification of those—

Mr Francois: I think we would welcome that. We have an Anglo-French hypersonic programme that is going precisely nowhere and has been for years, so if you could help us out on that, I think we would all be very grateful. Anyway, we are tight for time, so I had better hand back to the Chair.

Q62 Chair: Thanks, Mark. If I may, as we come to the close of the first part of this session, I will just explore a couple of issues that Mark introduced, including, first, the collective responsibility that we are now appreciating is what is required in the Indo-Pacific, not least the South China sea. I was in the States, I think just after AUKUS was announced, and some American friends in the State Department felt that they had got caught up, perhaps, in a little bit of the bunfight between France and Britain—which just goes back a few hundred years, on and off. The Americans were certainly a bit uncomfortable.

You have touched on military alliances, economic alliances, strategic partnerships and so forth. It begs the question whether AUKUS should be a procurement programme. Quite rightly, if you want to build nuclear submarines, France should just suck it up and realise that there is a better offering. However, when it comes to standing up to the threats, surely we should be bringing more flags around the table, such as France, Britain and potentially Canada, as well as others who have an interest in defending our international rules-based order. I think that is what it is all about. Do you see the difference? We have got sucked into AUKUS, but it



is not just procurement—you have touched on it many times—it is also strategic.

Professor Medcalf: Could I jump in on that? As someone who has done a lot to support the Australia-France relationship, I am one of a number of Australian policy entrepreneurs or analysts who lost a little bit of skin over AUKUS in the early weeks because we want and need the involvement of our French and European friends in the Indo-Pacific to the maximum extent possible. I think it was unfortunate that France saw the submarine programme with Australia as the centrepiece of its Indo-Pacific strategy. It is certainly the case that, now we have a change of Government in Australia, a lot of the animosity and the sense of betrayal projected in the French public narrative after AUKUS has eased. In fact, there are media reports suggesting that President Macron may even visit Australia later this year. We will see France, and Europe more generally, back and active as partners in the Indo-Pacific very soon—it is happening already. That is one reason why I think it is important to underline that, although AUKUS is strategically important to Australia, it is not an alliance. We want to find as much common ground with those other democracies in this region as possible. From my own position, I would say that the maximum convergence between the UK and EU objectives in this region is eminently desirable.

Dr Hellyer: I will just echo Rory and warn against regarding AUKUS as the solution to all our problems. My colleague here at ASPI, Michael Shoebridge—who left last week, unfortunately—early on wrote a short study called “What is AUKUS and what is it not?”. I think we need to be very clear about what it is not. We run the risk, when referring to AUKUS, that some countries may think that you are either in AUKUS, or you are not eligible to be a partner at all. We want to stay clear of that trap, because we can find friends and partners in many places doing many activities. Recently, in South Korea, there has been a very impressive industrial and technological base. We want to be working very closely with South Korea, just as we want to be working very closely with Japan and a whole range of countries. We need to make sure that we do not fall into the trap of seeing AUKUS as all things to all men.

- Q63 **Chair:** My final question is to do with that timeframe. You spoke about when those Type 26s will be operational. The world is going to look very different in five, 10 and 15 years’ time from China’s perspective. We need to start showing a sense of presence much sooner than that. Could it be argued that you need a pillar 3 here added to an expanded AUKUS, which has more rudimentary military capability—not high-end, high-octane equipment, such as the Type 26 and Type 45s? They are incredible bits of kit, but they are very expensive. Should we not be looking at very simply operated diesel electric submarines, almost deliberately designed to say, “I am here. We are patrolling this area and we are not going to allow vacuums to be created. We are going to expose threats when we see them wander into this space—both subsurface, on the surface and in the air.” Do you think there is another component that we are missing in standing up to the changing scale of threat that we face?



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Dr Hellyer: You are going to pick a huge fight with three navies if you say we need to be building more diesel-electric submarines. I think the US navy will absolutely die in a ditch over that one. However, we do need to be looking at what I would call the consumables of conflict, whether that is fuel, munitions or everyday things like trucks or now, as we look at Ukraine, just simple UAVs that both sides are buying—off-the-shelf DJI drones—which are now a fully integrated, everyday part of warfare. We also need to be looking at that. That is part of our general learning about supply-chain security.

Here in Australia, we are putting a lot of thought into developing greater fuel stocks in the north of Australia, which we are working with the United States on. There is a huge range of activity there. Does it need to be part of AUKUS or can it be part of our normal, everyday business? I am not sure. Again, I think that one of the risks of AUKUS is that it does suck the oxygen out of the room a bit, and we do put our focus purely on SNNs when we also need to be focusing on things like fuel and concrete. If we are trying to operate extended, high-intensity air operations out of northern Australia, we very quickly run out of concrete to actually put aircraft on. There is a lot to this, and there is a lot of thought going into this in Australia at the moment.

Professor Medcalf: I would agree with what Marcus has articulated there. This does not have to be AUKUS-only or AUKUS-specific, and indeed the powers that may benefit the most from being assisted with the consumables of conflict, as Marcus calls them, are not even necessarily our three countries. They could well be a whole lot of other frontline actors in the Indo-Pacific—including Taiwan, but that is probably a question that I will leave unanswered, as to what our role would be in that regard.

Dr Hellyer: I might just jump in on that—on the Taiwan thing—because it is every Australian politician's worst nightmare. If China invades and the US calls for help, that is the moment of truth for the alliance. However, sending frigates or fighter planes is not necessarily the only option. If we have a robust defence industry that is capable of rapidly generating some of those consumables of conflict, such as precision-guided munitions or small, disposable drones—things that we can supply in quantity to Taiwan, or any other country that is facing military threat from a hostile power—to me, that carries almost as much weight, and probably more real-world effect, as sending one high-value frigate or a couple of surveillance aircraft.

Chair: It would be interesting to see what Ukraine thinks about that exact comparator now. I think they very much appreciate the equipment that has been sent to them, but I think they would like some more friends on the battlefield as well. On that interesting point, we will have to call this session to a close. Professor Rory and Dr Marcus, thank you so much for your time. We very much appreciate you helping us out with our study this morning. Please stay on and watch the next part, if you are able to do so. Thank you, Rory and Marcus.

Examination of Witnesses

Witnesses: Ben Bland and Dr Rob Yates.

Chair: I will now invite Ben Bland, director of the Asia-Pacific Programme at Chatham House, and Dr Rob Yates, a lecturer at the University of Bristol, to take us into our latter section, which will be focusing on the Quad, and indeed ASEAN, and more of a geopolitical look into the Indo-Pacific. Gavin, once again, can I ask you to kick us off?

Q64 **Gavin Robinson:** Good morning, gentlemen. Ben, I will start with you, if that is okay. How important do you believe ASEAN is, and its centrality to the Indo-Pacific region?

Ben Bland: Thank you for inviting me to give evidence today. It is a pleasure to be here. At the start, I think we need to differentiate between ASEAN the organisation—the Association of Southeast Asian Nations—and south-east Asia the region. Obviously, they are not exactly the same thing, so let's make that clear at the outset. I think ASEAN the organisation is the most mature and important regional organisation in the Indo-Pacific. It has helped to ensure a long period of peace and stability across most of the region, and ushered in several decades of rapid economic development. Quick facts and figures: obviously the 10 member states of ASEAN have a population of more than 650 million people, the world's fifth-largest economy—more than \$3 trillion GDP—and impressive growth outlook. South-east Asia sits both at the heart of global trade and the manufacturing network, but it is also the key crucible for geopolitical competition between China and the west, and it is on the frontlines of two of the region's most concerning flashpoints: the South China sea, obviously, and Taiwan.

ASEAN, I think, has anchored a broader regional architecture. It hosts many of the biggest forums that matter to the region—the East Asia summit, which is the premier political gathering for leaders across the region, bringing in south-east Asian leaders but also those of China, Russia, India, Japan, Australia and the US. There is growing appetite outside south-east Asia for more engagement with ASEAN, which is obviously why the UK sought dialogue partner status. ASEAN had a moratorium upon that until the UK joined, precisely because they felt somewhat overwhelmed.

As a last point, I think we have to say that ASEAN has its challenges. It is nowhere near as coherent and integrated as the EU, but this is largely by design. We have to remember that it is called the Association of Southeast Asian Nations; it is not the Southeast Asian Union. I see it as more of an inter-state body than a supranational one. It has plenty of deficiencies, which I am sure we will talk about later, but I think ASEAN remains indispensable, if inadequate.

Q65 **Gavin Robinson:** Thank you. Building on that, how effective do you believe ASEAN is, Dr Yates?



Dr Yates: First, I agree with a lot of what Ben said, particularly in terms of the fact that south-east Asia as a region is at the centre of the Indo-Pacific, and ASEAN has developed this role at the centre of regional diplomacy in the Indo-Pacific. To build on what Ben said, the first question was about ASEAN centrality as a concept, or a notion, which articulates the central place that ASEAN has carved out for itself in regional diplomacy in the broader macro region of what we now call the Indo-Pacific. It is an important concept for articulating and paying respect for that role. That is why we see a lot of dialogue partners emphasising that in their joint statements, and in terms of the ways that they symbolically and diplomatically act in the region.

As Ben indicated, there has been debate around ASEAN's effectiveness pretty much since it was founded, particularly in the post-cold war era. I think part of this has been the different expectations around what effectiveness would be, in terms of the regional organisation. I think in the 1990s there was quite a lot of expectation that ASEAN, through the ASEAN Regional Forum, for example, would help to produce concrete outcomes in terms of conflict resolution and things like that, which did not really play out because, as Ben indicated, of the nature of ASEAN's dialogue processes and its norms, which have a particular strategic importance in terms of the history of ASEAN and its political circumstances.

There is an alternative understanding of effectiveness, which has been prominent in the ASEAN debates. Ben also indicated the very important role in bringing everyone to the table, enabling dialogue between different states that might have fundamental strategic differences. It has been effective in maintaining day-to-day management of regional order, and enabling that continuing highly dynamic trade and economic environment in the region.

- Q66 **Chair:** Could you just expand a bit on the membership and why, for example, Australia is not involved? Is it just a geographical thing? These other organisations across the world have tended to expand. Clubs have decided to join. Alliances are hugely interesting and offer opportunity. How come it has not expanded in the way that perhaps it could have done to be this very chunky, powerful representation in east Asia?

Ben Bland: I think ASEAN has expanded and evolved. It started as, basically, an anti-communist not-quite alliance, but grouping. It has expanded to 10 member states. Timor-Leste is now applying to join, and hopefully will soon be allowed to do so by the member states. Among the 10 member states there is so much diversity of political system. We have everything from military dictatorship in Myanmar and absolute monarchy in Brunei to quasi-democracy in different places and somewhat effective democracies in Indonesia and the Philippines. It is hard enough to keep the organisation together, and I think there is a fear that if you add others to the party that will make things more difficult, plus, obviously, the key is in the name. It is the Association of Southeast Asian Nations, so when in the past there was talk about whether Australia should upgrade from being a dialogue partner to something else—a strategic partner—there was a sense that, no, this is a grouping for south-east Asian nations. They are

struggling to manage the challenges they have as it is, and there is a fear that adding nations would make that more difficult and distract from the fundamental role of the organisation in giving a kind of coherence and unity to south-east Asia.

Dr Yates: To add to that, ASEAN has expanded across south-east Asia, but you could understand the expansion in terms of its dialogue through the various ASEAN-plus mechanisms and the East Asia summit—bringing other states in the region into ASEAN processes, but not into the core membership of ASEAN. There has been a constant concern to protect an autonomous political space for south-east Asian states, and a concern that their voice and their strategic interests—as much as they can coalesce around coherent interests as an ASEAN grouping—might be diluted if they were part of a wider organisation that had equal membership between the ASEAN states and larger partners.

Q67 **Chair:** Let us compare the caucus itself—the numbers involved—and the problem solving that you get among those countries versus the challenges that all those countries face from non-membership. How successful is it as an organisation?

Dr Yates: I suppose it is successful in the sense that, as we have already discussed, there is significant diversity among the states in south-east Asia, there are asymmetries among populations and economic capabilities, and they are differently integrated in the global economic system—all that kind of stuff. Also, there have been tensions with each other historically, including, prior to the founding of ASEAN, military tension, particularly between Indonesia and Malaysia. So, the success that ASEAN has had in that sense has been to try to mitigate some of those tensions to enable co-operation among these highly diverse states in order to enable forms of integration within south-east Asia, but importantly to amplify the voices of south-east Asian states on the regional and global stages through acting together as a kind of diplomatic community, I suppose, as ASEAN.

Ben Bland: ASEAN's own documents and statements are very ambitious, like those of most organisations, and you would expect that, but the truth is that ASEAN does not have the desire or the wherewithal to be an honest broker in broader regional conflicts. It wants to be a platform to discuss some of those questions, but when it comes to the thorny issues—South China sea disputes, and even the response to the coup in Myanmar, which is an issue within south-east Asia and within an ASEAN member state—it is difficult to move forward because the principles of sovereignty, independence and non-interference are so strong.

Ultimately, ASEAN does not take votes. Everything is decided through consensus, so the challenge for member states is just to keep on the same page, which limits their ability to tackle those really difficult problems. That is not surprising, and we still have to give credit to ASEAN: if we compare it to the Pacific Islands Forum, the South Asian Association for Regional Cooperation and other regional organisations around the world, perhaps apart from the EU, it has certainly been one of the most successful, given the diversity of its member states.

Chair: That is very helpful, thank you.

Q68 Richard Drax: I think you have answered the question I am about to ask, but I will paraphrase it. How effective is ASEAN with regard to defence and foreign policy? How dependable an institution is it for the United Kingdom? How important is it for the UK's tilt to the Indo-Pacific? I think you're saying not particularly, because of all the different reasons, backgrounds, monarchies and all the rest of it you were just talking about.

Ben Bland: I would not put it quite like that. I would say that you need a both/and strategy if you want to succeed in south-east Asia. You have to work through ASEAN, because it is really important to the region's identity, and it does have a number of platforms across political and security questions, and economic ones, in particular, where, despite their differences, the countries are trying to find some mutual areas to move forward.

It is really important that the UK has dialogue-partner status and uses that to try to help the region get a bit more coherence and to understand it, while also deepening those bilateral relationships. You need to do both; that is the key to success.

To be frank, many people in south-east Asia—many Governments—are asking, "What is the UK going to do for us?" It is a two-way thing. It would be remiss of me not to point out that there is some scepticism about the UK's ability to deliver, at a time when ASEAN has many other, frankly, bigger partners knocking on its door.

It has upgraded its relationships with China and the US, to a comprehensive strategic partnership, so it is pushing to get more. Of course, the countries of south-east Asia are trying to play different powers off against each other. It is not just a question of what we can get out of them, but also what we can offer.

Q69 Richard Drax: What would they like from us, do you think?

Ben Bland: I think the key for the region comes down to developmental questions and economic development. Almost all the leaders across the region, democratic and non-democratic, ultimately stay in office on their ability to deliver growth and jobs for their people, manage the economy out of covid and manage their way through the food price crisis that they are also feeling—much more sharply than us, because large numbers of people in some developing countries are below the poverty line, struggling to get by.

Those are the key factors that most of the region's leaders think about. Just to add quickly: for the most part, when they think about security, it is often internal security questions—not necessarily aircraft carriers, airplanes and the South China sea, but keeping their countries together, because these are all mostly young countries.

They have a history of revolution, throwing off the shackles of colonialism. I think they still feel that they are trying to keep their countries together and grow their economies. They are concerned about some of these security questions, too, but there is often more of a focus on the internal. So, it is about how can we help them to grow their economy and keep their countries together, which is easier in the democracies than the non-democracies, where supporting their internal security is obviously going to clash with many of our values.

Q70 **Richard Drax:** And your view is that we are falling short.

Ben Bland: To be honest, I think the tilt set out a good basis. Tilting is a motion, but tilting is not a strategy. We need to think about where we go next, and to view ASEAN partner status not as some sort of prize to be celebrated but the foundation to do a lot more in south-east Asia, both through the organisation and through our relationships with the member states. We need to do more and to think carefully about what Britain can offer, what our weaknesses are and, importantly, how we co-ordinate with partners.

It gets back to the AUKUS question of not putting all your eggs in one basket, when it comes to these new different groups that are emerging, but thinking about how we can draw the threads together, so that we can co-operate with the Australians, the Japanese and the South Koreans in south-east Asia. That doesn't necessarily mean doing the same thing, but at least talking to each other, de-conflicting, ensuring that we are not competing, and finding more areas where we can bring more useful economic goods and public goods to the table, which is ultimately what most south-east Asian Governments want from us.

Q71 **Richard Drax:** Dr Yates?

Dr Yates: Yes, I would agree with that. To reiterate, that engagement with ASEAN and the dialogue partnership also provide access to ASEAN-centred regional diplomacy that runs across sectors, different Government Ministers and different issue areas.

Through those dialogues will be where the UK can realise where it can help the south-east Asian states. As Ben has indicated, that will not necessarily align with what maybe Australia is thinking or some of the assumptions we might have made in the UK about the threats or the security situations that south-east Asian nations face.

This also offers the UK the opportunity to deepen and broaden its tilt, so it is not just something that appears to be security focused—purely about countering the threat to China, mostly about co-operating with long-standing allies and partners—but about centring the region, and in this case ASEAN, the major regional organisation, and thinking about how the tilt and the UK's presence can support and help them.

Q72 **Richard Drax:** Are these countries all very anti-China? Are they unified in their purpose? China is doing a very good job of buying up a lot of the world and seducing Governments and people with hospitals and roads. Is



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there any danger that if we do not do more—the United Kingdom and the rest of us in the west—with these countries, they might just fall under the Chinese wand? Or would they never do that?

Dr Yates: I think the strategic preference that ASEAN members have had generally has been one of hedging—trying to ensure good relationships with multiple external partners to try to create a sort of balance of influence. The preference would not be leaning towards one power fully because of that loss of autonomy.

There are challenges within that: geographical challenges, for example, of some of the mainland south-east Asian states and their proximity to China, as well as their levels of poverty and what China can offer in terms of infrastructure investment, obviously coming with an increase in Chinese influence. Within that, there is also a sense that ASEAN as a grouping can provide a way for those states that might be drawn more into China's orbit to increase their voice as a group. Across ASEAN as a whole there are various different alignments, but ASEAN as an institution officially presents itself as a neutral organisation that does not lean towards any particular side and tries to promote what I mentioned before—that broad hedging strategy of trying to ensure a complex enmeshment or balance of influence in multiple external parties in the region.

Ben Bland: Just to add quickly, I think there is a spectrum of attitudes and feelings towards China across south-east Asia. Obviously, some countries such as Vietnam or Philippines have active territorial disputes or maritime disputes, which plays into some of those tensions.

Broadly, I think it is fair to say that, across the region, all the 10 member states are getting economically closer to China, but it is a mistake to view that as simply China buying up these countries or using debt trap diplomacy, because economically it takes two to tango.

The developing countries of south-east Asia are looking for investment in their infrastructure and trading partners. China is the biggest trading partner across the region and one of the biggest emerging sources of investment in infrastructure, but now in 5G and new technologies, too. That is not just because China is forcing itself on countries but because there is an opportunity there. For the most part, the US and the UK, and to a lesser extent Japan, have not been active enough in giving a counter-offer economically.

It is easy to malign what China has done, but it is better to understand what it is doing and see how we can compete. That does not necessarily mean doing the same thing. Anyone who has travelled in the United States will know that its infrastructure is not that great. Is America really the country to be building bridges in Indonesia or Laos? Probably not, but maybe financing is where they step in. You might argue something similar for this country, too.

We have to think about what value we can offer, but we also have to remember that, ultimately, we sometimes like to think whether we can



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decouple from China or protect our economy from China. That is not possible for any of China's neighbours in south-east Asia or the broader region. They are living with China whether they like it or not. It is about finding a way to live with China where they can ensure a higher degree of resilience and maybe a bit more fairness—it is never going to be equal terms of trade, generally speaking, with China.

The question for us is, how do we help south-east Asian countries to maintain a higher degree of resilience in their economic and other relationships with China, which probably are only going to deepen, even if large swaths of government, elite opinion or public opinion in some of those countries do not like it? It is hard to see, given the economic gravity that China has, how those countries do not end up being sucked more and more into its orbit.

- Q73 **Chair:** Is there a bit of a challenge for ASEAN, given that it is having to deal with China and is made up, as you implied, of some nations that are keen to become more dependent on China and others that are not? I also read that ASEAN conducted a three-day joint naval exercise with Russia not too long ago. From our perspective, as a dialogue partner with ASEAN, it is sort of curious that they are choosing to dance with two partners that we consider active competitors, if not adversaries.

Ben Bland: It is a messy, complicated world, and that is why I think the values framing our engagement with south-east Asia are not going to work. The region is dominated by non-democratic regimes. It is not just Russia, but if you look across the region, Vietnam, Indonesia and others have warm relationships with Iran and with North Korea to a certain extent, so this is a complicated region. In the end, if our concern is China, we don't necessarily want to be talking about China to south-east Asian countries, but then I think we have to have a narrow focus on what we are hoping to achieve, because Russia is another different question. They are a key partner of most south-east Asian nations.

If you look at the response to the war in Ukraine, Singapore brought in sanctions but most of the rest of the region was relatively quiet on that front. Vietnam and Myanmar, for example, buy a lot of weapons from the Russians, too. We cannot hope to divide ASEAN along these lines of autocracy versus democracy. If we try to do that, they are more in the authoritarian camp than the democratic camp, frankly. When it comes to our strategic objectives in the region, we should think more clearly about China and less about the rest. Even then, to get those strategic objectives, you actually don't need to talk about China so much to south-east Asian countries. You need to think about what they need and how we can help them be more resilient, and that will probably help ensure a slightly more balanced region at the margins.

- Q74 **Chair:** We gained partnership status quite recently. Is that right?

Ben Bland: 2021.

- Q75 **Chair:** What do you think we will benefit from, bearing in mind that there seems to be a different strategic approach to these two countries of



Russia and China?

Dr Yates: In some ways this comes back to our earlier point about what ASEAN offers the UK and its tilt. It is this ability to broaden and deepen UK engagement across many different areas not just security and also to gain access to those wider regional fora, which are very important for maintaining the management of regional order. In that sense, the dialogue partnership status, as Ben has already said, should not just be celebrated as an achievement—even though it is an achievement—but as something to build on. I think the ASEAN-UK plan of action does provide a positive framework for that, which was actually agreed on at the beginning of last month. Reading through that document, for example, you see that there is a comprehensive range of areas that have been set out for co-operation, which fall across the three pillars of ASEAN's community: political security, economic and socio-cultural. Currently, it is more about ambitions. It is about encouraging co-operation and exploring areas of co-operation, but I think that, in terms of the coverage there, it provides a really good framework for the UK to emphasise and commit resources to, to deepen and broaden its engagement with the tilt.

Q76 **Chair:** Given the geopolitical change that is taking place in this neck of the woods, do you see ASEAN continuing on its current course or being perhaps quite passive or very down to earth with its ambitions, or do you see, perhaps, the necessity of a splinter group to move away and actually take stock of the growing might of China economically, technologically and militarily in the region?

Dr Yates: I think there has been a lot of discussion about division of ASEAN and ASEAN breaking up for a couple of decades at least.

Q77 **Chair:** What fuelled that as opposed to the new growth of a threat from China, which is now very clear?

Dr Yates: It has been about China. I think in that part of the world—

Chair: It has always been about the growth of China.

Dr Yates: I suppose within the UK we started debating this over the last few years, but actually within south-east Asia the question of the strategic place of China and its rise has been very long running.

Throughout the period of China's rise—the 1990s, 2000s, 2010s—you had periodic questions about whether ASEAN could survive as a coherent bloc, or whether it would divide, and you would see the split between the mainland and maritime states. They would fall across different geopolitical orientations, one towards China and one towards the US.

There was a question about whether Indonesia would continue to commit to ASEAN. It was in many ways the major state behind ASEAN's activism and the maintenance of ASEAN. Joining the G20, there has been a lot of talk about whether Indonesia would see ASEAN as no longer useful. However, ASEAN is still there and still active. It is still pushing forward. Its integration efforts within south-east Asia are still creating new forums to



engage different partners in the wider region. I think in that sense it will continue to function much as it has, within that intensifying environment.

The question has often been whether there will be a tipping point where ASEAN states are compelled by the great powers—China on one hand and maybe the US on the other—to choose a side. That is the thing they want to avoid. That is why, as Ben said, that going in and talking about the threat from China and talking about values, and the conflict between democracy and authoritarianism, may not gain much leverage within south-east Asia, because they don't want to have to make that strategic choice.

Ben Bland: If I could add briefly, we have to understand the history here. Most of the region is non-aligned. Governments broadly have an express policy of not having alliances with anyone. That is to protect their sovereignty and independence, given the history of being invaded and colonised for the most part.

Even the two “on paper” US allies, the Philippines and Thailand, have pretty complicated relationships with the US. I think the US assumption would be that, in the event of any kinetic conflict in Asia, probably the Philippines and Thailand would not provide basing services. That speaks to the history of those countries. Having said that, ASEAN is an evolving organisation. It started in the 1960s as an anti-communist grouping, and today it has two communist members, Vietnam and Laos. So, things change.

The last point I'd make on that front is in response to the coup in Myanmar. Although it has not been sufficient, I guess, given the scale of the challenge, we have seen splits—not formally, but effectively below the surface of ASEAN—where maritime countries that are basically more democratic have pushed for the military junta of Myanmar to effectively be suspended from attending the big meetings, whereas the mainland countries, which tend to be authoritarian, or under military rule in the case of Thailand, have resisted that.

The organisation can change. In the event of a major conflict, we do not know what would happen; we cannot predict. But is certainly true that, as Rob was saying, south-east Asian nations want to resist being split, partly because they know that they would be weaker. It is better to be together, even if they do not have a clear strategy for how to manage the tensions around them, than to be apart.

Chair: That is very helpful. Let's start to move across towards the Quad now. Mark, please.

Q78 **Mr Francois:** You talked about ASEAN. As a relative comparison, how important is the Quad in that corner of the world? Dr Yates, I was at Bristol so, very cheekily, as it is my alma mater, I will ask you to go first.

Dr Yates: Strategically, to make a strategic conceptual point, the Quad has been very important to the Indo-Pacific in bringing together those states that have developed the Indo-Pacific concept, and redefined the



geopolitical space to be the Indo-Pacific, which has now spread and gained adherence from Europe, the UK and, if reluctantly, from ASEAN as well. In that sense, it has been very important, reshaping a lot of the strategic debates around what the region will look like and what its priorities will be.

In some ways, the Quad has emerged also because of some frustrations around the ASEAN processes and the way that they operate at a pace that is comfortable for all and try to be inclusive in terms of agenda and membership, bringing together more like-minded states to pursue dialogue around security concerns and broader governance concerns in the changing geostrategic environment.

There has been some reticence around the Quad within ASEAN—a mixture of quiet support, ambivalence and concern. From an ASEAN perspective, the main concern is the extent to which the Quad would affect ASEAN centrality and challenge ASEAN's diplomatic position. I think some of those concerns have been assuaged somewhat by the broadening out of the agenda of the Quad dialogue towards covid recovery and vaccine delivery, climate change, maritime co-operation and connectivity, overlapping its agenda with a lot of the ASEAN agenda.

Q79 Mr Francois: ASEAN is not a military alliance per se; there is no article 5 guarantee in a NATO context. The Quad is not a military alliance per se either, but it does have some very large players. One thing that they have in common is a joint commitment to UNCLOS—freedom of navigation—which, in that corner of the world, is undoubtedly very important. How do you see that aspect of the Quad evolving over the next few years?

Dr Yates: In terms of ASEAN, the challenge with the South China sea, the commitment to UNCLOS and the efforts to try to engage China in managing the South China sea conflict has revolved around how to commit China to a set of norms and principles that enable the continued functioning of the area as an important commercial maritime region. It is also about trying to find some multilateral means of potentially resolving the direct territorial disputes that some ASEAN members have with China. What the Quad offers in that respect may be a kind of complementary dialogue process that brings in important powers with a commitment to UNCLOS and maintaining freedom of navigation and things like that, which, in some ways, provides a countervailing power to China, which can also help support ASEAN's dialogues with China to try to commit them to a code of conduct.

Ben Bland: I think we need to come back to the name, right? It is a quadrilateral security dialogue. It is not an alliance; it is not even a forum or a summit. It is so early on—so far, more ink has been spilled writing about what the Quad means than by Quad members writing about the Quad in their own limited formal public statements. I think we need to cool our expectations.

There is also a risk that, even so early in its development, the Quad has already started talking about delivering public goods, vaccines and climate



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change mitigation, but it is not clear why these four countries would be able to do that together through this entity. It seems that before the Quad has worked out how to talk about security, they are already talking about a lot of other things. For me, when there is so much to talk about—so many areas and so many ambitions—it questions their ability to deliver on that core issue of just having a dialogue about security in the region. That is before you get on to the other question. Of course, the US, Australia and Japan are pretty aligned. Obviously, Japan and Australia are US allies in every sense. India is really a very different question. To my mind, there are a lot of bigger questions about the Quad and what it means that haven't been answered.

In a sense, just like with AUKUS or ASEAN, you can't get sucked into thinking any one of these things is the answer. They are part of what Jake Sullivan, Biden's national security advisor, called the latticework of new variable geometry that is emerging across the region, because no one has one answer to these big geopolitical questions around China. These new organisations and groupings tend to be more informal and focused around interests and values. They may develop into something harder later on, but, for now, I think it is very early days for the Quad in particular.

Q80 Mr Francois: I think the Chairman will come on to our relations with the Quad in a minute. Is the Quad equally important to all four partners, or is there some kind of priority in terms of whom the Quad matters most to of the four?

Ben Bland: For now it is relatively aligned, but this has been a long, long work in progress—almost 20 years in different forms—and there has been a lot of painful history in the Quad because of infighting over who is to blame for the last time it tried to come together and fell apart.

I think it is now fair to say the four countries are relatively aligned in having an organisation where they can meet at leader level or Defence Minister level, but as to what it does and where it goes in future, it is clear that the US, Australia and Japan are far more aligned. India is literally a non-aligned nation that does not have military alliances, so there is a much bigger question about how India fits into that. Obviously, the other three members want to use the Quad to try to bring India over and align more with India against China, but as we have seen with India's response to the invasion of Ukraine and the fact that it still has a key defence relationship with Russia, India is also playing its own game.

I think that India has to ultimately be the biggest question, and that is the other reason why the Quad exists: it is not just about the frustration with ASEAN; it is actually a structure to try to find greater areas for co-operation and alignment on security questions with India, given that, for the west, it is obviously a key potential balancer against China.

Q81 Mr Francois: What you are saying very artfully, if I may say so, is that in some ways India is the odd man out.

Ben Bland: *indicated assent.*

Mr Francois: Yes.

Q82 **Gavin Robinson:** Let's see how odd it could become. Should the Quad be a Quin or a Pentagon? Should the UK have an aspiration to join the Quad?

Dr Yates: I would say, particularly given my discussions with colleagues, that joining the Quad should not really be a priority for the UK in terms of its tilt. Some of that might be to do with the Quad still being in its early days. It is still working out what its agenda should be and how it would commit resources to the various areas that it is starting to commit to. As I mentioned, it might be better for the UK to commit resources to the relationship with ASEAN and the plan of action that has been agreed between the UK and ASEAN for now, and then potentially engage the Quad in whatever Quad-plus dialogues that may emerge in the future.

A couple of aspects of that might link back to what we have been saying about the differing security perceptions that the UK might have relative to the ASEAN members. If the UK were to try to join the Quad, it might further show that the UK is more interested in engaging with the region as part of building an anti-China coalition and developing relationships with established security partners. It might also have an impact on the Quad. If the UK joined as a member, it would show that the Quad is, again, bringing together the usual suspects rather than a regionally embedded dialogue process that is inclusive. From that, I would say that it should not be a priority for the UK to join the Quad.

Gavin Robinson: Do you agree with that, Ben?

Ben Bland: I would second that. Just to make a broader point, it is really hard to build a security dialogue between four very different countries. It is really hard to build trusted security and diplomatic relationships, and there is a lot of what you might call joinerism out there at the moment. In terms of AUKUS, some people are talking about CAUKUS or JAUKUS. Should Canada join? Should Japan join? Should Japan be invited to join the Five Eyes? Should the UK join the Quad? These different organisations and relationships have all matured in their own way over a very long period of time.

The Quad is obviously new, so it probably has a long way to go, and joining will not necessarily add anything. It is probably going to complicate some of these relationships, and I would argue that the best way for the UK to do more is to develop its relationships with the Quad countries separately. Obviously, India is the one where the UK probably has the most ground to pick up. We have our own unique and not always unproblematic relationship with India, but that is probably the way in which we can try to do more with India.

Obviously, we have so many other platforms to work with—Japan, Australia and the US—that I am not sure it is the best use of our limited resources. That is the other question. When it comes to becoming an ASEAN dialogue partner, ASEAN basically has a meeting every day at least



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and, for a certain number of them, the dialogue partners are expected to turn up. When it comes to capacity for our diplomats, military officials and defence officials to turn up, if we are trying to join too many organisations, I fear we will be spread too thinly.

- Q83 **Chair:** Finally, just to bring all this together, you say that these are four very different countries and they need time to mature, and so forth. Do we have that luxury? Is not the world spinning a little faster, such that the revolutions are now moving forward? Do nations not need to recognise that the geopolitical changes taking place over the next decade are monumental and that we are moving into a new era of insecurity, particularly if we see an alliance developing between Russia and China?

We have had the head of the British Army say that there is a 1937 moment for the world, or certainly for Europe, right now, but you could expand that out as well, with aggression rising, weaponisation taking place and an absence—perhaps—of western leadership. Perhaps the Quad, particularly in that neck of the woods, needs to be the foundation from which a greater geopolitical alliance is developed.

Dr Yates: I suppose that the Quad is building on a security presence of the US that has already been in place since the end of the Pacific war. In that sense it is not something that is new and bringing the US into coalition with other partners. The US has strong security alliances that it has maintained with Japan, South Korea and others in the region, and it has had a consistent military presence, so I suppose the quad is building on that.

I do not really feel that I can speak so much to the nature of the threats and what will happen in 10 years, and what should be required, but—

- Q84 **Chair:** Do you not argue that we need to do that better? The here and now—looking just for the moment—is exactly what China banks on, namely the fact that we think in election cycles almost, and indeed almost in news cycles at the moment, rather than thinking, “Where is the world going in the longer term?” not least because it takes this length of time to build one of these submarines. We need to have this mindset that perhaps a merger of Quad with some of the likeminded ASEAN countries will give us a more robust capability to defend the international rules-based order in that neck of the woods.

Dr Yates: Yes, but I think it just probably wouldn’t work if you were trying to go in and say that ASEAN needs to connect up with the Quad and that there needs to be more security focus, and a kind of anti-China alliance built in the region. I just don’t think it would gain traction in south-east Asia because of all the things we’ve been talking about today, not least the geographical proximity, as well as the kind of inevitable deep economic and other linkages that these states have.

I know that there is a lot of debate around historical analogies. I think that in some ways the pre-WWI metaphor and analogy has kind of captured some of the dynamics, in terms of a situation where competitors are very highly integrated and there is a spiralling situation of alliance dynamics,



arms races and things like that. So, if that might be a more suitable analogy, what kind of actions might need to be taken to defuse tensions rather than leading to a situation where there could be a devastating conflict?

Q85 **Chair:** Ben, any final thoughts?

Ben Bland: Yes. There are definitely people within south-east Asian Governments and militaries who worry that their Governments overall are responding too slowly and are not co-ordinated, and that ultimately while they have a kind of coherence across ASEAN it is at a very low level, and that in the end they will fall apart because they are not strong enough against China and there is not enough cohesion there. However, the fear that if ASEAN steps up to become something more security-focused is greater. I think that is the problem that the region faces.

In terms of what the UK can do, I agree with Rob that lecturing south-east Asian countries and saying, "Well, you need to take the China threat more seriously," is not going to work. They will say, "Well, we've been living with China for 3,000 years or more. How about you?"

I think what the UK can do is to boost our own capabilities on China and on Asia. I think that is where there has been a massive problem. My alma mater is School of Oriental and African Studies, or SOAS, which is just axing what I think is the only Professor of Burmese in the whole of the UK at a time when Myanmar is in crisis. But more generally there has clearly not been enough investment in people studying and understanding the language, history, culture and militaries of China and across the whole region, so we have to think about where we can make a difference. And in the first place we need to know more about this part of the world and we need to engage with it more, using the new platforms that we have.

I think that there at the margins we can make a difference, but by thinking about what unique values or qualities the UK brings to the table. Is that our expertise in maritime law, or climate change financing through the City of London? We should be thinking more carefully, because we have all these very ambitious plans of action and strategies, but what can we really do given the constraints that our country faces at the moment?

Chair: That is very helpful indeed. It has been very educational; we have learned a lot about this neck of the woods and not least about these organisations in this period of huge change. I very much thank Dr Rob Yates and Ben Bland for your time today, and I also thank Professor Rory Medcalf and Dr Marcus Hellyer, who helped us with our first panel. That brings us to a conclusion of this focused sitting today. Thank you to colleagues and to staff as well.