



HOUSE OF COMMONS

## Foreign Affairs Committee

### Oral evidence: Implementing the Integrated Review: Tilt to the Indo-Pacific, HC 172

Tuesday 10 January 2023

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Members present: Alicia Kearns (Chair); Saqib Bhatti; Sir Chris Bryant; Liam Byrne; Neil Coyle; Drew Hendry; Bob Seely; Henry Smith; Royston Smith; Graham Stringer.

Questions 182-193

#### Witnesses

[I](#): Asoke Mukerji, Former Indian Ambassador to the United Nations, and Sir Dominic Asquith KCMG, Former British High Commissioner to India.



## Examination of witnesses

Witnesses: Asoke Mukerji and Sir Dominic Asquith KCMG.

Q182 **Chair:** Welcome to this session of the Foreign Affairs Committee on implementing the integrated review, looking at the tilt to the Indo-Pacific with a specific focus on India. Could both our panellists introduce themselves briefly, rather than making opening remarks?

**Sir Dominic Asquith:** I was a diplomat for 30 years and ended up as ambassador in Iraq, Egypt and then Libya through other eventful times in those countries' history. I then retired and was asked to come out of retirement to be high commissioner in India, which I did for four years until January 2020.

**Asoke Mukerji:** I was a diplomat for 37 years, and I retired as India's ambassador and permanent representative to the United Nations in December 2015. I opened our embassies in central Asia, in Uzbekistan, Turkmenistan and Tajikistan, in 1992. I have also been involved as a trade negotiator in the World Trade Organisation when it was founded, and that helped me after retirement to associate myself with the teaching of diplomacy. I currently teach diplomacy at the DiploFoundation, which is established by Switzerland and Malta, and we do online teaching.

Q183 **Chair:** Thank you so much. Mr Mukerji, over the coming decades, will we see India become a regional power or a global superpower? What do you think the implications are for the UK, and what discussions should we be having internally about India's rise?

**Asoke Mukerji:** By the metrics of power, in terms of geography, politics, the economy and what is called soft power—by all these indicators, India is an emerging global power, and that has been acknowledged by different analysts and by people who report from India to their countries. The new thing that needs to be taken account of in your hearing is the maritime dimension of India. This came prominently into the forefront in March 2015, when India's Prime Minister was visiting Mauritius and announced a policy called security and growth for all in the region, or SAGAR, and that effectively became India's Indian Ocean policy. That was in 2015, and I mention it because the Indo-Pacific gained traction after it was initially mentioned by Japan's Prime Minister Abe in 2007, when he was on a visit to India. The Indo-Pacific gained traction only after 2017.

It is important to factor in one issue that is important for your Committee, which is: what is meant by the Indo-Pacific? As far as India is concerned, the Indo-Pacific means the entire Indian and Pacific Oceans. I mention it because two of our partners in the Quad, the United States and Australia, do not define it as the entire Indian Ocean. Japan and India define it as the entire Indian Ocean. That is relevant because of the paper that was published last year by the United Kingdom—the integrated review. The definition of what the Indo-Pacific is will play a very important role in the areas in which the United Kingdom and India can co-operate together.



If you look at it in terms of India's own priorities and strategy, the priority is to become a net security provider in the Indian Ocean, to develop the Indian Ocean space as a maritime space in an inclusive manner, to focus not only on security but also on development, and, of course, to ensure the security of the sea lanes of communication that go through the Indian Ocean.

As far as the sea lanes are concerned, there are three choke points, which hon. Members are aware of. One is as the Red Sea enters the Indian Ocean at the mouth where Aden is located. The second is at the mouth of Iran and Oman, called the straits of Hormuz, and the third is the straits of Malacca between the Malay Peninsula and Indonesia. In all three choke points, India has a very deep, substantive interest, because the bulk of our trade with, for example, the European Union and with the United Kingdom goes through the Red Sea. The bulk of our digital data flows through the Red Sea. So we cannot leave out this part of the Indian Ocean from any discussion of the Indo-Pacific as far as the UK and India are concerned. Similarly, energy flows come through the straits of Hormuz, so if you leave out the straits of Hormuz from your Indo-Pacific, you will have a reduced scope of co-operation. I just mention these indicators, and thank you for giving me the time to explain them.

Q184 **Chair:** Thank you. Sir Dominic, is there anything you want to add about where you see India going from here?

**Sir Dominic Asquith:** I agree with what Mr Mukerji says about the geopolitics of the Indian Ocean; it is important. If you look at the Indian Ocean, India sits on top of it. Half of the littoral of the Indian Ocean is English-speaking, and half of it is in the Commonwealth, and China is not there. In terms of, as it were, constraining the expansion of Chinese interests into the Indian Ocean all the way to east Africa, it is really important to look at the role that India would play. I would call it a major regional power but with very significant global interests, and that second bit is really important—the degree to which those global interests begin to develop for India interests in deploying or promoting its influence further afield.

That is the geopolitics. I would just add that, whereas Putin has re-inked a faultline in Europe, I think there is a faultline possibly over the next decade—a more important faultline—which will run from Japan through South Korea to Australia. India, as a contiguous state with China, will be on that faultline.

There are two other bits besides the geopolitics. One is international architecture. The integrated review quite rightly points to how it will be a much more fragmented international architecture, with middle powers increasingly playing a role. Those emerging middle powers—I would put India and the UK as examples, not of emerging but of middle powers—generally do not feel that the second world war's order reflects the modern dynamics of geopolitics, and India particularly feels ill served by that international order. It is in our interests in the UK to have a bigger top table—bigger than the P5 and the G7, and smaller probably than the



## HOUSE OF COMMONS

G20—and India should be part of that top table. If the integrated review's ambition still holds of the UK playing a key role in multilateral governance over a variety of global challenges, then India is a necessary partner.

The third heading is just straight economic. Emerging Asia is going to produce even in the next year 75% of global growth, and that includes India. The whole underpinning of modern economies in terms of innovation, technology and start-ups is where the UK and India are both very strong, so their interests, if you are looking at reasons for a strategic partnership, are very great. You just have to look at what we have been going through over the past two years in a very specific part of that, which is the supply chains of semiconductors. If you look to the next decade, what India does will be very important.

**Q185 Chair:** You touched on the faultlines and potential risks. We are particularly interested in atrocity prevention and conflict prevention. In terms of the clashes we have seen on the borders between China and India, it would be really interesting to have you unpack that relationship between China and India for us and where you see that going.

**Sir Dominic Asquith:** I know that Mr Mukerji will have a lot to say on that, so let me try to be brief. In terms of China, from my perspective, we had one flare-up when I was there, and obviously there has been one more recently in the Himalayas. There is—let's be honest—a military asymmetry between India and China. I am sure the wisdom in Delhi is to make sure you manage those differences between India and China, but there is, I am sure, no lingering perception about what China's intentions are. Careful management for the time being of those flare-ups will be what I think we will see.

The problem will be that there will be border friction continuing along that very long border between India and China, and, as it were, the combustible material may become more damaging if Chinese interests in the immediate neighbourhood of India—I am thinking of Nepal, Pakistan and Sri Lanka—become more threatening, if you are sitting in Delhi. In that case, there may be less willingness, or the chances of miscalculation rise.

**Chair:** That is very helpful.

**Asoke Mukerji:** I think that the relationship between India and China has nosed down since 2012, 2013. The emergence of a very assertive nationalist Government in Beijing, which has been flexing its military muscles around its neighbourhood, has been felt by India. It is also important to keep in mind that India has kept the door of dialogue open. In fact, we initiated an informal summit mechanism, which brought together the President of China and the Prime Minister of India two times already. That mechanism has not been dismantled. A dialogue goes on between the military commanders on the ground and the diplomats who are still active in each other's capitals.



So the channels of communication are open, but, as Sir Dominic quoted, the friction has intensified. There are reasons for the intensification of that friction, which will go into specific areas of the disputed border between India and China. That would take more time to explain, but apart from the disputed border, a role is also played by China's economic expansion through something that it calls the belt and road initiative. In a sense, that has also fed into the current friction between India and China, because one of the major projects of the belt and road initiative is the China-Pakistan economic corridor, which goes through territory that belongs to the Indian princely state of Jammu and Kashmir. That became part of India under British law in 1947 when Kashmir acceded to India. That has been given to China by Pakistan to build that corridor. So this is an issue of sovereignty, history and friction.

That will also play into the larger Chinese role that Sir Dominic mentioned, in terms of its footprint not only in south Asia, in the countries that he mentioned, but in the Indian Ocean. That brings it directly into the framework in which you are discussing this subject today—the Indo-Pacific.

**Q186 Liam Byrne:** Dominic, can I just ask you about belt and road? That has been such an important strategic Chinese initiative for some time. The west has proposed such things as Build Back Better World, and we had a more recent initiative. We do not yet seem to have matched China's strategic vision for belt and road. Is that a fair comment, or is there the need for something that is a bit better organised, articulated and, dare I say, visionary?

**Sir Dominic Asquith:** I would challenge whether the belt and road initiative—if we look at it today compared with what China thought it would bring in benefits to China—is such a benefit to China. You can look at the debt problems of African countries—the recipients of belt and road funding from China and, indeed, Pakistan, as Mr Mukerji mentioned. The accumulated debt problems for countries who have been “beneficiaries” has not, in my mind, always been an example of, as it were, propaganda-plus for China. My supposition would be that whereas the west may come up with some more targeted mechanisms—say, on renewable energy—for working with developing countries to deal with the challenges that they are facing, there will not be a blanket funding mechanism of the belt and road kind. I would see those emerging—we have begun to see them emerging out of the COP round, in terms of dealing with the consequences of climate change and encouraging countries to focus very much on how you develop sustainable economies.

**Q187 Liam Byrne:** Is that how you see it, Mr Mukerji? Do you think that there has been an absence of a western initiative to match that strategic vision, or is belt and road now rather backfiring on China?

**Asoke Mukerji:** Apart from the issues that Sir Dominic mentioned—financing and the vulnerabilities of recipient or partner countries of belt and road in Asia, for example, and we have had examples around India as well—there are two dimensions that would be of interest to you. First, an



## HOUSE OF COMMONS

infrastructure is being created by China using belt and road. That infrastructure will remain no matter what happens to the politics of the belt and road initiative. The primary infrastructure is an east-west infrastructure that connects China with Europe. It uses rail and road, has been constructed and is operating.

The other infrastructure that is being created as we speak is digital. Here there is a slight sense of complacency—if I may call it that—in that those of us who are participants in and beneficiaries of the digital infrastructure that depends on submarine fibre optic cables are not taking cognisance of land-based fibre-optic infrastructure, which has been built along with the belt and road initiative. That will give China the infrastructure to dominate our digital economy, at least in the Eurasian and African land masses. That needs to be responded to; I do not see any coherent response to that.

**Chair:** We are starting to run out of time, so I will press for short answers.

Q188 **Sir Chris Bryant:** Let me put something to you that was said to me earlier today by a British journalist who has been working in India for the last 15 years. He said that the reason why India will not really end up being a regional power or achieving any of its ambitions is twofold: first, Modi is only really interested in retaining domestic power; and, secondly, the Indian state is too dispersed to be able to achieve that. Do you think that is fair, Mr Mukerji?

**Asoke Mukerji:** I think that that is contradictory on the face of it, because if the Indian state is too dispersed, how does the first point come in? To answer what you asked me, I think that the Indian state is developing on the basis of institutions. It is on the basis of these institutions that have regulatory oversight that Indian power is being sustained. Without getting into the politics—on just the pure data and statistics—on every metric that we can tick off to mark a nation's emergence as a major power, India is on that road.

Q189 **Sir Chris Bryant:** Yes, it is big and it has lots of people, but that does not necessarily mean that it will be able to deploy that to effect, does it, Sir Dominic?

**Sir Dominic Asquith:** Every country finds difficulty in deploying, even if they are small countries. To pick up your point about whether Modi is interested in only domestic politics, no, I would not go along with that judgment. Even at the biggest level, Mr Modi has made it clear that he wants to transform India into a developed country in the next 25 years. To do that, he needs economic growth to be significantly higher than it is at the moment, in terms of capacity—not in terms of percentage growth, but in terms of manufacturing and industrial capacity. He knows very well, as he is a pragmatist, that that requires investment, including from abroad, and that investment requires stability from investors. He is very conscious of the interconnection, particularly in the last two years, post-covid and following the repercussions of Russia in Ukraine. He is very clear about the interconnections between India's economic growth and the global



## HOUSE OF COMMONS

economy, so I don't think he's just interested in domestic politics. He is very keen on winning elections, but every politician is.

**Q190 Sir Chris Bryant:** And human rights? How would you rate India on human rights at the moment under Modi?

**Sir Dominic Asquith:** I am going to be honest. I think this is one of the most delicate questions; certainly, it always was for me and for Government, but I would say this. Here are two major democracies in the form of India and the UK—very, very proud of their global standing. We've got to be conscious of that, and we also have to be very conscious of the UK's history, which is peppered with events that we would not repeat today.

**Sir Chris Bryant:** Amritsar, to name one.

**Sir Dominic Asquith:** Prime Minister Modi's and his party's pride in Hindu values and traditions is a fact. It is sincere and it probably reflects a significant proportion of the 80% of the Indian population who are Hindu. He believes that an India imbued with those Hindu values has a lot to offer the world in terms of the global challenges that it is facing. He has also made clear that India does not need—in his view, and his party is the same, and I think a lot of Indians would feel the same—to seek the validation of the west. He wants to modernise India, but that is not westernising India. He is a pragmatist, and he recognises that stability is really important.

Personally, just to end that point, I would say our best advice is in a sense to eschew the pulpit for the bridge, and the bridge is what Mr Modi has called, and I have often used the phrase, the living bridge. It is a two-way bridge that brings together the best of the capabilities of the UK and the Indian side in terms of science, technology, start-ups, innovation—everything that will underpin the modern economies of the next decades. He will want to ensure that that bridge carries the people who embody those capabilities both ways, including underpinning regulations, judicial practices, professional services, respect for intellectual property and so on. That makes—

**Q191 Sir Chris Bryant:** Journalism and a free press?

**Sir Dominic Asquith:** Don't mistake; there is a very vigorous independence in India of Indian thought.

**Q192 Henry Smith:** Sir Dominic, you mentioned in one of your answers a divide opening out from South Korea all the way through Asia to India. Given India's neutrality in the face of Russia's illegal invasion of Ukraine and the economic ties that Russia has with India—you mentioned that India is a member of the Commonwealth and an English-speaking country by and large—what do you envisage as to the reliability of India being a good partner for the UK going forward?

**Sir Dominic Asquith:** Let me put this back into the geography. If you are sitting in India—Mr Mukerji, you must be brought into this—or in Delhi, and you are looking at the map above you, and you have Russia and China



overarching you, the one concern that India rightly has is that there should not be, as it were, a clinch between those two, still less a clinch between China and a subordinated Russia that excludes India. Managing both those countries is an immensely tricky job that will look slightly different from our perspective, sitting here. That is the first point—as it were, managing the geography. That means India will seek to preserve its independence of action. It will resist being drawn into alliances that constrain that independence. If we ever think that India will enter into a formal alliance with western countries, we will be disappointed for some time, and that is something we have to take into account.

Specifically on Russia, there is a recognition that, while there is still a legacy in terms of military equipment dependence, that legacy is diminishing as India builds up its capacity to produce its own defence industry and diversifies its sources of military equipment. The greatest short-term attraction of Russia at the moment is not so much the military but access to hydrocarbons and oil at reduced prices, and that is a perfectly understandable interest on the part of a very large country that has very significant energy import requirements. We have to accept that. I strongly believe, despite those legacy issues and the short-term requirement of energy, that Delhi—and Mr Mukerji's answer to this one will be really helpful—is looking at Russia as a diminishing strategic benefit. What I predict you will see from India is a continuation of not necessarily a linear but an incremental positive improvement of relations with the west.

Q193 **Henry Smith:** Mr Mukerji, could I get your perspective on that?

**Asoke Mukerji:** I thank Sir Dominic; he has brought in the geography, which is important. One part of the Russia relationship that most people have probably forgotten is that this is a new Russia; it is not the ally of 1971. There is no treaty of alliance between India and Russia; there is a partnership. As with all partnerships, it is not so much directed against anyone else but is meant for the mutual benefit of both partners. Energy purchases from Russia are a way to demonstrate the benefit to India of this partnership, and we are buying the energy from global markets. You have heard Indian Foreign and Energy Ministers speak at forums in Europe on this in recent months.

The key question here is the independence of action, which is important. The covid pandemic and the Ukraine conflict have demonstrated that the globally interlinked world that we were keen to play a role in and benefit from is today facing its biggest challenge and threat, and that has driven India to articulate this concern not only by itself but in partnership with others. Tomorrow and the day after in India we will have 120 countries of what is called in the media "the global south" congregating to put forward their agenda for how they think the world in which they live should progress and be of support and benefit to them. I negotiated the sustainable development goals in New York, and I can assure you that there is a huge amount of popular support for the sustainable development goals, despite all the conflicts, fractures and pandemics that have come in the way of our achieving these goals.





## HOUSE OF COMMONS

This is a priority for India, and it feeds into the geography that Sir Dominic spoke of, in terms of our relations with China, with Russia and with the United Kingdom, both when you were part of the European Union and now that you are not. We in India have to also recalibrate our own relationships, including with the United Kingdom. I am glad that the trade negotiations are taking place on a free trade agreement. I hope that we will be able to find common ground in the WTO framework of a rules-based order on increasing trade between India and the United Kingdom. This is the perspective sitting here in India that I would like to place before you.

**Chair:** Thank you. I am afraid we have just been told that we will have three votes at 3.40 pm. We will not come back after that, so we will have to end the first panel now and do panels two and three together. Thank you ever so much, Dominic and Mr Mukerji. I am sorry for having to cut us slightly short. These are the joys of parliamentary democracy; votes come when you least expect them.