HOUSE OF COMMONS

Foreign Affairs Committee

Oral evidence: The FCO and the Integrated Review, HC 380

Tuesday 9 June 2020

Ordered by the House of Commons to be published on 9 June 2020.

Watch the meeting

Members present: Tom Tugendhat (Chair); Chris Bryant; Alicia Kearns; Stewart Malcolm McDonald; Andrew Rosindell; Henry Smith; Royston Smith; Bob Seely; Graham Stringer; Claudia Webbe.

Questions 33 - 57

Witnesses

I: Alexander Downer, former Australian Minister for Foreign Affairs (1996-2007); Asoke Mukerji, former Indian Ambassador to the United Nations (2013-15); and Marietje Schaake, former Member of the European Parliament (2009-19).

Examination of witnesses

Witnesses: Alexander Downer, Asoke Mukerji and Marietje Schaake.

Q33 **Chair:** Welcome to this afternoon's session of the Foreign Affairs Committee. Given the format, I am going to start by briefly introducing our witnesses today.

Mr Downer served as Australia's High Commissioner in the UK, and before that as Australian Foreign Minister. He is now chair of Policy Exchange.

Ambassador Mukerji was India's ambassador to the United Nations and served as Deputy High Commissioner in the UK a little while earlier.

Our third witness is Ms Schaake, who was a Member of the European Parliament in Brussels representing the Netherlands.

Welcome to all three. Thank you very much indeed for making the time to be with us and to help us understand how the UK should be thinking about its place in the world for the integrated review that the Government plan.

Given you all have many overlapping areas of expertise, I am going to target questions. I would be hugely grateful if, when they are addressed to you, you answered as briefly and clearly as possible, but if there is something you particularly wish or feel it is important to add please feel free to do so.

Mr Downer, what emerging threats or drivers of instability do you see in the world that the UK should be looking out for?

Alexander Downer: You will not be surprised to hear me say that the single most important issue geopolitically that the world faces today is the rise of China. The challenge that all countries face, particularly major ones like the UK, which, after all, is a permanent member of the United Nations Security Council and has a special global responsibility, is to do their best to try to make the rise of China work peacefully rather than lead to a bifurcation of the world into pro and anti-China elements. To achieve that, there has to be an appropriate balance of power in the Indo-Pacific region, and the United Kingdom as a global player needs to contribute to that balance of power.

I think that geopolitically that is the single most important issue the UK and other countries face today. If the rise of China becomes unstable, the long-term consequences for security and international stability will be fairly severe.

We run the risk of entering into something akin to the old cold war, which plays into the thesis of Graham Allison of Harvard University—known sometimes as the "Thucydides Trap"—where rising powers come into conflict with established status quo powers. We have to make sure that at least that tension and conflict is kept as low as we can. That involves a

contribution from China to achieve that objective but also the western powers.

There are many other global challenges. We all know about pandemics and terrorism, which has not gone away. There are other tensions in other parts of the world, but if I am asked, as I think I was, to identify the single most important issue it is the rise of China.

Q34 **Chair:** Ms Schaake, how would you see change? I know that you specialise hugely in technology. Could you talk about the differences in technological outlook over the next few years and what the implications might be for the UK?

Marietje Schaake: Thank you very much for the invitation and for convening us, albeit online. It is a pleasure to have this meeting and I hope there will be many more to follow.

Building on what Alexander Downer said, it is important to unpack this challenge of China a little and maybe deepen some of the aspects. One concern I have is about the ability of democracies to co-operate and ensure that democracy is resilient. A lot of that challenge and battle has increasing technological components. First and foremost, it is a huge challenge for democracies to come together and develop a democratic governance model for technology. We witness a strange phenomenon where the United States and European countries have for decades co-operated and pushed for an international rules-based order. For some reason that effort stalled when digitisation was taking off, revolutionising almost every aspect of our lives. I do not have to remind hon. Members of the depth and increasing dependence we all witness of technologies and digitisation, especially in the light of the Covid-19 pandemic we are still in the middle of.

There is a full spectrum of topics, from the conceptual vision of ensuring that digitisation respects the rule of law and does not disrupt it; to the resilience and integrity of our democratic processes; to the trust in supply chains and our ability to verify anything from cyber-security concerns to the confidence we may place in the technologies that, for example, 5G networks and connectivity might bring; and making sure that national security, economic and human rights concerns are understood for what they are as they come together and almost merge entirely in the technologies that we assemble and use to connect us to various parts of the world, including those where democracy is not the vision of Governments and where ties between states and companies are very strong.

I will leave it there for a brief introduction. I am happy to make this more interactive, but I would say it is the intersection of democratic governance and digitisation, making sure that the public interest has its space and we do not see all-out privatisation, which is another aspect. We need to bring that in line with the rule of law. I think the UK can and should play a vital role in making that happen.

Q35 **Chair:** Ambassador Mukerji, you have had the great privilege of working in two very different organisations: the Indian Government and the United Nations. From your perspective, within the Indian Government and a major multinational organisation, how do you see the issues that the UK should be thinking about?

Asoke Mukerji: Thank you for asking me to participate today.

We have to recognise that we are in an interdependent world. That is the first point. About 100 years ago, the principle of international co-operation was introduced into multilateral diplomacy through the League of Nations to uphold that interdependence. Today, whether you look at it in terms of national Governments or of multilateral activities, the most important issue that faces us is how to sustain and take forward international co-operation.

As the other two witnesses have said, there is a breakdown of international peace and security. I come from a country that has tremendous development challenges, and the breakdown of international peace and security has an impact on development. The common projects that all of us in the United Nations agreed to under Agenda 2030 for sustainable development have to be carried forward only by recognising the linkages between peace and security and development.

We need to focus on that. The United Kingdom is very well placed in this framework through the very robust arm of the UK Government, DFID, as well as the international fusion approach that has been advocated by the Foreign and Commonwealth Office. This is the synergy we need to see, and it is for the United Kingdom to play a very active role in how that is going to be achieved.

Q36 **Graham Stringer:** I want to follow up a point with Alexander Downer. It might be the case that in the not-too-distant future a second cold war is a very good outcome, because there is a threat to Taiwan from China, a threat to Hong Kong and a threat to India. First, how likely do you think it is that, rather than having a cold war, we might have a rather hotter war? Secondly, what is the best strategy and tactics to avoid that?

Alexander Downer: Obviously, all of us hope that a hot war will not break out in any of the places you mention. It is often said that if the position we have all adopted over many years of a one-China policy, recognising Taiwan as part of China, were to change and Taiwan declared independence, you would expect military action to flow from that. I do not think China would tolerate that. That cloud has hung over the Indo-Pacific region for many years.

My basic argument—I suppose it is a very 19th century European thing to say—is that the best way to avoid a deteriorating security situation, particularly in the Indo-Pacific region, is to make sure there is an appropriate balance of power. When you think about Asia and the far east from a position in the UK, you often think about China first and

foremost—in a sense, rightly so—but you also need to think about the large number of democracies in that part of the world: first and foremost, India and, perhaps equally, Japan, and South Korea, but, very importantly, there are the 10 countries, often overlooked, that make up the Association of South East Asian Nations.

None of those countries wants to become a client state of China; all want to be able to engage constructively with it. None of them wants to have confrontation with China; nor do they want to pursue a policy of containment of China. Personally, I think that if you pursue a policy of containment with China you call China your enemy, and if you call someone your enemy they will become your enemy. I do not think that is going to lead any of us very far if we do that.

The important thing is to think about the Indo-Pacific in toto, not just in terms of China, and make sure there is very strong, constructive engagement by a country like the United Kingdom with the great democracies of the region: India, Japan, South Korea, Australia and New Zealand, but also, very importantly, the ASEAN countries.

Indonesia is the fourth most populous country in the world and the world's third largest democracy. It is overwhelmingly, but not exclusively, a Muslim country. The other ASEAN countries, all of which work very closely together in foreign policy and economic terms, are very diverse. Within those countries there are Buddhists, Hindus, Muslims and Christians, yet they collaborate very closely. Importantly, all of them want to engage strongly with the United Kingdom. They all want to engage strongly with the United States, which is the balancing wheel in Indo-Pacific security.

That brings me to the last point I make in answer to your question. In the interests of stability in the region the United States has to continue to have a very important role. The United States is anchored to the region through its alliances. It has very strong alliances with Japan, South Korea and Australia. It also has a very weak alliance with the Philippines, which is tottering on the edge of falling apart, and with Thailand, which does not amount to a huge amount these days, but it does exist. But the United States is very close to other countries within ASEAN, very obviously with Singapore; it has a good relationship with Indonesia. It is networked very strongly through the region.

It is about a balance of power and making sure the United States continues to be engaged in the region. It is about making sure that a country like the United Kingdom, which is not as important as the United States—if it were more active in the region, it could still be a very important player—is focusing not just on China and Japan, but, very importantly, on India and the ASEAN countries as well as Australia and New Zealand. It almost goes without saying that the United Kingdom would focus on Australia and New Zealand, but there is insufficient focus in the United Kingdom on the ASEAN countries. Perhaps there is a

significant focus on India, but the United Kingdom has to think of the region in holistic terms, not just in the narrow terms of China or perhaps China and Japan.

Q37 **Alicia Kearns:** Alexander, thank you for joining us. To follow up your point on China, Australia has managed to be quite robust with China on human rights abuses but has almost separated out that trade relationship. As we proceed with our integrated review, I think that most countries, seeking not to enter a sustained frozen period of a conflict, hot or not, will want to achieve that delineation, although it does seem that increasingly China is pushing back on Australia's attempt to do that. What is your advice to the UK Government as we look at our integrated review on the delineation between human rights versus trade and potential relationships, and what pitfalls should we be aware of?

Alexander Downer: I think we need to have this conversation with China, as we did when we were in government. I was the Foreign Minister of Australia between 1996 and 2007. We said to the leaders of China, literally, not figuratively, "We are very happy to trade with you. We are not going to pursue a policy of containment of China, but let's face up to the fact that we have very different values and political systems. Inevitably, from time to time that is going to create arguments between us. Let's think about how we manage the fundamental differences we have."

One of the things that I did with the then Chinese Foreign Minister, Qian Qichen, was establish a bilateral human rights dialogue at a very senior level—at vice-minister level, they would say in China. We had annual dialogues where we would sit down and have a very robust exchange of views about human rights. We used to say to China, "You can raise any human rights issues with us if you wish." This is very au courant. They raised the quality of life of Aboriginal people in Australia and the disadvantage they suffer, and what we were doing about that. We were happy for them to raise that and discuss it with them. They might want to discuss some issues with the UK in relation to racial tensions, or whatever it might be.

We always felt we needed to be up front and frank with them, not take the view that we cannot talk about some things with China because we are worried about losing trade contracts. In a sense, you do not really separate trade, but you make it clear: "We are happy to trade with you and for you to invest in our economy"—there are some limitations on Chinese investment in Australia, which was always my view—"but you have to realise that we need to talk about these other issues we are very concerned about."

Nowadays, I would not exchange barbs with China through the media; I would engage with it very directly face to face. I would sit down with China and talk about issues like Hong Kong or various human rights issues. For example, the Uighur people might be an issue people would be concerned about. In my time it was very much the question of Tibet.

When I say "engage with it", we engage with the President and Foreign Minister of China at equivalent level: Prime Minister, Foreign Minister and so on.

The important thing is to be frank, not look as though you are shying away from issues that are important to you and the British public. Human rights are important to many members of the British people. There is no advantage in shying away from those issues because you think that by doing so you will get some contract. We have huge trade with China. About 35% of Australia's exports go to China. We have a massive trading relationship with it, but we have a pretty robust relationship with it on some of those other issues. It will always be thus for as long as China runs its political system in the way it does. We do not shy away from our democratic values and the things we believe in as being of fundamental importance to humanity.

Q38 **Alicia Kearns:** You touched on the importance of trade and business. To what extent did you as Foreign Minister in the Australian Government bring businesses into the fold in the discussions about how to engage with China and your expectations of them? You will have seen that HSBC and Standard Chartered this week gave the green light to support the CCP's national security law. That essentially says they do not necessarily feel the need to operate in a rules-based international system. How much did you bring businesses into your fold when you were working on this sort of relationship—this balance piece—and how much should the UK Government bring business and BEIS into the integrated review?

Alexander Downer: As Foreign Minister—I do not know whether it was a good or a bad thing, because either way I had my critics—I always had a high profile. I thought it was important that the Australian public, including Australian businesses, knew where the Australian Government stood. I wanted that to be crystal clear. If you make crystal clear where you stand by making speeches from time to time on these issues—you do interviews on the Australian equivalent of "The Andrew Marr Show", which is called "Insiders", and programmes like that—and you make all these arguments, people in business know exactly where the Australian Government, which is Australia, is coming from.

It makes it difficult. If you leave the field open and think, "Gosh! I don't want to speak up too much on these human rights issues because maybe it will offend the Chinese," business will go off in its own direction. It is not helpful if major businesses—not banks, in our case, but resources companies that have huge vested interests in trade with China, as well as many investment interests—are saying one thing to China and the Government are thinking and occasionally saying something else.

Sometimes we had a robust dialogue with businesses. We did help businesses in China when they were having difficulties with the Chinese Government. We often argued their corner, but we did not expect them to take a contrary view from the Australian Government on other issues

that are very important to Australia, like human rights and, sometimes, consular issues.

We had all kinds of issues with China that were difficult from time to time, but you have to make your position with China crystal clear, which I do not think enough Governments do. You have to make clear what is good and what is bad about the relationship and how you weigh up the relationship. I often say that you do not want to look weak and frightened; you do not want to appear concerned you might lose a contract by raising some human rights issue. You have to be strong on that.

Q39 **Chair:** We have been seeing various different ways in which other countries are dealing with the rise and changing impact of China. Ambassador Mukerji, we have seen on the border at Ladakh tensions between Indian and Chinese troops, but we have also seen more widely in the region tensions over economic corridors or development networks. Will you explain how India sees that rise, and how as a fellow democracy India is seeing the confrontation or just challenge of an increasingly powerful and authoritarian neighbour?

Asoke Mukerji: You are right that in the past few years—I suppose ever since the emergence of President Xi Jinping—we have seen a more assertive China with which we share our longest land boundary. That is a source of instability in our relationship because the land boundary has not been demarcated. The Chinese have not shown much interest in bringing an end to over 30 rounds of discussions on the boundary that we have had at the level of special representatives.

If we look at this in the regional and broader international context, what we see is that, today, there is an assertiveness in communist China that is quite qualitatively different from the attitude it had towards India when it joined the United Nations in 1971. The first time we interacted in the United Nations in 1971 was when China took the side of Pakistan in the Security Council as a new permanent member and literally read the riot act to us over the war in East Pakistan, which led to the creation of Bangladesh. We know that this China is more difficult for us, but the assertiveness we see today is something new.

How we deal with this rise of China and its assertiveness follows different levels of engagement. As Foreign Minister Alexander Downer said, we have to be clear and demonstrate what is in our interests. One of the mechanisms we have introduced into our relationship with an assertive China is an informal summit. There was similar tension along our borders in 2016, but by 2017 an informal summit took place[1]—ironically, in Wuhan, from where the virus seems to have come—which resulted in a

[1] Note by witness: In referring to 2016 and 2017 I misspoke. I should have said "There was similar tension along our borders in 2017, but by 2018 an informal summit took place…"

political agreement not to let border tensions drive the bigger bilateral relationship.

Similarly, last year there was another informal summit in India, in Mahabalipuram in Chennai. That gave a strong signal of the top political leaders investing in a stable relationship.

Our experience below that top political level has not been very even. It seems that elements within the Chinese communist structure, especially the People's Liberation Army, have been following their own strategic policy. Some of it is linked to what you mentioned, Chair—the belt and road project, involving land as well as maritime infrastructure. A lot of attention is paid to the land infrastructure on which countries like India express their concerns on the issue of sovereignty of construction in the state of Jammu and Kashmir.

An equally important dimension is the maritime infrastructure. I am very glad that Mr Downer referred to the framework that India, Australia, Japan, the United States and now South Korea and Indonesia have tried to put together through the strategic concept of the Indo-Pacific region. That includes both the Indian and Pacific oceans, especially the sea lanes of communication that are threatened by increasing Chinese presence in the Indo-Pacific.

I think that it is in this context that you see a role for the United Kingdom, because the UK has a tremendous institutional memory of how sea lanes of communication originated and how they were handled during the 19th and 20th centuries. In the 21st century, we have a new opportunity for engagement with the United Kingdom in the Indo-Pacific region. This would really support the steps being taken by the democracies in the region to deal with the rise of China.

Q40 **Henry Smith:** I express my gratitude to everyone for joining us today from around the globe at a later hour than we are here in the UK.

What role should the UK take in seeking to solve the world's problems? For example, can it still convene like-minded nations and lead them in that respect? Mr Downer, I would like to inquire about Australia recently taking a lead in calling for an independent inquiry into the origins of Covid-19. What can the UK learn from that experience and from the reaction we have seen from China?

Chair: Henry, are you targeting Mr Downer?

Henry Smith: Mr Downer directly with regard to the independent inquiry into Covid-19, but I would be interested to get his view before coming to the ambassador's view about what role the UK should seek to take in solving world issues and convening like-minded nations.

Alexander Downer: How can I answer this? Let me start by saying that I think in the UK people underestimate the soft power of the UK. I think it is fair to say that of all the countries in the world only the United States

has more soft power than the UK for all sorts of historic reasons: the strength of the British media; universities; the language. The list goes on. There are all sorts of reasons why the UK has very strong soft power, so speaking up on Indo-Pacific issues rather than being silent is a critically important part of what Britain's global foreign policy can be.

I think the UK needs to be much more engaged in the Indo-Pacific region than it has been in recent times. I do not want to tread on dangerous ground, but I am the chairman of Policy Exchange for the purposes of this exercise, so I suppose I can be reasonably liberal with my words.

I think that over the past 30 years the UK has retreated and become a regional country. It may or may not be a good thing to leave the EU, but it is happening. When the UK was such a central part of the EU, that was what it focused on in its foreign policy. From my experience as Australian Foreign Minister, it did not engage strongly in the Indo-Pacific region or even with India, which is a country you would have thought the UK had a particularly deep relationship with given the history. There is good and bad in that history, but it has a deep history with India. The focus of British foreign policy was not in that part of the world.

I have often said that there was a period of 17 years, including the nearly 12 years I was Foreign Minister, when no single British Foreign Secretary visited Australia. When I think back on that, it seems quite incredible. I think it is important that the Prime Minister, Foreign Secretary and Defence Secretary engage much more heavily in and visit the Indo-Pacific region. It is one thing to take a team of business people with them, but if you visit that part of the world with a team of business people I suppose that plays quite well at home. You are doing the right thing by promoting exports, investment and so on, but you are sending the message that you are not really a geopolitical player; you are just trying to flog stuff: more Range Rovers, Bentleys and whisky.

Those meetings should be frequent; they should be part of it, and you should have quite clear things to say and messages to send. We do not have time to go into all the messages, but take the UK's relationship with a country like Indonesia, which, I repeat, is the fourth most populous country and the third biggest democracy in the world. The UK needs to build and focus its relationship on that country much more than has been the case in years gone by.

When the UK is present, that makes a difference because of the soft power I spoke about at the beginning of the answer to this question. To speak up on issues that are important to that part of the world is important. You might be a long way away, but we live in this globalised world where you have interests and concerns about security. The UK has the Five Powers Defence Arrangements with Singapore, Malaysia, Australia and New Zealand. I do not ever read anything about the Five Powers Defence Arrangements in the British media, and Ministers do not make speeches about them. When Michael Fallon was Defence Secretary,

he had quite a focus on the Five Powers Defence Arrangements. I think the current Ministry of Defence should have quite a considerable focus on those things that the UK has.

It would be important for the UK to build its defence ties with the Indo-Pacific region, in particular with India, and have joint defence exercises of one kind or another and naval engagement with countries in the region. You could say it is expensive, but if the UK wants to play a global role it has to be engaged in the issues that affect the world, and the Indo-Pacific is such a fundamentally important part of the world, as we have been saying during this meeting.

There is a huge amount to be done. If all you are going to talk about is making money in the Indo-Pacific region, that very much limits it. That is not to say it is unimportant; of course it is important. Everybody is thinking about the economy now. I am not gainsaying that, but perhaps you need to be having conversations.

Australia launched the idea that there should be an independent investigation into Covid-19. It is a perfectly reasonable proposition. It was not a proposition designed to be hostile to China, although the Chinese Government took it that way. They were wrong to do that, but the independent investigation has now been set up.

Given its soft power, the UK needs to look at ideas and promote initiatives in the region. The ambassador has spoken about one of them: using its convening power to pull together the great democracies in the region in conversation, not as a simple juxtaposition to China. I think that drawing together those relationships is a very important role for the UK to play.

Q41 **Henry Smith:** Those are very useful and erudite remarks. Perhaps I may follow that up with a further question to Ambassador Mukerji—he touched on this in response to an earlier question—about how he thinks Britain's history affects its ability to convene like-minded nations, given the significant relationships, which Mr Downer talked about as well, Britain has had historically in the Asia-Pacific region.

Asoke Mukerji: You ask a very relevant question, which is very important today. Today, there is an opportunity for the United Kingdom to use what I call its institutional database, historical memory and experience in an entire swathe of the Indo-Pacific region, which right now is not in the focus of the United States of America, for example. That is the region between the Red Sea and Mumbai, even up to the straits of Malacca.

Today, in terms of the contribution of countries in the Indo-Pacific region to provide maritime security linked with the new technologies that are used for maritime security and domain awareness, this is a tremendous area where the United Kingdom should play a role. It may not be the role of flying the flag on ships that ply the oceans, but it is collaborating with

the technology as well as the values that underpin this new emerging strategic concept of the Indo-Pacific region.

In the United Nations we have seen some initiatives taken by the United Kingdom. For example, we collaborated in countering piracy off the coast of Somalia. A large number of Indian naval ships were deployed and succeeded in pushing back this threat almost to the coastline of Africa. That provided freedom of navigation and communication from the Red sea onwards and contributed tremendously to lowering the cost of business that was being transported through international trade using these sea lanes of communication, so these kinds of initiative have a concrete outcome.

You asked at the beginning about where the UK could play a convening role. I think we are seeing it happen in our response to the Covid pandemic. Three or four days ago there was a virtual summit hosted by the United Kingdom of Gavi, the Vaccine Alliance. India's participation has been quite significant. As our Prime Minister said, it is not only the development of a joint vaccine together with the United Kingdom and the Serum Institute of India, which is a project we are working on right now, but the fact that there is a huge population for which this vaccine is needed. This is the kind of activity that the United Kingdom could look at as being important to uphold the values of international co-operation, but also important for its own economic and technological interests.

A third area is something initiated by Foreign Secretary William Hague in 2011 when he convened the first global conference on Cyberspace. I was part of the delegation at that conference. I am happy that we were able to hold a series of global conferences, including one in the Netherlands and the last one in November 2017 in India, but somehow the steam seems to have gone out of that momentum and initiative. Instead, we are now confronted with a growing polarisation in cyber-space and polarisation between China and the United States. I think there is a role for the United Kingdom and countries like India to play in bringing back the focus of that global conference on cyber-space, which was to encourage international co-operation and bring in different stakeholders.

That was the beauty of this initiative. Today, most countries in the world, except perhaps for ones with authoritarian regimes, are comfortable with the participation of different stakeholders, along with government, in conceptualising and implementing how to secure cyber-space. We cannot avoid for much longer the need for an international multi-stakeholder framework to provide for the predictability and security of cyber-space.

Those are three examples I can give you, but it all goes back to the first point I mentioned. We must make sure that existing rules-based order, whether it is the United Nations or the World Trade Organisation, is relevant and/or allowed to play its role. I think that the polarisation between the United States and China is impacting very adversely on both these organisations.

Q42 **Henry Smith:** That is very useful. Mr Downer, you talked about the shocking period of 17 years when the Foreign Secretary did not visit Australia officially. Ambassador, you talked about the convening William Hague did when he was Foreign Secretary, which now has drifted. Do you find the Foreign and Commonwealth Office, as a UK Government Department, somewhat reticent when offering ideas on international leadership?

Asoke Mukerji: I can base it only on my own experience. I think that since 2015 the UK and Foreign and Commonwealth Office was quite on the ball, but probably their preoccupations with a lot of domestic situations had an impact. One case that involved both our countries was the election to the International Court of Justice. Some things happened that might not have happened in the old days. That is just an example.

Alexander Downer: A tactless one.

Asoke Mukerji: But I am no longer a diplomat.

Q43 **Henry Smith:** Mr Downer, do you have a view on the FCO's reticence, perhaps?

Alexander Downer: I agree with the ambassador. I think that in more recent years it is less so. I think back to the Afghanistan meetings held in London. There has been quite a focus in the FCO on Africa and on convening meetings of African leaders in the UK-Africa summit. Initiatives like that have been very impressive. They are becoming more globally oriented now. During my time as Foreign Minister they seemed disconnected from the world outside of Europe. Obviously, it focused to some extent on the whole world. Nevertheless, there was an overwhelming focus on Europe.

I think that in recent times the FCO has become a greater player in other parts of the world. There is no doubt that for a period going back to 2003 the UK was a major player in Iraq, controversial as that may be. The UK is still a very big player in the Gulf and has very strong relationships with Gulf states—with Saudi Arabia, of course—and a pretty strong relationship with Israel.

I think they are weaker in their far east or Indo-Pacific diplomacy. They have been much less assertive in using the UK's convening power in addressing issues in that part of the world. You might argue that geographically those countries in the Indo-Pacific region are further away, but the ambassador and I have made the point about the historic relationships and institutional knowledge that people in the UK have about that part of the world. You should not overlook that.

No country outside China has more to say about Hong Kong than the UK. The UK has been very outspoken. The Prime Minister himself has been outspoken on the issue of Hong Kong, and the world looks to the UK to take a lead on an issue like that. The FCO is becoming increasingly engaged with other parts of the world, which from my perspective is very

encouraging, but historically not so much after the withdrawal from east of Suez in the late 1960s and up until about 2015 when William Hague was very engaged with the broader world. There was a quieter period certainly in the UK's engagement with the Indo-Pacific region, setting aside Iraq and Afghanistan.

Q44 **Andrew Rosindell:** I welcome all our guests. I have several questions to all of you. My first question follows up what Mr Downer said: that the UK should be more active in certain parts of the world that we might have neglected. Do you think that one of the reasons for this—this is perhaps directed at Ms Schaake more than the others, but I hope you will all contribute to the answer—is that the UK has been too focused on Europe, when it should have been more global in our outreach in the past 30-odd years?

The second question, directed more to Mr Downer and Ambassador Mukerji, is: where has Britain gone wrong? In my lifetime I have seen Britain become very timid when it comes to global affairs. It may have improved recently; I do not know. I remember the days when Mrs Thatcher was Prime Minister. We were not timid; she was out in the world and being strong, and the Falklands war put us back on the stage again and showed that we were not going to be weak. I think Mr Downer said earlier we should not appear to be weak. Britain has almost been hiding away. What has caused this? How do you advise us to be more robust and regain some of the bulldog spirit we used to have?

Marietje Schaake: I want to be frank with you. I caution against too much nostalgia. The world is changing very fast. It is important to recognise that the EU or Europe, even before the whole Brexit affair, was not foreign affairs, technically speaking; it was a shared home base, and there is no doubt that the UK's soft power and image in the world has been and will be impacted by Brexit. There will be different readings of what that impact is and a lot of it remains to be seen, but it is important to recognise and anticipate how partners will see that, including partners in the Commonwealth, especially in the times we live in right now, looking at the anti-racism, often linked to anti-colonialism movements that are seen to be perhaps reflective of the past in all its aspects, not just on the positive side.

On the question of China and the UK telling the truth and being strong and ambitious in achieving its goals, it is essential to appreciate what the UK's leverage is. Beyond the negotiation with Japan, which has been announced today, presumably there is going to be a series of trade negotiations. That is typically the moment to look at how leverage can be applied and where trade-offs will be made. I used to focus on trade when I was a Member of the European Parliament. I visited China, but also Japan, Canada, the United States and African nations, in the context of being a member of the trade committee. We have to be careful—Alexander Downer focused on it a little—about believing that only sharing diplomatic messages is enough in today's day and age. It is very important to bring together the leverage of economic interests with

diplomacy, which should be the preferred avenue, and to understand how that dynamic is changing.

One area that we could perhaps focus on in this conversation—or perhaps Members would be interested in looking at it a little—and I am happy that Ambassador Mukerji mentioned it, is how leverage is applied in the digital realm, how new risks, such as hybrid and cyber-conflict, are mitigated, and how there is a quickly moving frontier. It is not just to be understood, for example, as with the belt and road initiative, in terms of an infrastructure and trade group; it is also a data and digital infrastructure route. The interests of China on the African continent and in south-east Asia are very much linked to its data position and ambition to assemble as much data as possible to develop its artificial intelligence and governance models, over people but through technology.

I would encourage this discussion to recognise how rapidly the world is changing. We cannot but understand that the UK and EU together are in relative decline. We are relatively old; other continents are rising, with economic, political and diplomatic ambitions, and a lot of economic growth will be expected there, even if Covid-19 impacts all of us.

There are new realities and opportunities for the UK, and, frankly, I hope that its understanding of alliances will also focus on its immediate neighbours. It was remarkable that it took almost 45 minutes for us to talk about Europe and for the Brexit word to be mentioned. I generally think that is a positive thing. Generally, we need to focus on Asia and co-operation with Asian democracies much more. But there is something going on in the transatlantic relation that we cannot deny, which leads to new questions about where the UK primarily wants to ally itself. You are the Members of Parliament, and it is up for discussion, but I think we need to recognise how rapidly the world is changing and what new balances of power are emerging.

Q45 **Andrew Rosindell:** On the back of that, do you feel that the UK could have a potential role in helping to shape how tech companies work around the world and how we can collaborate globally? Can the UK take a leading part in that area?

Marietje Schaake: Absolutely. I believe that we need a democratic governance model. I am hoping that we can look through some of our tensions, for example, with the current US Administration, where things are not easy—it is not a secret. Perhaps with Brexit, there will be all kinds of challenges that we will have to navigate between the EU and the UK. But a priority of a more urgent order is the need for democracies to work together, especially when it comes to dealing with new threats coming from hyper-digitisation. Those threats are to be seen in the strategic, security and defence realms, as well as in the economic competition realm, and in the tension between privatisation and safeguarding the rule of law and public interest principles.

So, absolutely, the UK has a key role to play. That role will also be shaped, perhaps more gradually and less explicitly, by the trade-offs and decisions that the UK will make in trade negotiations. For example, will it lower data protection standards to be more competitive? Will it prioritise national security restrictions on foreign direct investment, or will it lower those bars to attract more foreign direct investment or enable more co-operation?

Those are very real questions, which a lot of Governments are grappling with, and I believe that the UK will be no exception.

On the other hand, if the UK seeks to prioritise democratic principles and questions of strategic importance on technology—for example, the need to advance norms in international law to end the lawlessness that we see now and close the accountability gap for both criminal and geopolitical attacks—I think that it can play a leading role in that space, and I would encourage it to do so. It can do that especially through its role in the UN and other international fora in this respect, as well.

Q46 **Andrew Rosindell:** Would Mr Downer and Ambassador Mukerji like to comment on my other questions?

Alexander Downer: With regard to economics, the best thing that the UK can do is to build trade agreements and be strategic in the trade agreements that it builds with other parts of the world. Of course, the EU has a number of trade agreements. However, we all know—and Australia is finding this right at this moment—that it takes a very long time and can be tortuously difficult to negotiate trade agreements with the EU. That is not an intellectual issue; it is just a function of the fact that the EU is made up of many countries with many different interests.

It is going to be much easier for the UK, as one country, to negotiate trade agreements, and I think that that will have strategic implications for the UK. It is about negotiating a strong trade agreement with Japan, although the EU already has a trade agreement with Japan, and a trade agreement with Australia, which I think is going to be constructive and straightforward. I was talking to the Australian Trade Minister a couple of days ago, and that is all moving ahead pretty well.

It is ambitious, but in engaging with the issues in the Indo-Pacific—a part of the world that is going to be so critical in the future—if the UK can leverage itself into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership of those 11 countries in the Indo-Pacific region, it will be a huge step forward for the UK. That is difficult, but achievable.

Making a trade agreement with the most important country for the western alliance, the United States, will also be very important strategically for the UK.

It is about having a really constructive agenda for trade agreements, and approaching them as a free trading country and as trade agreements, not

as agreements on everything. The more you start injecting a whole series of environmental standards and broader political questions of one kind or another, such as labour standards, and all those kinds of things, the more you turn these agreements into an attempt to get those countries to govern themselves as the UK is governed, and the less you will achieve in the trade agreements. You can reduce those trade agreements essentially to just that—to trade agreements—as Australia has done over the years, and you can approach the agreements as a free trading country, not as a country that wants too many carve-outs—including, very importantly, for agriculture. That is one of the reasons why the EU is so hampered in its trade relations, because it is extraordinarily protective in agriculture. I think that the UK can achieve a huge amount.

I want to go back to a popular narrative in the UK: that, by not being in the EU, it somehow becomes much weaker in the world. This is an argument that works two ways. As I said right at the beginning of this meeting, the UK has more soft power than any country in the world other than the United States, and the UK no longer being in the EU is going to weaken not so much the UK but the EU. It is a fact that, of course, if you are in Australia, you do not look at the UK in terms of whether it is in the EU or not in the EU. You do not look at Germany or France just through the lens of the EU. You look at those countries for all the benefits that a good relationship with them might bring, as individual countries.

The UK has a huge amount to offer to the world, not just commercially but in many other things, and I do not think it will be weakened, particularly if it can become more proactive in the Indo-Pacific region, as I have argued it should, and if it is successful in negotiating quite quickly simple and straightforward trade agreements that help to reduce protectionism in the UK and, more broadly, around the world.

Asoke Mukerji: I think that, today, we have an opportunity for the UK to be more activist. If you just take the Indo-Pacific region that Mr Downer is talking about, you will see that in the space between the east coast of Africa and India and up to Singapore and Malacca, as I said before, there should be scope for UK-led initiative. It has traditional good relations with the Gulf countries, the GCC countries, and India—because India is a huge presence in the Gulf, but we do not have a strategic partner like the UK in the Gulf. A dialogue between the UK, the GCC and India would be advantageous to all three parties, in such a structure.

Rwanda is going to be chairing the Commonwealth, but Rwanda's entry was—as I remember, in 2009—at the initiative of the UK. If we can leverage Rwanda as the chair, the UK and India could take an initiative to try to resolve the ongoing conflict in South Sudan, which borders on at least four African Commonwealth countries, with a tremendous spillover impact. That would be another way in which to display activism.

The third area was referred to by another panellist—technology. In India at least, most people may not recognise that the UK was primarily

responsible for creating a fibre-optic cable link between the UK and India— the Europe-India Gateway. This is a link that is more modern, carries more volume and is the digital infrastructure that links the UK with India and all the countries in between. We should use this fact to bring about a more active role in trying to bring security and predictability to cyber issues.

On the fourth issue, we worked together up to 2015 on the reform of the United Nations. Today, the UK is well positioned to go back into its own institutional memory and contribute on how we can reform the United Nations. By that, I mean not only the Security Council but the entire United Nations structure, which needs to be made fit for purpose for the 21st century. For that, as I have written elsewhere, we need to convene a general conference of the United Nations, and the UK should be able to take a leading and more active role in this process.

Q47 **Chris Bryant:** It is all very well saying that we should spread ourselves further around the world and adopt a neo-imperial attitude that, basically, we are the best and we should be telling everybody else what to do, but is not the danger that we do not prioritise? Should we not prioritise those countries with which we have the most immediate trading links and most significant economic links, rather than anything else?

Marietje Schaake: Thank you for bringing that up. I think that spreading too thin is a big challenge, and also the trade-offs between different trade negotiations. You cannot promise everything to everyone. There will be consequences. It will be about looking at the progress in different directions and then adjusting negotiations from other partners. You will probably not be surprised to hear from me that I believe that key partners—and, whether people like it or not, the EU is such a key partner—is a priority for the UK going forward. Even if there may be some tensions, reality also has to acknowledge that.

I have often made the case in the European Parliament that we need an EU-China strategy and to work more closely with countries such as India, Japan and other allies. I am not trying to diminish the importance of working with others, especially in Asia, but it is undeniable that the UK and EU have to stay closely together—and also, I hope, with the United States, even if times are trying. So, yes, I agree with you.

I encourage everybody to look into the dynamics of trade agreements. It is a very technical and often a little dry literature, but it is very informative about how there is progress and how countries look at each other to reassess their own negotiating positions. For example, the EU and Japan already have an agreement. I was reading about the great ambitions for a UK-Japan agreement, but, suffice it to say, both sides will be looking at what is on the table and how it impacts the other. There are also restrictions on how far such negotiations can go.

Q48 **Chris Bryant:** Restrictive practices, such as the US farm Act, are quite significant ones for most countries to overcome.

Mr Downer, you have dealt in Cyprus, for instance, with a phenomenally difficult, intractable—or certainly so far "untracted"—situation, which is an important one to the UK. It is important in terms of financial corruption in the European Union, because we are one of the guarantors, and all the rest of it. Some of our overseas territories take up an inordinate amount of our time and energy in the British Foreign Office. Is that time well spent?

Alexander Downer: Cyprus, other than the 99 square miles of the British sovereign bases, is not an overseas territory, obviously. But the UK has been making a huge diplomatic contribution to trying to resolve the Cyprus issue. Having been the UN negotiator there, I cannot fault the efforts that the UK has made under both the Labour and Conservative Governments with whom I dealt while I was in Cyprus. They made a huge effort.

I am not sure that the overseas territories are a huge issue. I cannot tell you what resources the FCO has to devote to them. No doubt there are benefits that come from having some overseas territories. One issue with overseas territories is that people who live in them wish to remain linked to the United Kingdom, so you are stuck with them for as long as people want it that way, whether you wish to be or not. The Falkland Islands might involve resources and a certain amount of time, but the people of the Falkland Islands want to remain linked to the UK, and that is as it is. If I could stretch a point, I do not think that the average punter in the UK would appreciate it if you decided to abandon those people.

Q49 **Chris Bryant:** No, I am not arguing that, just to be absolutely clear. My question was really just to pursue how we make sure that we prioritise our foreign policy objectives.

Alexander Downer: I do not want you to think of yourselves as a small country. I want you to be a bit more self-confident than that. The UK is a hugely important country in the world and a permanent member of the United Nations Security Council. You cannot be a permanent member of the United Nations Security Council and not realise that brings with it the burden of having to address issues that arise all around the world. It is often said that the UK is the fifth biggest economy in the world; it has huge economic resources to deploy, albeit diminishing at the moment, and resources beyond that—and, as I said, soft power.

It is not a question of going back into the past and trying to recapture the empire or anything like that. It is about being sufficiently self-confident in your own values and the things that you stand for and sufficiently self-confident that you can make a constructive contribution to the world, not a destructive contribution. In a world where the UK and others leave a vacuum, that vacuum will be filled, and it might not be filled by forces that any of us are particularly comfortable with. A country like the UK, certainly working with the EU and major European countries, especially those European countries that play an important part in the world—and I

especially single out France and Germany—and with the UK's very close ally, the United States, can be critical to global stability.

It is not always about economics. The UK has huge economic interests and can contribute to the global economy, but it has very great security interests as well, which are often very different from economic interests. It would be an abrogation of Britain's responsibility as a permanent member of the United Nations Security Council not to participate in dealing with some of those security issues.

Q50 **Chris Bryant:** That takes me to a side point. Australia has been courageously bold sometimes with China and has found itself thrown into the cold locker for several years. The UK has probably been bolder with Russia sometimes than other nations and has found itself in the cold locker. How do we make sure, in dealing with authoritarian nations—and there are those who would argue at the moment that India is becoming an authoritarian nation, but there are many others, such as Turkey and so on—that we are not in the end standing on our own with everybody two miles behind us?

Alexander Downer: That is always a challenge. If you are a leader, you have to persuade people to follow you. That is the great challenge of diplomatic leadership. Australia stood out alone by initially calling for an international investigation into the coronavirus crisis. Australia was alone, and gradually others came together, and the EU and World Health Assembly tabled the resolution for the independent inquiry.

It is a really good question, because it raises the issue of alliances. The UK has been the No. 2 in the western alliance. Being very close to the Americans gives the UK a position of being able to exercise greater influence over American foreign policy than if the UK had a distant relationship with the United States.

Q51 **Chris Bryant:** It is difficult having a close relationship with a moving target. That is one of the difficulties at the moment.

Alexander Downer: One of the problems with democracy is that you do not always get the results you want; you have to live with the results that the punters give you. I am sorry to tell you that that is the way it is.

Q52 **Chris Bryant:** You have heard me.

Ambassador Mukerji, would you like to comment?

Asoke Mukerji: Apart from the political optics of standing up to Russia, or somebody else standing up to China, there is the dimension of where this posture is going to lead. The engagement that the UK has with the world in the 21st century is qualitatively different from the colonial periods of the 19th and 20th centuries. Today there are cards or factors that the UK brings to the table of the 21st century, where the UK is sought after as a viable partner. One is in technology and development. I gave an example of the vaccine that we are trying out together, in India

and the UK, to address the coronavirus, but there are many more such examples. This is where there is a great role to play that is not only purely political but linked with realities on the ground.

When you see the UK presence in India, that gives you an answer, perhaps. The UK may have disengaged or downplayed its political role, but today the fact is that you have seven offices in India and a vibrant High Commission in Delhi. You are visible on the ground. But in the political and strategic sphere, there is a perception that the UK is not involved as much as it should be, which is important. We have a framework in the 21st century whereby we can carve out a new relationship that need not be the one of the colonial era. Part of that new relationship is the requirement for both of us to participate equally. We in the Commonwealth agreed at the 2018 summit in London that we would address issues jointly and collectively, with equal participation and decision making. That is the key.

Chris Bryant: It feels as if we are having a nervous breakdown in the UK in foreign policy, and I hope one day we will get over it.

Q53 **Alicia Kearns:** My question is for all three of you. We will all probably agree, to a lesser or greater extent, that there are nations that seek to subvert or, shall we say, redirect the resources of multilateral organisations to their own interests, which are hostile or malign towards the UK.

Chair: The sound is very erratic, Alicia. Can you speak slowly and clearly into your microphone?

Alicia Kearns: From your experience, which multilateral organisations are at risk of being undermined by certain nations? Which of those organisations do you think the UK can afford to work with?

Chair: Did you hear the question?

Marietje Schaake: Yes, I did. The sound was a little inaudible, but I shall do my best.

You are absolutely right to point to the hostility of undermining multilateral organisations, especially by those countries with a big legacy in creating them. That makes it even more confrontational and harmful. We have all seen recent examples coming from the United States, with significant consequences. I am thinking about the one with the World Health Organisation right in the middle of the pandemic, but also with the World Trade Organisation. Sure, international institutions need to be innovated, reformed and updated to be more inclusive when powerful voices are not at the table. They should address new challenges, such as digital trade, with regard to the World Trade Organisation. But to undermine actively these organisations is really shooting oneself in the foot.

Other countries, notably China but also others, are happy either to take the places left to advance their own geopolitical agendas and/or to tip the balance of power in international organisations. The United Nations, on its 75th anniversary this year, will be another international organisation—perhaps the international organisation—to watch. I mentioned the collective power and leverage of democracies in this world. We have to be worried, because the democratic nations together, even if they are all aligned—and we have already heard of a number of examples in this conversation alone where that is not always easy—risk being in the minority, and that dynamic will not change any time soon. We all have to fear for what the political and anti-democratic fallout might be of the pandemic. Focusing on democratic resilience, including through multilateral organisations that strengthen the international rules-based order, is incredibly important.

I hope that the UK, as it tries to map out its different ambitions and the choices that it has to make, will at least continue to contribute to the international rules-based order and multilateral organisations, and I hope in as strong as possible a partnership with like-minded nations. Frankly, none of us, whether it is the UK, other European countries, the European Union, the United States, India or Japan, can afford not to hold tight on the basis of our fundamentally shared values.

Alexander Downer: I broadly agree with that. These institutions are hugely important to, among other things, the rules-based international system and collaboration between countries in an increasingly globalised world. There is no doubt about that. On the other hand, the institutions have to be used responsibly by everybody and, if institutions are seen to be working against a country's national interests, they will be discredited in that country. There is no escaping from that. Ultimately, we live in a world of nation states, and those nation states have national interests—and, particularly in democracies, when you need to get votes. If institutions are seen to be inimical to your national interests, that is going to create confrontation with those institutions.

As Chris Bryant pointed out earlier, I worked for the United Nations for six years. Those institutions have to be strongly led in their secretariats, and the selection of people to run them is a hugely important issue. So my contribution to this discussion would be to say that the UK needs to collaborate with others in trying to ensure that, when leaders of these multilateral institutions are being selected, the right sort of people are selected. People are often selected for the wrong reasons, because they come from a particular region or country or, in a world of identity politics, they fall into one of those particular categories.

The main thing is to get strong and effective leaders who can work with a very diverse group of countries to manage those institutions better than has been the case in the past. I have found that with many of these institutions the weakness of the leadership has, in effect, done a lot to undermine their efficacy. I am not going to be so bold to give examples,

but you can all reflect on those institutions and think that there have been many examples over many years.

Asoke Mukerji: Most things have been said in response to the question. There are two organisations that really need to be priorities for the United Kingdom. The first, of course, is the United Nations Security Council, where you are a permanent member. On the occasion of the 75th anniversary of the United Nations this year, the UK must marshal its resources and try to bring back the reason why this organisation was created, going back to the need to spread the values of the United Nations in 1942, with the Washington conference.

The second organisation—and I am not too sure that the United Kingdom can play a big role in it—is the World Trade Organisation. As we speak, it has announced the process for selecting the new director-general. As Mr Downer just said, it is very important who heads the secretariat of the World Trade Organisation. The UK must work with like-minded countries that are interested in upholding an international, rules-based, multilateral trade order, and ensure that the secretariat of the World Trade Organisation is headed by a person who reflects the values of countries such as the UK, India, Australia and Japan. This is a critical test, but here you have to be much more in a collective, whereas in the UN you have the prerogative of being permanent member, which allows you to take a more individual initiative.

Q54 **Claudia Webbe:** I believe we must consider the impact of the UK's colonial legacy on modern-day global insecurity and be more ambitious about changing the unjust dynamics of global debt. The Jubilee Debt Campaign has said that it is vital to alleviate the mounting financial pressure on poorer countries by cancelling the debt payment, particularly while we are in this pandemic. It found that more than 60 countries spend more on paying their creditors than on their population's health. That is a direct consequence, if you like, of the uneven power dynamics forged through centuries of violent extractive colonialism and imperialism.

What more can the UK do in its moral duty to ensure that the economically poorer countries do not disproportionately suffer the unjust hindrance of global debt? What are your views on what the UK could seriously consider in calling for an end to this historical unfairness, and in particular to end global debt for poorer countries?

Asoke Mukerji: Here, we can again go by experience of what we have been able to do, and the UK has been able to do. For example, in the Commonwealth framework, the UK has been supported by major Commonwealth donor countries to insulate the smaller Commonwealth countries from the impact of having to meet higher costs. For example, we have a Commonwealth-funded office in New York for small states, which has helped those states to participate effectively in the United Nations.

That is one platform that could be looked at. The other is the International Monetary Fund. I am reminded of the initiative taken at the London G-20 Summit of 2009, when a special bail-out package was put together by the IMF to address the concerns you have expressed. In both those areas, the Commonwealth and International Monetary Fund, the UK would have to work in co-ordination with countries that have a similar approach to the problem you raise.

Alexander Downer: You cannot do anything about history; you have to move on into the future. Since we have been talking of multilateral institutions, one initiative that I have been very supportive of has been the so-called HIPC initiative—heavily indebted poor countries—run by the World Bank with the support of the IMF and bilateral donors. A programme has been developed to relieve particularly poor countries, or the poorest countries, of their huge debt burdens, in exchange for a commitment to more responsible domestic economic management. Let us be realistic about this: in some cases—talking of extractive policies—the elites have been pursuing extractive policies long since the end of the colonial era, which have been hugely damaging to the mainstream of the societies of those countries. This is not true of all of them, but it is of some.

Just providing debt relief and allowing the leadership of those countries to accumulate still more and very substantial debt is not going to solve the problem. Debt relief, coupled with good, constructive and inclusive economic policies, is a very good way to go. It is expensive, but the UK has a huge foreign aid budget. We have not talked about that here, but that is another example of the UK's soft power, if you like—or somewhere between soft and hard power. Certainly, I think you are right that working on helping to relieve debt, which brings with it obligations to better economic management, and more inclusive economic policies in those countries, is a very important initiative for the UK to attach itself strongly to.

Q55 **Claudia Webbe:** I assume you do not want to come in, Marietje—but that is brilliant, thank you.

Marietje Schaake: I can say something briefly. UK representatives may be slightly more modest in referencing the past as a nostalgic example, especially because of colonialism—and the time is now to reflect critically for all of us.

A couple of topics are particularly important to look out for: first, the impact of trade agreements, which we have mentioned briefly, in a number of cases that we have seen in the EU; and efforts to combine trade and development in a way that advances developing countries and empowers populations.

Secondly, a big topic that needs to be addressed, where all western countries and companies play an enormously harmful role, is corruption. That is at the expense of populations, and perpetuates injustices and

inequalities in a way that is unacceptable. That deserves more scrutiny as well—illegal money flows. There is quite a bit of that in the UK as well, in real estate, for example.

There are opportunities to correct imbalances and the way in which they still impact people in developing countries. Can we completely correct the horrendous past times? I am afraid not—but at least to take responsibility is crucial.

Q56 **Chair:** I have one very brief final question, to which I ask for very brief answers. We have only a few minutes left, and you have been incredibly generous with your time. I am hugely grateful.

The Foreign Office has to prepare its new diplomats for 30 or 40 years of work. What is the one skill that they should focus on? Given the pressures around the world—Mr Downer mentioned the Department for International Development, or aid—how should the UK look at its structures? Should it be bringing overseas departments' aid, trade and perhaps even aspects of defence under the Foreign Office, or should it look at subject matter expertise?

There are two questions: what skill will diplomats need, and should the FCO be the strategic body leading the lot, or should it be one aspect of different Departments? I would be grateful for your perspectives.

Asoke Mukerji: In terms of the next 30 to 40 years, the biggest skill required by all countries—and I think by the United Kingdom more than others, because of its special role in international affairs—is the ability to network on the basis of an awareness of what the world in the 21st century is actually like. This requires a kind of diplomat who is not only a domain specialist but can connect and work outside the domain in which he or she is a specialist. That is very important, otherwise the interdependent nature of our work will not be responded to.

Some of us in different democracies are already engaged in moving towards what we call a fusion of structures, based on the issues. For example, in India you have probably heard of the Group of Ministers; this is a mechanism that brings together Government Departments to formulate national policy, but only involving those Departments. In that sense, it is a more focused approach, but the end result is an amalgamation and fusion of the interests of all those Departments. The UK may be working in a similar way, and I think it would serve the UK well in the next decades.

Alexander Downer: The greatest diplomats are, first, people who are great networkers—and the ambassador referred to that. Secondly, they understand their host country well enough, or so well, that they are able to exercise some influence over the Government of that country. There are very few diplomats over the years whom I have seen who are able to do that. Most diplomats are able to produce reports and that kind of thing about what is happening in domestic politics, or whatever it may be, in the country to which they are accredited.

Of course, nowadays you can find out easily what is happening in any country you like, through technology. So the more important role of a diplomat is to have a deep understanding of the country to which they are accredited and to be great networkers. You do not want to employ people in the FCO as diplomats who are not going to be good networkers and, ultimately, exercise some influence.

On the institutional structure, with regard to the UK it would make sense to amalgamate the Department for International Trade with the FCO, as has happened in Canada, Australia and a number of other countries. I think it has come through in the discussion today that trade interests cannot be looked at in isolation; they affect security interests, and security interests can affect trade interests, and so on. Certainly, the Australian experience of merging the Department of Foreign Affairs with the Department of Trade back in the 1980s has been very successful.

What I would not do is to take DFID into the FCO. Australia did that; we used to have AusAID, and that was merged into the Department of Foreign Affairs and Trade, and I think that was a mistake. It would be a huge upheaval to bring a £14 billion-per-annum programme—I think that is what it is—within the FCO. There is a different culture in an aid agency; there are people with huge skills in that agency, and you would lose a lot of those people, as Australia did, through the process of amalgamation. You need to recognise that the task of effective and efficient foreign aid—although that is an issue for another time—is very different from the broader task of diplomacy. However, I think that DFID officers on posting should come under the authority of the head of mission of the ambassador, and not be able to operate in overseas posts separately from the instructions and direction of the ambassador in that particular post. I hear that that happens sometimes, and it is very unhelpful.

Q57 **Chair:** Thank you, Mr Downer; that is very helpful. May I have one skill from you, Ms Schaake? Given that you have spent years helping to organise different aspects of European policy, and I know have strong views and oversight of other European Governments' ways of doing this, I would be interested in your perspective.

Marietje Schaake: I have a couple of very brief points. First, the impact of technology must be understood by politicians and diplomats alike. One does not have to train to be a hacker, but the impact has to be appreciated to assess how values, interests and security concerns are at stake. I would focus on that if I were to train the next generation of diplomats.

When I was negotiating trade agreements, one thing always stuck with me—and I recently reflected on it—that one can always learn more from listening than from speaking, and from understanding who is on the other end of the table.

I encourage the UK, as I have the EU, to look at the young generation. In so many parts of the world there is a huge discrepancy between

Governments and population. In a sense, they are basically not serving the actual population—and in Africa, to a large extent, the youth is the population, and the same goes for many Asian countries. A focus on youth will generate a lot of advantages.

We in the Netherlands have merged development with foreign affairs, so for me it is hard to imagine how it was before or how it pans out in detail. The most important thing is to make sure that the development agenda does not become increasingly politicised or, rather, instrumentalised for political goals. With a Trade and Development Minister, the development policy is more instrumentalised to facilitate trade. There is a human cost to that, which one has to be mindful of.

Efficiency can be achieved, but making sure that specific goals with legitimate aims are still achievable may be one thing to reflect on more deeply. I cannot answer that for you, but good luck with the deliberations.

Chair: Thank you very much. I have heard various things there, of which the idea of youth and green diplomacy is an extremely powerful one. The idea of diplomats as influencers rather than simply reporters suggests that what we are now looking at is the Instagram envoy.

Thank you very much indeed to everybody. I am enormously grateful to all three of you for your extraordinary perspectives, and to coming to us from Amsterdam, New Delhi and Adelaide. It shows that we are the Foreign Affairs Committee in so many ways.