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Implementing the Integrated Review: Tilt to the Indo-Pacific

2. This submission addresses the UK's main interests in the Indo-Pacific region, the opportunity to partner with allies in the region, the likely benefits of engagement with regional groupings like the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, ASEAN and the Quad, as well as the challenge of managing relations with China while advocating for a rules-based order.

Summary

3. Engaging with the Indo-Pacific does not require the UK to be active everywhere: playing a beneficial role in just part of this vast area is useful to allies and partners. The UK has long-stranding economic and security interests in the Indo-Pacific and has been active in key sub-regions for years. The latter point should feature more in Britain's strategic messaging about the "tilt." Relations with India are a critical component of any UK Indo-Pacific endeavour, and the building of other partnerships should not detract from that effort. Cooperation with France and perhaps trilateral UK-India-France trilateral cooperation is needed in the Western Indian Ocean region. The British government should have modest expectations for the gains to be made from engaging with regional institutions in much of the Indo-Pacific. Finally, speaking up in defence of international law or a rules-based order in this region may strain political relations with the People's Republic of China, and Britain will need to guard against economic pressure that can come with criticisms of Beijing's policies.

Being Engaged in the Indo-Pacific Doesn't Mean Engaging with all of the Indo-Pacific

4. In operationalizing the "tilt" to the Indo-Pacific, the UK should not seek to be everywhere and do everything. The Indo-Pacific is a grand strategic domain: Linking the Pacific and Indian Oceans recognizes the economic and increasingly geopolitical interdependence of these regions. However, the security challenges across this immense domain vary enormously, as does the state of institutions that form elements of the regional security architecture. Thus, while an appropriate framework for grand strategic thought, the Indo-Pacific is not necessarily a helpful construct for making and implementing policy. This is too vast domain for Britain to give all sub-regions equal attention. Engaging and making a meaningful contribution to regional security does not mean that one has to be everywhere in the Indo-Pacific or attempt to be part of everything that is going on in this massive geographic space. Rather, focusing on key subregions of greatest priority to Britain can demonstrate meaningful engagement and deliver important benefits to the overall whole.

Britain's interests in the Indo-Pacific are multifaceted

5. The UK wants to tap the economic potential of the Indo-Pacific. Not only is the region expected to be the main engine of world economic growth in coming decades, but the nations that constitute its littoral region also contain large portions of the world's proven oil reserves, gas, gold, uranium and diamonds, as well as a host of important industrial raw materials. At present, only three of the UK's top-15 export partners (Japan, China, and Hong Kong) are located in this dynamic region. Towards that end, the British government is currently negotiating free trade agreements with several leading economies in the region to expand the UK's economic footprint.
6. The Indo-Pacific in general and the Indian Ocean in particular is a crucial maritime conduit linking manufacturers in East Asia with markets in Europe, Africa and the Middle East. UK interests also stem from concerns about the security of these vital maritime trade routes, particularly in light of Chinese attempts to push maritime territorial claims that do not appear to be in keeping with existing international law. As a trading nation with the fifth largest maritime estate in the world who has 95% of its exports transported by sea, Britain has an interest in ensuring that international law is upheld, freedom of navigation is defended, and economic openness persists.
7. In the security realm, the UK possesses obligations in various parts of the Indo-Pacific. Aside from the general responsibilities to uphold peace as a permanent member of the UN Security Council, Britain is also part of the UN command monitoring the armistice on the Korean Peninsula. This means that the UK could have some involvement in managing a future crisis there. Similarly, the UK's commitment to consult with partners in Southeast Asia and Oceania in the event of a regional threat under the Five Powers Defence Arrangement means that security and stability in these regions is a concern to Britain.
8. Finally, there are more than a dozen Commonwealth countries located in a region of the world that suffers from challenges of poverty, environmental degradation, as well as threats to democracy and rule of law.
9. As a result of these various interests, Britain has been an active player in key parts of the region for a long time. However, since the UK was relatively late to articulate a formal Indo-Pacific strategy, the popular perception is that the country is a relative newcomer that needs to demonstrate its "new" focus on the Indo-Pacific is both real and enduring. This is surprising given that the UK has logistical and military facilities across the region in Bahrain, Qatar, Oman, Kenya, Diego Garcia, Singapore and Brunei, which collectively allow Britain to project power from the Middle East to Southeast Asia. The fact that the UK's extant multifaceted engagement, be it sustained naval presence, leadership of multilateral anti-piracy operations, provision of maritime domain awareness, capacity building of local countries to monitor their exclusive economic zones, development assistance, ecological protection and so on, is being overlooked suggests a much more coherent narrative is necessary to demonstrate the UK is anything but a newcomer to the region. At the same time, when considering new endeavours, as the Integrated Review rightly notes, the focus should be on establishing sustainable levels of engagement so that the UK can maintain its envisioned role over the long term, not undertaking overly ambitious commitments that raise questions about London's seriousness should they be reduced in the future.

Work with India and France

10. As the UK seeks to support its allies and forge new partnerships in the Indo-Pacific, the government should remain focused on the state of bilateral relations with India, which will affect the success of the regional tilt more than any other partner or policy. Not only does the Integrated Review clearly signal the importance of India to British strategy, absent a robust political and economic relationship with New Delhi, the UK's actions and ambitions in the broader Indo-Pacific will be constrained. The range and scope of objective outlined in the 2030 Roadmap for India-UK Future Relations is both impressive and achievable. However, delivering on such a wide range of policy areas that cut across multiple government departments is never easy. This committee will need to constantly monitor, probe, and question to ensure that the government stays on track and meets these targets. Deepening collaboration with countries like Indonesia, Taiwan and others is desirable, but such efforts should not be allowed to pull focus and resources from developing the UK-India relationship.
11. Among European States, France is a natural partner for Britain in the Indo-Pacific. Both countries' regional priorities are compatible with each other, as well as those of United States. Moreover, both nations face the challenge of balancing security interests in the Indo-Pacific with those closer to home in the Euro-Atlantic region. By contrast, Germany's unwillingness to act in accordance with the EU's determination that China is now "systemic rival and competitor" for fear of hurting its trading relationship and its confused suggestions that the EU can offer a "third way" between the US and China, demonstrate Berlin is a fundamentally unserious actor in the Indo-Pacific.
12. Although the UK has the desire to be "the European partner with the broadest and most integrated presence in the Indo-Pacific," a collaborative approach with France would allow the pooling of resources and potentially create a foundation for mutually beneficial tri-lateral engagement with regional partners like India. The UK and France have existing bilateral defence cooperation arrangements, however, despite collaboration in other spheres, the Indo-Pacific has been a notable area where the two have not engaged in significant cooperation. In the commercial realm—particularly with respect to arms sales—France and Britain are competitors; however, this should not be allowed to colour the two countries' overall approach to the region.
13. Maintaining an open regional economic order, the protection of maritime freedom of navigation, and the sustainment of liberal values are common objectives. This could underwrite bilateral cooperation with third countries in the region, be it building the capacity of small nations to monitor and police their maritime domains or working with the region's leading economies on technology standards and supply chain resilience. In an overall environment of resource scarcity, the coordinated deployment of military assets to key subregions where the UK and France each desire there to be a "persistent" military presence can further position the pair as security providers in the maritime domain and also send a strategic message to those who would seek to challenge the status quo.
14. A specific area of shared interest for the two countries is the Western Indian Ocean. France is much more focused on the Indian Ocean than the Pacific and the region extending to the Persian Gulf is a priority area for Paris. This plays to British strengths as this same sub-region is marked by long-standing British engagement. The UK has a diplomatic presence in every country in the region except for the Comoros and is the only

western nation with an embassy in the Maldives. In terms of regional security, the Royal Navy supports freedom of navigation by providing maritime security information through the UK Maritime and Trade Organization's regional centre in Dubai. Britain also provides the deputy commander to the multinational Combined Maritime Forces which carry out counter piracy and anti-terrorism missions at sea in the western Indian Ocean. In support of these efforts, the UK has the second largest extra regional military presence in the region which has allowed the UK to play a leading role in maritime security, as well as deepen the capacity of regional states to monitor and regulate their maritime territory. In short, the UK is already playing a role in the Western Indian Ocean as a "net security provider," working with partners to help make this portion of the Indian Ocean more secure.

15. Importantly, this is a portion of the sub-region where the US has been comparatively less engaged. Many states in the Western Indian Ocean are not well equipped to counter criminal activity and non-traditional security threats in their territorial waters. So, there is not only an opportunity for the UK and France to cooperate in this part of the region, but also a real need. Working to enhance the ability of small states to combat economic challenges in their exclusive economic zones like piracy and overfishing are primarily law enforcement efforts, however they can constrain the ability of external powers to encroach, while helping to uphold international law.
16. Although embracing the Indo-Pacific concept, India's main economic interests and strategic priorities lie westward across the Arabian Sea. India receives 70% of its oil from the broader Persian Gulf region, and has more than 8 million expatriate workers there. Collectively, the countries of the region are as important as the US or the EU for Indian trade flows and the Indian Navy has been active in counter-piracy operations in the Western Indian Ocean.
17. Consequently, the Western Indian Ocean is a sub-region ripe for trilateral engagement between the UK, France, and India. Counterterrorism, anti-piracy operations, supply chain resilience, climate change and renewable energy are shared priorities for all three countries. In the economic sphere, the aim of fostering sustainable ocean development through the Commonwealth Blue Charter is an endeavour that already links the United Kingdom and India. Given France's abundant exclusive economic zones in the Indo-Pacific generated by its overseas territories, it too has an interest in the oceanic economy.
18. In the eastern Indian Ocean, there are a number of capable states including Australia, Indonesia, and even Singapore. However, to the west, there is a plethora of small and weak countries that lie between India and South Africa. UK-India-France trilateral cooperation can shape the economic, political, and security future in the western reaches of the Indo-Pacific.

Keep Expectations for Regional Organizations Modest

19. Britain's enhanced engagement with regional organizations in the Indo-Pacific provides tangible evidence of the seriousness behind the "tilt." That being said, the government should limit what it expects to gain from such groupings.

CPTPP: Setting Standards, not Boosting Trade

20. The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is built around a core of countries that are already enmeshed in a web of regional and bilateral trade agreements. To date, the countries experiencing the greatest benefit from the pact are those such as Vietnam and Brunei who were comparatively less open to economic engagement. Other member countries generally saw the patterns of their trade with CPTPP nations parallel changes to their overall trade balance. Since the UK already has trade deals in place with many CPTPP countries, the effects of accession on its terms of trade are likely to be modest.
21. The trade agreement does appear to have been more successful in the setting of standards. In the e-commerce sector, for example, the CPTPP's provisions seek to lower trade barriers while protecting consumer data. These provisions have subsequently been replicated in bilateral free trade agreements involving Singapore, Australia, Chile, Uruguay, and Argentina, standing in sharp contrast to the watered down, unenforceable standards contained in the China-backed Regional Comprehensive Economic Partnership (RCEP).

ASEAN: Not Central

22. The UK's status as an "ASEAN dialogue partner" sends a signal about British interests in Southeast Asia, but Britain should not invest much effort in ASEAN as an institution. Like other major powers, the UK will have to pay lip service to the idea of "ASEAN centrality," however the organization lacks the political cohesion and strategic coherence to play a central role in the Indo-Pacific—particularly when member countries like Cambodia and Laos are little more than stalking horses for China. ASEAN was never designed to be particularly powerful—so as to not usurp the prerogatives of member states—and in its never-ending quest for consensus, it often fails to live up to its own norms and principles. Britain would be better off bypassing ASEAN and focusing energy on cultivating bilateral relations with individual member states like Singapore or Vietnam.

The Quad: Let the Partnership Mature

23. In light of the attention received by the Quad, questions about the UK's relations with the grouping understandably feature in discussions of the Indo-Pacific tilt. Given the tremendous difficulties that the Quad nations themselves have had coming to consensus on issues such as the nature and desired response to the challenge posed by China, it would be premature to talk about adding new states at a time when the group is beginning to find its feet. As a starting point, the UK could look to deepen its bilateral relationships with each of the individual quad members. Beyond that, Britain could explore opportunities to cooperate with the group's efforts on individual issue areas like Humanitarian Assistance and Disaster Relief (HA/DR) at sea or via non-military working groups that would leverage the UK's expertise in areas like regulation and the setting of legal standards or innovation and technology.

China: Respond to Assertiveness and Guard Against Pressure

24. The tilt to the Indo-Pacific necessarily requires to the UK to clarify its policy towards the People's Republic of China (PRC). In line with the American and French approach to the PRC, the British government has indicated it wants to keep open avenues for engagement on issues like climate and economics, while retaining the ability to challenge Beijing's behaviours that are out of step with the rules based international order and where the PRC appears to be more of a competitor or an adversary than a collaborator. Whether this is possible in practice is an open question, but the government needs to be prepared for the answer to be "no."
25. In the face of Beijing's growing military assertiveness in the region, Britain should be forward leaning and join with partners in speaking out against violations of international law. In particular, it is important that the UK coordinate its responses with like-minded countries to guard against the Chinese government's "divide and rule" approach to its critics. As a party-state, the Chinese economy has been weaponized as a tool of political influence. Highlighting the economic benefits of cooperation and the costs of disobedience are a key means by which Chinese leaders gain compliance and encourage countries to self-censor opinions and behaviours they find objectionable. Economic coercion in the form of import bans—often concealed in selectively enforced legal and technical regulations for plausible deniability—are a key tool employed by Beijing to single out countries that critique its actions. Economic coercion directed against one country needs to be seen as a challenge for all. Chinese import bans imposed on Australia because they called for an investigation into the origins of COVID-19, for example, cannot be seen simply as Canberra's problem to bear, as it has been for Oslo, Tokyo, Seoul, Manila, and Ottawa before it. Collective multilateral action—working through institution such as the World Trade Organization where possible—is necessary to deflect and defeat Chinese pressure.
26. If the UK seeks to be a more consequential actor in the Indo-Pacific, stand up for its values, and bolster a rules-based order, it will need to be prepared to weather Chinese pressure. Not only has Beijing specifically targeted US allies at times to send a message across the region, but Britain has a prominent place in the Chinese Communist Party's mythologized "Century of Humiliation" narrative. The threat of economic coercion from China is sometimes invoked in popular discourse as a reason for not taking principled action, however, this reflects an inflated estimate of China's importance to the UK economy. Educating parliamentarians and the broader public about the relatively greater importance of the United States and Germany, not to mention France and the Netherlands as export markets for British goods, as well as the China's marginal role as a source of Foreign Direct Investment into the UK would be a useful corrective. Although the Australian economy is far more dependent on the Chinese market than the UK, Canberra has remained resolute in the face of China's bans on barley, beef, wine, lobsters and coal. Despite harm inflicted to key sectors, exporters have generally managed to find alternative markets, and the aggregate effect on the Australian economy has been marginal. Demonstrations of resolute behaviour in the face of Chinese economic threats—whether overt or latent—helps expose economic coercion for the weak tool of statecraft it actually is. The threat is often more powerful than the reality.
27. At the same time, the government should seek to explore ways in which economic interdependence can be strategically employed to further British interests. For example, if

the USA follows through on plans to delist Chinese companies from its stock exchanges, gaining access to the City could have considerably more value. Such important levers of influence need to be recognized and used to the country's advantage, not simply given away for "free." The problem is that in an open democratic system, various political and economic elements are not typically well coordinated or even used to thinking in such terms. Auditing the country's strategic economic assets and thinking through ways to leverage them as tools of influence in dealing with Beijing is a necessary exercise.

Recap

28. Engaging with the Indo-Pacific does not require the UK to be active everywhere: playing a beneficial role in just part of this vast area is useful to allies and partners. The UK has long-stranding economic and security interests in the Indo-Pacific and has been active in key sub-regions for years. The latter point should feature more in Britain's strategic messaging about the "tilt." Relations with India are a critical component of any UK Indo-Pacific endeavour and the building of other partnerships should not detract from that effort. Cooperation with France and perhaps trilateral UK-India-France trilateral cooperation is needed in the Western Indian Ocean region. The British government should have modest expectations for the gains to be made from engaging with regional institutions in much of the Indo-Pacific. Finally, speaking up in defence of international law or a rules-based order in this region may strain political relations with the People's Republic of China, and Britain will need to guard against economic pressure that can come with criticisms of Beijing's policies.

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