

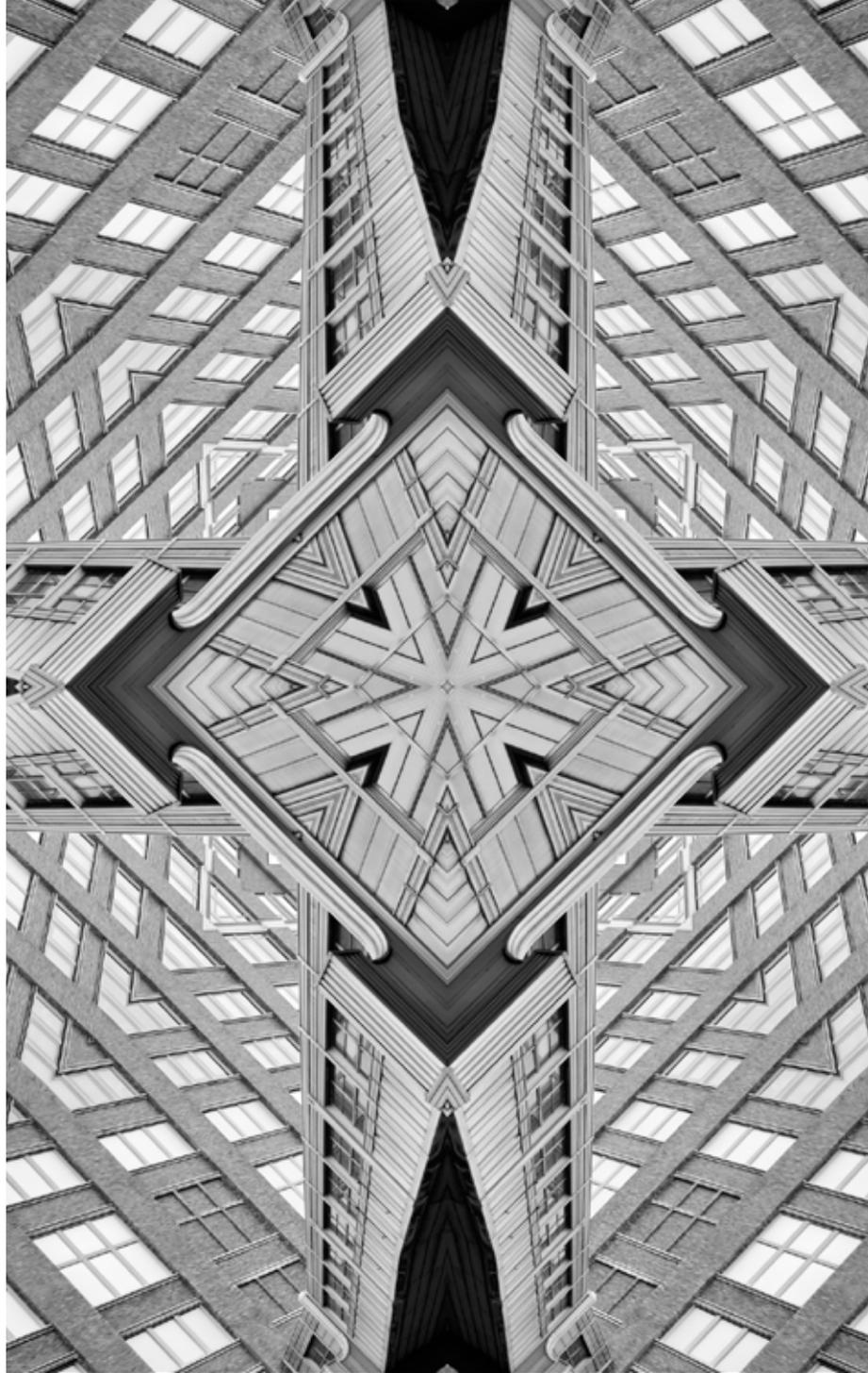
# Issue

---

# Brief

---

**ISSUE NO. 444**  
**FEBRUARY 2021**



# The UK Shifts to the Indo-Pacific: An Opportunity for India-UK Ties

**Harsh V Pant and Tom Milford**

## **Abstract**

When the United Kingdom (UK) releases the highly anticipated integrated review of its foreign, defence, security and development policy in March, it will mark the first formal iteration of the UK's Indo-Pacific strategy. This brief explores the dynamics that are driving the UK's tilt to the Indo-Pacific. It identifies three key drivers that are prompting the shift: a reappraisal of China, the economic fallout of Brexit, and the UK's close ties with the US. It explores the emerging trends in this churn—across security, trade, development, and diplomatic domains—and highlights the opportunities they afford the India-UK relationship.

The ‘Indo-Pacific’ concept is a recognition that the Indian and Pacific Ocean regions are intertwined and should be treated as one strategic space. Its very idea is an affirmation that because of how globalisation works, regional issues—from climate change to piracy—require regional cooperation. For example, it was the need for massive disaster relief following the Indian Ocean earthquake and tsunami in 2004 that was the genesis of the Quadrilateral initiative (of India, Japan, the US and Australia—or Quad). On what is perhaps a deeper level, the ‘Indo-Pacific’ idea is a recognition that the Indo-Pacific is the defining geopolitical theatre of the century: it is not only home to the fastest growing economies and military powers in the world, but it is also littered with land and maritime disputes that will require careful management to maintain stability.

To be sure, there is no consensus around the geographic scope of the Indo-Pacific. Some define it as the entire region that stretches from the eastern shores of Africa to the western coast of the US; others view it as beginning from India, and eastwards. Drawing the precise geographic borderlines, however, becomes less important when regarding the Indo-Pacific as, foremost, a geostrategic concept. As states conceptualise their geostrategic imperatives and weigh the threats they face, the geographic contours of the Indo-Pacific will only continue to evolve.

It is no coincidence that the awareness about the Indo-Pacific concept—and the stated objective of keeping the region ‘free and open’, and thus, ‘FOIP’—has grown in step with an increasingly aggressive foreign policy by China. Indeed, China is the unspoken, but understood, target of Indo-Pacific cooperation. Some countries are wary not to provoke the fury of Beijing; others are simply unable to do anything meaningful about it – and thus possess a vulnerability that they do not want to expose. The pillars of FOIP stand at odds with China’s nine-dash line; its violation of the sovereign land,<sup>1</sup> waters and airspace<sup>2</sup> of neighbouring states; and its systematic discrimination against foreign firms. Whilst there is no single, unified understanding of the Indo-Pacific concept, its value lies in its ability to act as a unified framework for strategic thought that enables states to constrain China’s most damaging behaviours and coax it into showing more responsibility.

This brief starts by situating the UK’s thinking within the wider European context in order to highlight the faultiness between the UK and EU member states on China. It outlines the beginnings of the UK’s increased appreciation of the Indo-Pacific, and the contours of the shift that are already visible. The brief then ponders the challenges the UK will face in translating its Indo-Pacific vision into action, especially in terms of financing such policy shift. It highlights the key role of India.

# Europe's strategic mapping

**F**or Europe, the year 2020 has been a watershed for the Indo-Pacific concept: France set the tone with the formulation of its Indo-Pacific strategy, and the Netherlands and Germany followed suit. As key member states recognise the significance of the Indo-Pacific, the EU is now in discussions regarding its collective strategy.

The COVID-19 pandemic has been a key causal factor behind this, as it served as a stark reminder for European leaders that they cannot afford to insulate themselves from the churning of the Indo-Pacific—and in particular, in the context of the region's growing economic heft and Europe's stakes in the region. Running parallel to this are changing perceptions of China. The EU's 2019 China strategy described Beijing as a “strategic competitor”,<sup>3</sup> and since then attitudes towards China in European societies have soured.<sup>4</sup> However, in the EU, concerns about China are secondary to fears of growing US-China competition: whilst Trump was particularly strident in this regard, the election of Biden is perceived to have done little to change what are fundamentally system-level dynamics. For EU member states, the value of the Indo-Pacific concept lies in its being a tool to overcome bipolar dynamics, and in facilitating cooperation with likeminded, middle-sized powers in the region – such as Japan, Australia and India – whether on trade, technology, or climate change.

Germany's policy proposal outlined such concerns: “a new bipolarity with fresh dividing lines across the Indo-Pacific would undermine [our economic] interests.”<sup>5</sup> The country's Indo-Pacific paper is as much a response to China's behaviour as it is to US leadership, which it no longer deems reliable. Trump may have lost the presidential election, but there remains a powerful strand of isolationist thinking interwoven into the American psyche on which Germany is unwilling to gamble its security. Germany's distrust also stems from America's more confrontational Indo-Pacific strategy – with containment at its core—which it fears could escalate confrontation with China. Thus, Germany's instinct is to triangulate between China and the US, rather than align with either superpower.

The Indo-Pacific strategy that Germany has released is being held hostage by trade considerations. China's treatment of Germany has been carefully designed to deliver the warning that countries cannot expect China to be their largest export market whilst simultaneously maintaining a security alliance with the US. Faced with this reality, Chancellor Angela Merkel has decided to prioritise relations with Germany's single largest trading partner. German industry – from car maker Volkswagen<sup>6</sup> to the chemicals giant BASF<sup>7</sup> – are commercially dependent on China, and Merkel has consistently placed their stakes above Germany's wider strategic interests. In January, Merkel facilitated the EU's Comprehensive Agreement on Investment (CAI) with China. The deal

# Europe's strategic mapping

repackages past commitments made by China to Germany that have yet to be met. It fails to commit China to new, concrete targets on labour standards,<sup>8</sup> and cedes precious leverage the EU previously held, thereby potentially deepening Germany's export dependence on China. It is unclear how the agreement is compatible with Germany's Indo-Pacific strategy of diversifying its economic partnerships to avoid "overdependence on a single market",<sup>9</sup> or its agenda of human rights promotion in the region. This tendency for German politicians to respond to geopolitical questions with economic answers is likely to continue after Merkel steps down in late 2021.<sup>10</sup>

This does not bode well for any forthcoming EU Indo-Pacific strategy as it will be impossible to develop an ambitious programme without German backing. Germany aside, for eastern European states bordering Russia, expending greater resources in the Indo-Pacific is also a difficult sell. Given that EU requires unanimity in its foreign policy, there is a danger that the EU strategy will simply accommodate the 'lowest common denominator' of the interests of all 27 states. The EU, however, is already remarkably active in the region. For instance, the EU's Euro Asia Connectivity Strategy is aimed at countering the influence of the BRI by providing transparent lending opportunities that are offered on a level playing field. The EU nearly rivals China on aid spending—<sup>11</sup> while it does not translate to the same political dividends as Beijing's, nonetheless, such financing exerts soft power on the recipient state.

Constructed as part of post-WW2 efforts to tame power, the EU faces profound structural challenges when it comes to deploying power internationally.<sup>12</sup> Any future EU strategy will be reliant on this soft power to exert influence in the region, and the task will be left to willing and capable states to deliver any hard-power capabilities. At present, France is the only EU member state that has the political will and capability to meaningfully project hard power abroad, in large part because it is a resident power of the Indo-Pacific with a population and exclusive economic zone (EEZ) to protect: in other words, France has hardware in the region and is more alert to the ebbs and flows of regional dynamics.

Although the UK is no longer a member of the EU, the UK-France partnership remains Europe's most important tool for power projection. The 2010 Lancaster House Treaty that underpins this alliance has fostered a depth of relationship – and interoperability—unmatched amongst EU states, and so will remain of enduring interest to the EU.<sup>13</sup>

# UK's Stakes in the Indo-Pacific: The Beginnings

As far back as 1965, the UK Ministry of Defence created an Indo-Pacific strategy.<sup>14</sup> It would soon be scrapped, however, as the UK withdrew east from Suez in 1968 and abandoned its military bases in Singapore and Malaysia. Somewhat prophetically, the strategy was focused on preserving the balance of power against what was predicted to be a growing Chinese force. Since the UK's forward-based presence ended in 1968, the region has been neglected by successive British governments as the defence of Europe against the Soviets took precedence; the Middle East imbroglio would eventually capture the attention of UK foreign policy.

A turning point was the 2008 global financial crash, followed by then UK Prime Minister David Cameron's policy of austerity—these events pushed the UK to seek investments from the emerging economies in the Indo-Pacific in an effort to reignite the economy. At the time there was an understanding in Whitehall that the economic centre of gravity was shifting eastward: indeed, the 2008 financial crisis marked the point at which the value of UK trade to non-EU states exceeded UK exports to the EU.<sup>15</sup> Yet what ensued was a fixation on pursuing the UK-China economic relationship, which saw the UK allow China's state-owned enterprises access to the UK's critical national infrastructure.<sup>16</sup> Nearly a decade since, PM Boris Johnson is still battling its consequences.

**Table 1:**  
**British nationals living in the Indo-Pacific**

<b>Australia:</b> 1,200,000
<b>New Zealand:</b> 244,800
<b>Thailand:</b> 55,000
<b>Singapore:</b> 50,000
<b>China and Hong Kong:</b> 35,718
<b>India:</b> 32,000
<b>Japan:</b> 26,000
<b>Malaysia:</b> 16,000
<b>Philippines:</b> 15,000
<b>Indonesia:</b> 8,640
<b>South Korea:</b> 8,000
<b>Taiwan:</b> 2,657
<b>Total:</b> 1,693,815

*Source: Authors' own, using various sources.*

*Note: 3 million Hong Kongers are eligible for BNOs. These are the best available figures and are likely a gross underestimation.*

# UK's Stakes in the Indo-Pacific: The Beginnings

This trend of the UK widening its strategic horizons has been accelerated by the vote to leave the EU in 2016. In particular, the decision to leave the single market has forced the UK to strengthen its trading relationships with partners beyond the EU, and to target the most dynamic economies – of which a considerable number reside in the Indo-Pacific region. Indicative of this shift, speaking as Foreign Secretary at the Manama Dialogue a few months after the referendum result, Boris Johnson decried the policy of disengagement east of Suez. He stated the UK's desire to reverse the policy and become “active in and deeply committed to the region,” and emphasised improving trade and regional security.<sup>17</sup>

The UK's changing relationship with China has been key to why the concept of the Indo-Pacific has gained salience. Even as the UK courted Chinese investments under what David Cameron heralded as the ‘golden era’ of bilateral relations, it also recognised China as a threat, particularly in the South China Sea. From 2012, when the UK signed a defence treaty with Japan, the UK's strategic activity in the region has steadily risen. This has included naval exercises with Japan and the US,<sup>18,19</sup> and a freedom of navigation manoeuvre by HMS Argyll<sup>20</sup> in 2018 to challenge China's illegal claims in the South China Sea. At the time, this made the UK the only navy, other than the US, to do so.

**Table 2:**  
**Trade transiting the South China Sea**  
**(2016)**

Country	% Share of World GDP	Trade Value through SCS (USD billions)	SCS Trade as a % of all trade in goods
US	24.5	208	5.72
China	14.8	1470	39.5
Japan	6.53	240	19.1
Germany	4.58	215	9.00
UK	3.46	124	11.8
France	3.26	83.5	7.77
India	2.99	189	30.6

Source: China Power Project<sup>21</sup>

# UK's Stakes in the Indo-Pacific: The Beginnings

The reappraisal of the UK's 'golden era' of relations with China has been prompted by the realisation that these economic ties can no longer be neatly separated from the UK's broader security interests. China's treatment of Australia has served to illustrate this perfectly: economic dependence on the Chinese market, and Chinese investment is readily used by China as both the carrot and the stick to put pressure on the country into submitting to Beijing's demands. The pandemic gave the UK an insight into what that feels like, with ministers hesitant to criticise the Chinese Communist Party (CCP) out of fear that China would stop its deliveries of critical PPE supplies.<sup>22</sup>

To policymakers in Whitehall, the perils of ever-increasing dependence on China are now all too clear, and the strategic blunder that is the EU's investment deal with China, all too apparent. Beyond fears of the political leverage that UK is ceding to China because of economic compulsions, the UK security service's long-held concerns about Chinese economic espionage—heightened by President Xi Jinping's policy of civil-military technology fusion—are receiving renewed political attention. In order to protect the intellectual property of British companies, the government has introduced the National Security and Investment Bill to Parliament,<sup>23</sup> with greater oversight for acquisitions of dual-use technology, and has announced vetting on overseas academics and researchers taking up positions at universities in fields relating to national security.<sup>24</sup>

More broadly, this has emerged amidst a re-assessment of China's development trajectory. China's repressive activities in Hong Kong, its 'wolf warrior' diplomacy, and its treatment of Uyghur Muslims, have provoked the realisation that China's predicted political liberalisation will not materialise. The need to assess China's human rights record commands cross-party support in Parliament, and is a particularly unique aspect of the UK's changing relationship with the People's Republic. In response to Beijing's assault on Hong Kong's freedoms, the UK government has been far more outspoken in its opposition than its European allies and has outlined steps to make UK citizenship available to Hong Kongers.<sup>25</sup>

# UK's Stakes in the Indo-Pacific: The Beginnings

Similarly, on the plight of the Uyghurs, the UK government – along with US and Canada – have led international efforts to pressure Beijing. In February, the UK government introduced measures to prevent businesses that are implicated in the human rights abuses being committed in Xinjiang.<sup>26</sup> Whilst the UK's decision to phase-out Huawei from its 5G network was forced by US sanctions,<sup>27</sup> in this current political climate Huawei's presence in the UK network would have become untenable, with its complicity in the oppression of Uyghurs all too clear.<sup>28</sup>

In sum, various factors have coalesced to create an impetus for the UK to adopt a clear Indo-Pacific strategy: the trading implications of Brexit; the UK's changing approach towards China – shifting from being a major proponent of China to perhaps the most hawkish in Europe; and the fact that the US, the UK's closest ally and security guarantor, has announced the Indo-Pacific as a priority. Well-connected UK think tanks have already outlined potential policy programmes,<sup>29,30</sup> and an Indo-Pacific section has been established within the new Foreign, Commonwealth and Development Office (FCDO), headed by a Director General. Reflecting on this momentum, UK Foreign Secretary Dominic Raab has stated that outlining the country's Indo-Pacific vision is a core priority of the integrated review,<sup>31</sup> set for release in March.

“The UK has realised that its ties with China can no longer be neatly separated from its broader security interests.”

# Implications of the UK's tilt

The absence of a clearly articulated strategy has not prevented the UK from stepping up in its engagement with the region. When published, such a strategy is unlikely to revolutionise UK foreign policy. It can nonetheless still be significant: it will declare the UK's political commitment to the region, and will necessitate long-term, strategic thinking that can bring clarity of purpose to UK efforts. Whilst this vision is yet to be formulated, this brief offers an outline of it, which will be discussed in the following paragraphs.

Like its allies in the region, the UK recognises the importance of a free and open Indo-Pacific to global stability and prosperity, and has made clear its intentions to deploy strategic assets to this end. This will commence later this year when the *Queen Elizabeth Carrier Strike Group* will make its maiden voyage to the Indian and Pacific oceans.<sup>32</sup> Although it is unlikely that the aircraft carrier will be permanently based in the region, the UK understands its credibility rests on its presence being sustained, with the UK's Fleet Commander at a recent IISS event announcing that the UK presence will be “persistent”.<sup>33</sup> With naval facilities in Bahrain, Oman and Singapore, reciprocal logistical agreements with Japan—and, soon, with India—<sup>34</sup> as well as high levels of interoperability with US forces,<sup>35</sup> the UK is well-prepared. As the UK makes its deployments, it will be looking to amplify its efforts by entering into the regional security architecture. The flux in regional coalitions mean that there is no dearth of options in this regard: the UK might seek to join the India-France-Australia trilateral or, as the Quad reaches out to other like-minded states, there is the potential for the UK to join the initiative to comprise a ‘Quad plus’ arrangement.<sup>36</sup>

To be sure, the security domain operates along a spectrum, and military power sits only at one pole. Some of the most important work the UK will have to do to contribute to regional security will be in the area of capacity building. The UK would do well to look to the Five Powers Defence Agreement, celebrating its 50<sup>th</sup> this year, as a mechanism with which to continue its work in humanitarian assistance, counterterrorism, and maritime security. On defence industrial

“The security domain operates along a spectrum, and military power sits only at one pole.”

# Implications of the UK's tilt

cooperation, the UK signed an agreement with Australia to develop a new class of frigate last year, and is looking to develop a new, government-to-government framework to boost defence procurement with India at a time when New Delhi is seeking to expand the capabilities of its armed forces. On intelligence gathering and sharing – a field the UK leads in – there is potential to cooperate more with key Indo-Pacific states such as Japan and India. There is also considerable opportunity for the UK to share its technical expertise with its regional allies to improve their cyber capabilities and create more resilient networks; here, the Commonwealth Cyber Declaration<sup>37</sup> can provide a framework.

Trade and investment will be a key dimension of the UK's tilt. As discussed earlier in this brief, Brexit has necessitated greater access to non-EU markets, and the UK's changing relationship with China requires a diversification of trading partners. But this shift in focus is also driven by a recognition that the Indo-Pacific is now largely the force behind global economic growth. Speaking before the Foreign Affairs Select Committee in October 2020, Dominic Raab described joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) as a priority for the next two or three years.<sup>38</sup> So far, all 11 members have offered support for the UK's application, and with the UK having finished negotiating with the EU, this would appear achievable. This will help open new markets for the UK in the Pacific and boost trade, especially in areas like the digital economy that do not face the drag of geography. Furthermore, the UK is negotiating free trade agreements with Australia and New Zealand, completed FTAs with Japan and Vietnam in 2020, and is set to release an Enhanced Trade Partnership (ETP) with India. The latter—whilst covering tariffs, trade in goods and services and investment—will also outline a roadmap to an FTA.<sup>39</sup>

**Table 3:**  
**UK trade with the Indo-Pacific (2019)**

	<b>Country</b>	<b>Exports (millions £)</b>
1	China	30,415
2	Japan	14,676
3	Hong Kong	13,625
4	Australia	11,993
5	Singapore	10,739
6	India	7,798
7	South Korea	6,808
8	Taiwan	3,140
9	Malaysia	2,687
10	Thailand	2,256

Source: UK Office for National Statistics<sup>40</sup>

# Implications of the UK's tilt

Any future, clear-cut Indo-Pacific strategy of the UK will be particularly revealing in mapping the country's development work. The decision to merge the Department for International Development (DFID) into the Foreign Commonwealth Office (FCO) was designed to focus the UK's development work into more strategically relevant regions, which may prove useful for the UK's Indo-Pacific tilt. Comments by Anne-Marie Trevelyan, the former Secretary of State for International Development, hinted at redistributing the UK's overseas aid in the Asia-Pacific to provide an alternative to China's quid-pro-quo lending practices.<sup>41</sup> The move to re-open diplomatic missions in Samoa, Tonga and Vanuatu in 2018<sup>42</sup> would similarly suggest an attempt to re-engage vulnerable states and target aid in these countries more effectively. This comes amidst reports that China is interested in building a port in Samoa and a naval base in Vanuatu. Whilst China denies such reports,<sup>43</sup> they are not without precedent. The UK will be looking to leverage its historical connections, development work, and its credibility when it comes to combatting climate change (particularly relevant to these low-lying states vulnerable to sea-level rise) to help push back against China's growing influence in these Commonwealth states.

As the UK becomes more active in the region, it is looking to expand its diplomatic presence. Among Dominic Raab's stated priorities is for the UK to become an official dialogue partner of the Association of Southeast Asian Nations (ASEAN).<sup>44</sup> By virtue of its membership in the EU, the UK has shared dialogue status with ASEAN; now it is asking to be recognised in its own right and has submitted a bid. However, there is a moratorium on accepting dialogue partners which currently limits UK representation to its ASEAN ambassador. Regardless of the capacity it takes, the UK will be aiming to use its presence at the organisation to support its partners in protecting the rules-based order and push-back against Chinese belligerence—from its efforts to undermine UNCLOS (the UN Convention on the Law of the Sea), to its attempts to suffuse state-based norms into emerging governance domains in AI, cyber, and space. Indicative of this drive to improve the UK's diplomatic engagements with the key actors in the region, Johnson has used the UK's chairmanship of the G7 this year to invite India, South Korea and Australia to the grouping. Whilst the discussions will be wide-ranging, there will be a particular focus on forming credible alternatives to Huawei in 5G and, more broadly, the need to retain superiority in the technologies of the future that will drive economic growth and military power.

# Operationalising its Indo-Pacific vision: UK's Challenges

Europe will remain the defining theatre for the UK's security interests, even if the Indo-Pacific does shape the wider strategic landscape. The UK's predicament was summed up by Foreign Secretary Raab at the Foreign Affairs Select Committee: while speaking enthusiastically of the desire to engage in the Indo-Pacific, in the same breath he reiterated the need to continue to prioritise the UK's European neighbourhood in the face of an assertive Russia.<sup>45</sup> Geography, of course, is the limiting factor that prevents the UK's Indo-Pacific strategy from being more ambitious. As such, the UK strategy will be more of a 'tilt' than a 'pivot'.

Those sceptical of the tilt argue that the UK is too preoccupied with its commitments in the Arabian Gulf, and in the North Atlantic against Russia—which is still considered the greatest threat to the UK's security—to have a more persistent naval presence in the Indo-Pacific. Bound up in the discussions around a UK Indo-Pacific strategy is therefore a question of resources: is the UK overstretching itself by planning a permanent naval presence in the

Indo-Pacific? In this regard, of particular significance is Johnson's decision to pre-empt the publication of the integrated review, and to commit to the Indo-Pacific the country's largest military investment since the end of the Cold War.<sup>46</sup> The UK is today second only to the US in defence spending in NATO. Among the commitments to artificial intelligence (AI) and space exploration, Johnson spoke of igniting a "renaissance of British shipbuilding across the UK",<sup>47</sup> which can only help to support a stronger UK naval presence in the Indo-Pacific. More broadly, given the difficult economic circumstances facing the UK, the announcement demonstrates a recognition in Downing Street of the precarity of the strategic environment.

However, the funding boost to re-establish the UK's naval credentials has been accompanied by a cut to the international aid budget from 0.7 percent to 0.5 percent of GDP. Whilst the UK will likely remain one of the world's biggest foreign aid spenders,<sup>48</sup> this move reflects a misjudgement as to the most effective ways to promote UK interests and build partnerships in the Indo-Pacific. Ultimately, UK hard power can bolster regional coalitions and reassure allies but, alone, its presence does not substantially alter the arithmetic. Not only

“Is the UK overstretching itself by planning a permanent naval presence in the Indo-Pacific?”

# Operationalising its Indo-Pacific vision: UK's Challenges

does the UK display real excellence in its development assistance— providing sustainable infrastructure underpinned by trusted legal frameworks—this work still makes a vital contribution to regional security.

Another challenge facing Whitehall will be how to navigate the fissures in Europe. Johnson has deviated from his predecessor, Theresa May, and has rejected the opportunity for a formalised foreign and security policy agreement with the EU.<sup>49</sup> At a practical level, this reflected a belief that the EU offering of a standard

‘third country’ agreement of consultation was not the best way to maximise UK influence. But it was also driven by fundamental tensions between the UK and EU states over how to approach China. For EU member states, the Indo-Pacific concept – used as a framework for greater cooperation between middle powers – is central to their enduring quest for ‘strategic autonomy’, that is, to become a third centre of power beyond the US and China. Whilst similarly wary of being caught up in bipolar competition, the UK’s tilt is driven far more by the threat China itself poses to a ‘free and open’ Indo-Pacific, and so possesses an outlook that aligns much more closely with that of Washington. The consequences of this strategic divergence manifest themselves on issues like Hong Kong, the plight of the Uyghurs, and the CAI, where, as outlined, the UK’s and the EU’s positions are divergent.

With considerable differences on the defining geopolitical challenge of the century, a comprehensive foreign and security policy agreement does not appear viable. In any case, given the limited foreign policy tools of the EU, bilateral relations will remain the primary means of coordination between the UK and those like-minded European states willing to become more active in the Indo-Pacific. Tellingly, the UK has already moved to strengthen bilateral security cooperation with the Netherlands, which includes a commitment to the UK’s carrier strike group.<sup>50</sup> As the UK engages more with the regional security architecture, the UK-France bilateral security relationship will also take on renewed importance.

“UK’s Indo-Pacific outlook aligns more closely with that of Washington.”

# Operationalising its Indo-pacific vision: UK's Challenges

Despite the tensions, there does remain some common ground – particularly around freedom of navigation—and the UK will be eager to multiply its efforts by working with its European partners. For now, the UK is looking to utilise the E3 forum, hitherto focused on Iran, to integrate diplomatic efforts. The note verbale issued to the UN by the UK-France- Germany triad over China's behaviour in the South China Sea<sup>51</sup> demonstrates the potential to coordinate over an expanded scope of thematic topics. The sustainability of this arrangement is, however, unclear, as it is likely to provoke the ire of other EU member states who might feel excluded from this diplomatic venue and would rather it take place through established European structures.

The announcement of an Indo-Pacific strategy will undoubtedly be interpreted as hostile by elites in Beijing, for whom the concept is little more than a containment strategy. Following Boris Johnson's U-turn on Huawei, China is already making thinly-veiled threats of economic warfare to London.<sup>52</sup> In Parliament, there is political support for a more robust approach towards China. For instance, the genocide amendment attached to the recent trade bill<sup>53</sup> threatens to defeat the government and, if passed, would place the UK on the trajectory of decoupling from China. In contrast, the government is far more wary of alienating China, especially during a recession, and there remain powerful business leaders who hold the ear of Treasury officials. How this will play out is, as yet, unknown.

# The Stakes in UK-India partnership

Since the premiership of David Cameron, there has been a conscious effort by the UK to engage more with India for over a decade now. In India he saw a rare phenomenon—a vital geo-strategic player, enjoying rapid economic growth and with democratic credentials – and so a natural partner for the UK. Ties between the two countries have since strengthened, albeit at a slower pace than the UK desired. For India, the UK’s immigration policies and a perceived softness on Pakistan-sponsored terrorism have served as particular obstacles to reciprocating UK advances. However, recent political shifts in the UK have afforded an opportunity for a closer UK-India partnership. The UK’s post-Brexit meritocratic immigration policy, along with its move to co-sponsor a motion at the UN that called out Pakistan’s failure to prevent the financing of terrorism,<sup>54</sup> have helped put the relationship on a healthier footing.

Changing geopolitical realities have now led the UK and India to converge on the Indo-Pacific concept, and compel both to work towards a deeper partnership. New Delhi has come to the realisation that, alone, the US is incapable of constraining China’s most damaging tendencies and so increasingly recognises the value of partnerships with mid-sized democratic powers in building a resilient order in the Indo-Pacific. Compared to its ties with Japan, Australia and France, the UK remains a relatively untapped strategic partner for India—a fact that is driving New Delhi to invest more political capital into the relationship. In January, for instance, Boris Johnson was invited as Chief Guest in India’s Republic Day celebration; Johnson would later call off the visit.<sup>55</sup>

For the UK, India will be *a*– if not *the* strategic priority— for its Indo-pacific strategy. In rhetoric, Johnson has called for a “quantum leap” in the UK’s relations with what he described as an “increasingly indispensable partner”<sup>56</sup> for the UK; indeed, the appointment of the new British High Commissioner, Alex Ellis,<sup>57</sup> who has been deeply involved in the integrated foreign policy and defence review, is an illustration of how the UK’s strategic thinking is anchored to India. Indicative of closer ties, in December 2020 Foreign Secretary Raab capped off a busy year of trips to the Indo-Pacific with a three-day visit to India where talks with External Affairs Minister S. Jaishankar and Prime Minister Narendra Modi formalised plans for a ten-year roadmap for UK-India relations.

# The Stakes in UK-India partnership

Beyond the announcement of enhanced trade partnership, Britain's unusually diverse range of national assets— whether diplomatic, military, intelligence or humanitarian—<sup>58</sup> provides the opportunity to expand cooperation with India across a spectrum of domains. Two immediately actionable steps would be to finalise the reciprocal logistics agreement<sup>59</sup> in advance of the deployment of the UK's carrier strike group to the region, and to ramp up efforts to establish government-to-government procurement ties to enable the UK to export more of its military technology to India. On cybersecurity, the UK and India will be working multilaterally in an expanded G7 in the middle of this year to combat Huawei's lead in 5G, and over time, there is potential for greater cooperation between UK and Indian defence officials to help improve the resilience of India's telecommunications network. Moreover, the partnership between Oxford University, AstraZeneca and India's Serum Institute serves as a blueprint for future cooperation on global health initiatives, and demonstrates how the UK and India can work together to counter Chinese influence in the developing world.<sup>60</sup>

“Geopolitical realities have compelled the UK and India to converge on the Indo-Pacific concept and work for closer partnership.”

# Conclusion

*Harsh V Pant is Director of Studies and Head of Strategic Studies Programme at ORF. Tom Milford interned at ORF in 2020; he is a student at Cambridge University.*

When conceived in the aftermath of the Brexit referendum, “Global Britain” was little more than a slogan designed to reassure allies that outside the EU, the UK would not be turning its back on the world. Where and how exactly “Global Britain” would be focusing its attentions was never made clear. Through its Indo-Pacific tilt, the UK can finally carve out a direction and purpose to its post-Brexit foreign policy. In truth, this tilt was never prevented by its membership in the EU. Indeed, the trends that have captured the UK’s attention are largely irrelevant to questions of the UK’s membership in the EU: as the economic centre of gravity shifted eastwards and as China rose as a challenger to the US, it was clear that the defining geopolitical and economic questions would arise in the region.

That said, the divergence between the UK and the EU and its member states on how to approach China, and the ability to act on these concerns, makes cooperation in the Indo-Pacific more challenging. The UK is hoping that absent a binding foreign policy agreement with the EU, it will be able to practise a nimble and agile foreign policy in the region – cooperating with European states wherever possible, but pursuing alternative diplomatic venues, unilateral and bilateral relationships where the UK’s perceived interests diverge. As part of this, the UK will be looking to upscale cooperation with India in an expanded G7, the ASEAN, unilateral initiatives like the ‘Quad plus’ arrangement, as well as in the bilateral relationship itself. Whilst there is no perfect symmetry between the UK and India on all issues, the UK’s Indo-Pacific tilt demonstrates there is more than sufficient congruence to pursue a far deeper relationship.

“With its tilt to the Indo-Pacific, the UK can carve out a direction and purpose to its post-Brexit foreign policy.”

- 1 Foreign Affairs Committee, “Work of the Foreign, Commonwealth and Development Office,” *UK Parliament* video, 15:37:10pm, October 6, 2020, <https://www.parliamentlive.tv/Event/Index/b5c49756-7497-4ae5-a0a1-c5314e47a89a>.
- 2 Pant, Harsh and Kartik Bommakanti, “The domestic motivations of Beijing’s LAC aggression,” *Observer Research Foundation*, May 28, 2020, <https://www.orfonline.org/research/the-domestic-motivations-of-beijings-lac-aggression-66928/>.
- 3 “Taiwan reports ‘large incursion’ by Chinese warplanes for second day,” *BBC News*, January 25, 2021, <https://www.bbc.co.uk/news/world-asia-55788359>.
- 4 European Commission, High Representative of the Union for Foreign Affairs and Security Policy, *EU-China – A strategic outlook* (Strasbourg: European Commission, 2019), <https://ec.europa.eu/info/sites/info/files/communication-eu-china-a-strategic-outlook.pdf>
- 5 Vock, Ido, “How European views on China are hardening in the wake of Covid-19,” *New Statesman*, August 25, 2020, <https://www.newstatesman.com/world/europe/2020/08/how-european-views-china-are-hardening-wake-covid-19>.
- 6 The Federal Government, Federal Foreign Office, *Policy Guidelines for the Indo-Pacific* (Berlin: Federal Foreign Office, 2020), <https://www.auswaertigesamt.de/blob/2380514/f9784f7e3b3fa1bd7c5446d274a4169e/200901-indo-pazifik-leitlinien--1--data.pdf>.
- 7 Bennhold, Katrin and Jack Ewing, “In Huawei Battle, China Threatens Germany ‘Where It Hurts’: Automakers,” *The New York Times*, January 16, 2020, <https://www.nytimes.com/2020/01/16/world/europe/huawei-germany-china-5g-automakers.html>.
- 8 ‘Germany’s BASF starts building \$10-billion petrochemical project in China,’ *Reuters*, November 23, 2019, <https://www.reuters.com/article/us-china-basf-petrochemicals-guangdong/germanys-basf-starts-building-10-billion-petrochemical-project-in-china-idUSKBN1XX06S>.
- 9 Mitchell, Tom and Katrina Manson, “Chinas sees EU investment deal as diplomatic coup after US battles,” *Financial Times*, January 1, 2021, <https://www.ft.com/content/64ef5592-25b4-48c4-a70b-b42071951941>.
- 10 The Federal Government, Federal Foreign Office, *Policy Guidelines for the Indo-Pacific*.
- 11 Zhou, Laura, “Beijing hopes Germany will continue China-friendly approach after Armin Laschet wins Christian Democrat Union leadership race,” *South China Morning Post*, January 17, 2021, <https://www.scmp.com/news/china/diplomacy/article/3118100/beijing-hopes-germany-will-continue-china-friendly-approach>.
- 12 Vlahutin, Romana, “Reconnected: How the EU can assert its sovereignty after the pandemic,” *European Council on Foreign Relations*, April 21, 2020, [https://ecfr.eu/article/commentary\\_reconnected\\_how\\_the\\_eu\\_can\\_assert\\_its\\_sovereignty\\_after\\_the\\_pand/](https://ecfr.eu/article/commentary_reconnected_how_the_eu_can_assert_its_sovereignty_after_the_pand/).
- 13 “Europe still lacks a foreign policy,” *The Economist*, August 1, 2020, <https://www.economist.com/europe/2020/07/30/europe-still-lacks-a-foreign-policy>.
- 14 Ricketts, Peter, “France and the UK: A Decade of the Lancaster House Treaties” *Royal United Services Institute*, November 2<sup>nd</sup>, 2020, <https://rusi.org/commentary/france-and-uk-decade-lancaster-house-treaties>.

- 15 Nouwens, Veerle, “Australia’s Indo-Pacific Approach: Principles and Partnerships,” *Royal United Services Institute* Podcast, 48:15, December 2, 2020, <https://www.rusi.org/projects/bridging-oceans-podcast-series>.
- 16 “Increases of UK export to non-EU countries, latest figures show,” Department for International Trade, <https://www.gov.uk/government/news/increase-of-uk-exports-to-non-eu-countries-latest-figures-show>.
- 17 Hamilton, Clive, “How China could turn off Britain’s lights,” *Unherd*, January 25, 2021, <https://unherd.com/2021/01/how-china-could-turn-off-britains-lights/>.
- 18 Johnson, Boris “Britain is back East of Suez” (speech, Manama, Bahrain, December 9, 2016) Foreign Commonwealth and Development Office, <https://www.gov.uk/government/speeches/foreign-secretary-speech-britain-is-back-east-of-suez>.
- 19 Dirr, Jacob, “Maritime forces from Japan, UK, US practice submarine hunting in the Philippine Sea,” *US Pacific Fleet*, December 21, 2018, <https://www.cpf.navy.mil/news.aspx/130406>.
- 20 Johnson, Jessie, “US and British navies conduct first joint military exercises in disputed South China Sea,” *The Japan Times*, January 16, 2019, <https://www.japantimes.co.jp/news/2019/01/16/asia-pacific/u-s-british-navies-conduct-first-joint-military-exercises-disputed-south-china-sea/>.
- 21 ‘British navy’s HMS Albion warned over South China Sea ‘provocation’,’ *BBC News*, December 6, 2018, <https://www.bbc.co.uk/news/uk-45433153>.
- 22 Forsyth, James, “How Britain will counter China’s wolf-warrior diplomacy,” *The Spectator*, December 19, 2020, <https://www.spectator.co.uk/article/how-britain-will-counter-chinas-wolf-warrior-diplomacy>.
- 23 Department for Business, Energy and Industrial Strategy, “National Security and Investment Bill,” UK Government, <https://services.parliament.uk/Bills/2019-21/nationalsecurityandinvestment.html>.
- 24 Clarence-Smith, Louisa and Steven Swinford, ‘Foreign Office security vetting will target China academics ‘likely to spy’,’ *The Times*, January 30, 2021, <https://www.thetimes.co.uk/article/foreign-office-security-vetting-will-target-china-academics-likely-to-spy-gwzh5x2dn>.
- 25 Tan, Yew Lun and William James, “UK offers Hong Kong residents route to citizenship, angering China,” *Reuters*, January 29, 2021, <https://www.reuters.com/article/us-hongkong-security-britain-china/uk-offers-hong-kong-residents-a-route-to-citizenship-angering-china-idUSKBN29Y0RJ>.
- 26 Raab, Dominic, “Human rights violation in Xinjinag and the government’s response: Foreign Secretary’s statement,” Foreign, Commonwealth and Development Office, <https://www.gov.uk/government/speeches/foreign-secretary-on-the-situation-in-xinjiang-and-the-governments-response>.
- 27 Milford, Tom, “The British U-turn on Huawei: Key takeaways for India,” *Observer Research Foundation*, August 14, 2020, <https://www.orfonline.org/expert-speak/the-british-u-turn-on-huawei-key-takeaways-for-india>.

- 28 Fergus Ryan, Danielle Cave, Vicky Xiuzhong Xu, *Mapping more of China's technology giants*, Canberra, Australia Strategic Policy Unit, 2019, <https://s3-ap-southeast-2.amazonaws.com/ad-aspi/201912/Mapping%20more%20of%20Chinas%20tech%20giants.pdf?wpDVHlKgXJHzeK8rZ.kmy0Ei63RxXMO>.
- 29 Policy Exchange's Indo-Pacific Commission, *A very British Tilt*, November 2020, London, Policy Exchange, 2020, <https://policyexchange.org.uk/wp-content/uploads/A-Very-British-Tilt.pdf>.
- 30 John Hemmings, *Global Britain in the Indo-Pacific*, London, The Henry Jackson Society, 2018, <https://www.orfonline.org/expert-speak/indias-place-in-boris-johnsons-vision-for-global-britain/>.
- 31 Foreign Affairs Committee, "Work of the Foreign, Commonwealth and Development Office," 15: 30:45pm.
- 32 Allison, George, "HMS Queen Elizabeth Carrier Strike Group to deploy next year," *UK Defence Journal*, February 1, 2020, <https://ukdefencejournal.org.uk/hms-queen-elizabeth-carrier-strike-group-to-deploy-in-2021/>.
- 33 Childs, Nick, "A new era for UK maritime air power: testing times, testing waters," *International Institute for Strategic Studies* video, July 13, 2020, <https://www.iiss.org/events/2020/07/uk-maritime-air-power>.
- 34 Pubby, Manu, "India and UK in final stages of signing defence logistics pact, will extend reach," *The Economic Times*, October 9, 2020, <https://economictimes.indiatimes.com/news/defence/seventh-logistics-pact-to-extend-naval-reach-from-japan-to-bahrain/articleshow/78562338.cms>.
- 35 "US Commits To Supporting First UK Carrier Strike Deployment," *Aviation Week*, January 20, 2021, <https://aviationweek.com/defense-space/aircraft-propulsion/us-commits-supporting-first-uk-carrier-strike-deployment>.
- 36 Ministry of Defence, UK Government, <https://www.gov.uk/government/news/uk-and-australia-commit-to-shipbuilding-partnership--2>.
- 37 Commonwealth Heads of Government, "Commonwealth Cyber Declaration," The Commonwealth, <https://thecommonwealth.org/commonwealth-cyber-declaration>.
- 38 Foreign Affairs Committee, "Work of the Foreign, Commonwealth and Development Office," 16:10:02pm.
- 39 Ray, Ashis, "A UK-India trade deal is needed now more than ever," *The Spectator*, December 29, 2020, <https://www.spectator.co.uk/article/a-uk-india-trade-deal-is-needed-now-more-than-ever>.
- 40 UK Office for National Statistics, "Dataset: Total Trade," <https://www.ons.gov.uk/businessindustryandtrade/internationaltrade/datasets/ukttotaltradeallcountriesnonseasonallyadjusted>
- 41 Worley, William, "UK aid helps countries stand up to Chinese 'bullying' says former DFID chief," *Devex*, October 6, 2020, <https://www.devex.com/news/uk-aid-helps-countries-stand-up-to-chinese-bullying-says-former-dfid-chief-98261>.
- 42 Paskal, Cleo, "Britain's new Pacific presence," *The Interpreter*, April 24, 2018, <https://www.lowyinstitute.org/the-interpreter/are-uk-s-new-diplomatic-posts-game-changer>.

- 43 Smith, Graeme “Chinese military bases in Vanuatu,” *Australian National University*, June 25, 2018, <https://asiapacific.anu.edu.au/news-events/all-stories/chinese-military-bases-vanuatu>.
- 44 Foreign Affairs Committee, “Work of the Foreign, Commonwealth and Development Office,” 16:10:10pm.
- 45 Foreign Affairs Committee, “Work of the Foreign, Commonwealth and Development Office,” 15:12:40pm.
- 46 Robin Niblett, *Global Britain, Global Broker*, London, Chatham House, 2021, <https://www.chathamhouse.org/sites/default/files/2021-01/2021-01-11-global-britain-global-broker-niblett.pdf> p. 64
- 47 “Defence funding boost ‘extends British influence’, says PM,” *BBC News*, November 19, 2020, <https://www.bbc.co.uk/news/uk-54988870>.
- 48 ‘Global Britain, Global Broker’ p. 18
- 49 “UK quietly shifts away from promise of ‘deep’ foreign and security links with EU,” *The Capital News*, December 31, 2020, <http://capitalnews.org.uk/uk-quietly-shifts-away-from-promise-of-deep-foreign-and-security-links-with-eu/>.
- 50 Prime Minister’s Office, UK Government, <https://www.gov.uk/government/news/prime-minister-hails-new-era-of-dutch-uk-security-cooperation-post-brexite>.
- 51 Chaudhury, Dipanjan Roy ‘France-UK-Germany submit joint note in the UN against China’s South China Sea claims,” *The Economic Times*, September 20, 2020, <https://economictimes.indiatimes.com/news/defence/france-uk-germany-submits-joint-note-in-un-against-chinas-south-china-sea-claims/articleshow/78191913.cms>.
- 52 Maidment, Jack, “China accuses Britain of colluding with the US to ‘discriminate’ against Huawei,” *The Daily Mail*, July 15, 2020, <https://www.dailymail.co.uk/news/article-8525043/China-accuses-Britain-colluding-discriminate-against-Huawei.html>.
- 53 David, Dharshini, “Will the UK really refuse trade deals over human rights?,” *BBC News*, January 19, 2021, <https://www.bbc.co.uk/news/business-55664039>
- 54 “Pakistan fails to fulfil 6 key mandates of FATF,” *The Tribune*, October 29, 2020, <https://www.tribuneindia.com/news/nation/pakistan-fails-to-fulfil-6-key-mandates-of-fatf-157858>.
- 55 Findlay, Stephanie and Parker, George, “Johnson accept Modi’s invitation to attend Republic Day parade,” *The Financial Times*, December 15, 2020, <https://www.ft.com/content/7a14b258-2685-4a08-a6e9-cd9499368859>.
- 56 Prime Minister’s Office, UK Government, <https://www.gov.uk/government/news/boris-johnson-to-visit-india-to-boost-jobs-and-prosperity>.
- 57 Foreign, Commonwealth and Development Office, UK Government, <https://www.gov.uk/government/news/change-of-british-high-commissioner-to-india-alex-ellis>.
- 58 ‘Global Britain, Global Broker’ p16.
- 59 Pubby, “India and UK in final stages of signing defence logistics pact, will extend reach”.
- 60 Pant, Harsh and Aarshi Tirkey, “India’s Vaccine Diplomacy,” *Foreign Policy*, January 22, 2021, <https://foreignpolicy.com/2021/01/22/india-world-pharmacy-vaccine-diplomacy-compete-china/>.



Ideas . Forums . Leadership . Impact

20, Rouse Avenue Institutional Area,  
New Delhi - 110 002, INDIA  
Ph. : +91-11-35332000. Fax : +91-11-35332005  
E-mail: [contactus@orfonline.org](mailto:contactus@orfonline.org)  
Website: [www.orfonline.org](http://www.orfonline.org)