UK Defence from the ‘Far East’ to the ‘Indo-Pacific’

Dr Alessio Patalano

Foreword by Rt Hon Sir Michael Fallon MP
Endorsements

“This is an important contribution to our understanding of a region that is so vital to international peace and security. I find Dr. Patalano’s insights and arguments informative and relevant to any nation with interests in the sustaining the stability of the global order. He makes a striking case that it is important to abandon a backwards looking perspective and instead look forward with insight and vision for a future that is compelling for all.”

Admiral Scott Harbison Swift is a retired admiral in the US Navy, former Commander of the US Pacific Fleet and former Director of the Navy Staff on the Office of Chief of Naval Operations.
UK Defence from the ‘Far East’ to the ‘Indo-Pacific’

Dr Alessio Patalano

Foreword by Rt Hon Sir Michael Fallon MP

Policy Exchange is the UK’s leading think tank. We are an independent, non-partisan educational charity whose mission is to develop and promote new policy ideas that will deliver better public services, a stronger society and a more dynamic economy.

Policy Exchange is committed to an evidence-based approach to policy development and retains copyright and full editorial control over all its written research. We work in partnership with academics and other experts and commission major studies involving thorough empirical research of alternative policy outcomes. We believe that the policy experience of other countries offers important lessons for government in the UK. We also believe that government has much to learn from business and the voluntary sector.

Registered charity no: 1096300.

Trustees
Diana Berry, Pamela Dow, Alexander Downer, Andrew Feldman, Candida Gertler, Patricia Hodgson, Greta Jones, Edward Lee, Charlotte Metcalf, Roger Orf, Andrew Roberts, George Robinson, Robert Rosenkranz, Peter Wall, Nigel Wright.
About the Author

**Dr Alessio Patalano** is a Senior Fellow of the Britain in the World Programme, Policy Exchange, and Reader in East Asian Warfare & Security at the Department of War Studies, King’s College London (KCL). At KCL, he is the Director of the King’s Japan Programme, specialising in Japanese military history and strategy, defence issues in East Asia, and maritime security issues in the East and South China Seas.
## Contents

Endorsements 2  
About the Author 2  
Foreword 5  
Executive Summary 6  
Introduction – A Time to Change in Changing Times 9  
Beyond the ‘Far East’: The Need for a New Framework 11  
Organising Principles: The Asia Pacific as a Maritime-centric Space 13  
A New Framework: The ‘Indo-Pacific’ as a UK Strategy East of Suez? 17  
The Security Landscape: Power Struggle and Maritime Instability in the Indo-Pacific 19  
A New Posture: The UK Indo-Pacific Station 23
The Far East, the Middle East – these are of course semi-imperialist terms, relics of a Greenwich-centric view of the world. Dr Patalano is right to ask us to think of the Far East from now on as the Indo-Pacific, simply the fastest-growing and most important region of the world. And it’s important for us here in Britain: it’s our trade and our security that are directly at stake there.

And we are equally wrong to think of the region as the target of the latest American pivot. American troops were in the Philippines long before they were assisting in the Gulf; their bloodiest wars were in Korea and Vietnam; the USA’s Asian-American population has boomed by 9 million since the turn of the century.

Rapid and expansive Chinese economic growth, instability on the Korean peninsula, tensions over Taiwan, competing claims in the South China Sea, increases in Japanese, Indian and Australian defence spending: this is a region which demands our closer attention and respect.

So how should the UK develop its Indo-Pacific policy post-Brexit? In his latest paper on this increasingly important subject, Dr Patalano poses a stark choice: play an active role in shaping the regional security landscape or remain mere spectators of its transformation. He wants us back east of Suez but maintaining the maritime international rules-based order by proper residence rather than by relying on expeditionary forces, single ship visits or one-off training exercises. A permanent physical presence – Dr Patalano recommends deploying amphibious assault strike ships – in friendly countries such as Australia, Singapore, Oman and Japan, would strengthen our influence, defend our commercial and security interests, and enable us to respond better to regional crises, whether political, military or environmental.

We can certainly build up our strategic relations with partners in the region: our 2015 Strategic Defence and Security Review rightly identified those key allies as Japan, Australia and New Zealand, the Five Powers Defence Arrangement. Thickening those relationships, especially in defence procurement, is one obvious answer to rising instability: the successful export of the T26 frigate to Australia and the joint missile programme with Japan are good examples.

That ambition will cost money, and further strengthens the argument for a significant uplift in the defence budget in the Spending Review this autumn. It also requires a much more coherent approach across Whitehall to ensure that all our interest in the Indo-Pacific – security, military and commercial – are fully affordable and properly aligned.
Executive Summary

This report is organised around three overarching observations about the changing importance of the ‘Far East’ in international affairs and its particular significance to the UK. First, it challenges the use of ‘Far East’ as the lens through which to consider the future role of the UK in the region. Second, the study sets forth the reasons for the importance of an ‘Indo-Pacific’ framework to UK strategy, to help define the nature and scope of the country’s interests east of Suez. Third, the report outlines the UK’s required defence posture and core capabilities in order to play a meaningful and sustainable security role in this part of the world.

The report’s recommendations are:

1. The UK should abandon the problematically outdated ‘Far East’ notion and replace it with an ‘Indo-Pacific’ framework to engage with the area stretching from the Indian to the Pacific Oceans.

2. The UK definition of an Indo-Pacific region should recognise the critical importance of regional maritime geography and thus the centrality of maritime connectivity to both regional security and UK interests.

3. The Indo-Pacific framework should draw upon and help to underwrite the aim for the UK to remain a world leading maritime power, building on the Department of Transport strategy Maritime 2050.

4. For the UK to play an effective defence role in the Indo-Pacific, the country needs to clearly and forcefully restate its case to remain a leader in respecting and protecting the existing maritime order (generally referred to as the international rules-based order).

5. The UK Indo-Pacific framework should recognise the return of major power competition at sea as a strategic and normative challenge (i.e. the maritime rules-based order) to security.

6. The UK Indo-Pacific framework should also recognise the crucial link between disruptions to maritime trade as a result of disasters and regional conflicts to international instability and the damage to the development of regional prosperity.

7. Against these principles, the commitment to the Indo-Pacific region should be articulated around the responsibility to
maintain the existing maritime order and the aspiration to reassert a multilaterally-oriented international profile.

8. Within the Indo-Pacific framework, the UK framework should clearly state the centrality of both the East and South China Seas and the management of security tensions therein to both regional security and stability. It should also highlight the importance of the South Pacific in relations to risks of instability to Commonwealth countries derived from natural disasters.

9. The Indo Pacific framework should aspire to close alignment with similar notions adopted by the UK’s primary allies in the region, notably Japan, the US, and Australia.

10. A relevant defence role in the Indo-Pacific will require adequate funding to upgrade the country’s strategic presence from ‘regular’ to ‘resident’ power.

11. The UK defence role in the Indo-Pacific should have three primary aims: 1 ensuring the respect of the rules-based order by supporting allies and partners, and deterring competitors; 2. shaping regional security by helping to minimise risks of instability; 3 responding to crises and, if needed, support allies and partners in mounting responses to kinetic military action.

12. The UK ‘resident’ presence should be centred on a base and forward stationed capabilities, ideally in Australia, complemented by current base arrangements in Singapore and Oman with additional base access agreements in Japan.

13. The UK’s defence posture should be based on a flexible, scalable, expeditionary-oriented core of capabilities that are affordable and possess the capacity to influence regional dynamics, support British foreign policy, and respond to crises.

14. The UK defence posture should be capable of delivering peacetime independent capabilities across the diplomatic, constabulary, and military spectrum, and as part of a multilateral endeavor in times of crises.

15. An affordable and sustainable UK defence posture in the Indo Pacific capable to deliver on the above points (13-15) should include – but not be limited to – an amphibious assault/littoral strike ship to guarantee maximum peacetime operational flexibility. An amphibious ship would constitute the ‘Swiss Army knife’ of British military power in the region.

16. The resident and expeditionary-oriented UK defence posture would build upon, and further support, the country’s growing defence industry opportunities and partnerships in Australia, Japan, and Canada.

17. A UK resident expeditionary posture in the Indo-Pacific
UK Defence from the ‘Far East’ to the ‘Indo-Pacific’

should be seen as a vital tool of statecraft to deliver high-end warfare capabilities in the context of ASW, maritime strike, and amphibious raid developed as part of integrated force packages with key allies (US, Japan, Australia, New Zealand).
Introduction – A Time to Change in Changing Times

The House of Commons Defence Committee inquiry on 'UK defence and the Far East' could not be more timely. On the one hand, tensions between the United States and China, predominantly as a result of the military and economic ascent of the latter, are redefining the terms of major power competition. On the other, state actors in the Asian Pacific region increasingly have to pace the prospects of prosperity and growth against a canvas of security challenges ranging from natural disasters to brute military coercion. In the Asia Pacific region, the world power balance is being redefined, the security architecture remains fragmented and only limitedly effective, and core pillars of the international order – notably freedom of navigation the basis for a coastal state’s maritime claims, the binding nature of dispute resolution, and the rules for use of coercion in pursuit of state aims – are being challenged. What should the UK do about it? What kind of role should UK defence play in how these challenges are met? Can the UK afford such a role?

These are fundamental questions, especially for a country with 'global' aspirations. Global powers shape security. The very nature of the UK's future profile as an international leading actor is likely to be defined in the Asia Pacific as a result of the country’s choices on how to engage with its complex security landscape. Indeed, as the region continues to ascend to prominence in international affairs, the UK faces a hard choice. It has to decide whether it intends to actively shape the regional security landscape, or merely to contribute in managing its transformation. From 2013 to 2017, a period in which tensions have significantly increased in the region, and close UK defence partners – notably Japan – faced heightened risks of war, British military power was notable by its absence. The UK was not shaping the regional security environment.

In the last eighteen months, consecutive naval deployments have done much to address prior absence. These deployments have been significant because they remind partners, allies, and competitors alike of the UK’s potential in maintaining the maritime order, implementing core security actions like United Nations Security Council resolutions, and building capacity and military alliances. Yet, this continuous and visible presence highlighted the deeper problem of sustaining military power overseas across an extended geographic area for longer periods of time at acceptable costs. It also raised questions within the region about the UK’s ability to maintain such levels of contribution to regional security.

In the long-term, the current trends in regional security suggest that a reactive posture is not militarily effective and financially sound. In the Asia Pacific, the UK has to explore the possibility of upgrading its profile to ‘resident’ power to avoid the drawbacks of being an occasional – albeit regular – presence. For a credible role additional funding will be essential; the key to a relevant posture however will require identifying smart ways to maximise effects whilst keeping costs down. For the current debate to produce an effective and relevant resident presence three policy actions are needed: First, it is time to change the language the UK uses to refer to the region, to better reflect its growing significance to UK security. Second, the UK residential role in the Asia Pacific should be maritime-centric and maritime-led to clearly align the region’s security priorities with risks and opportunities. Third, the UK defence role should be regionally integrated and multilaterally oriented. This paper explains why these actions are crucial and how they would meet the UK’s interests and ambitions.
Beyond the ‘Far East’: The Need for a New Framework

Policy 1

Stop using the ‘Far East’ as the lenses through which the UK defines its engagement with the Asia Pacific region – concurrently acknowledging the UK’s long (and in some respects controversial) history with the region to manage expectations and perceptions.

Any reflection on UK defence interests and priorities in the broader Asia Pacific area requires a preliminary engagement with ‘how’ the UK defines the region. This is not a trifling matter, and not a mere question of drawing arbitrary geographical boundaries to determine the location of UK actions. The specific framework used to define a space provides an indication of how a state actor defines its national interests in it, how it prioritises its objectives, and it implements its policies. In so doing, the framework stops being an exercise in spatial definition; it becomes an opportunity to shape ‘the dynamics of opportunities and risks’.3

The ‘Far East’ is no longer a relevant framework within which to review the meaning and utility of a UK defence posture in Asia Pacific.

This is a problematic geopolitical perception that is charged with a historical, that is, colonial legacy and perceived as dismissive of the reality of contemporary affairs. Its use implicitly suggests an underestimation of how the Asia Pacific has become one of today’s most economically dynamic and military significant realities. The ‘Far East’ is today neither far, nor east of the centres of international power and influence – it is central. Thus, this definition has serious limitations for three reasons:

- **It is historically charged.** References to East Asia as the ‘Far East’ originated during the colonial era when parts of the region became subject to the predatory actions of a predominantly European imperial competition – including the UK. This is no longer the case and the UK’s definitional vocabulary to engage with the region should acknowledge such different historical circumstances.
- **It is inconsistent with East Asia’s international standing.** The on-going economic and military power shifts place East Asia in a much more central role in international politics.
- **It undermines aspirations for Britain to be regarded as a...**

---

'Global' actor. Such a definition implicitly reinforces perceptions of a worldview that is anchored to a long-gone imperial past that may seem dismissive of Asia’s rise to international prominence.

The ‘Far East’ framework defined the UK’s engagement in Asia during the age of Empire.

Since the 18th century, the relationship with the Asia Pacific has contributed to change Britain’s perceptions of its national self, as much as those of nations and Empires in the region. From the first voyage of HMS Endeavour, to the actions of the steamship Nemesis off the coast of China, to the arrival of HMS Chatham to Hong Kong for the colony’s handover process, the UK’s defence role in this part of the world has encompassed discovery, conquest, and ultimately, recognition. Throughout the 19th and 20th century, such a role first underwrote the inclusion of the ‘Far East’ – as the colonial age had it – in the international system of Western imperial competition. Subsequently, it oversaw the region’s rise within the international system, it provided support for the emergence of the Empire of Japan, before its post-colonial emancipation from it.

The ‘Far East’ framework carries a negative perception in Asia.

Today, the rise of the Asia Pacific as a political, economic, and military powerhouse is one significant manifestation of the decolonisation process. Yet, in other respects, the legacy of Empire that the British military power helped create and sustain for two centuries remains controversial. Notably, for major state actors in the region like the People’s Republic of China (hereafter China, or PRC), it informs a national narrative of ‘recovery’, ‘rejuvenation’, and ‘restoration’ from long-lasting humiliations at foreign hands. The very expression ‘Far East’ is, more often than not, associated with the negative manifestations of imperial endeavours of expansion. Similarly, negative perceptions of the ‘Far East’ as an overtly colonial frame of reference are evident throughout East and Southeast Asia.

The ‘Far East’ framework is inadequate to capture Asia’s impact on world’s affairs.

In particular, the notion is symptomatic of a geopolitical perception that casts the Asia Pacific as a subordinate and peripheral place to centres of power somewhere in Europe. This is particularly misleading since the Asia Pacific is home to the world’s second and third largest economies (China, Japan), as well as some very advanced industrial realities, from the Republic of Korea (ROK) to Taiwan and Singapore. It equally includes four of the world’s top military spenders (China, India, Japan, and the ROK).
Organising Principles: The Asia Pacific as a Maritime-centric Space

1. The Asia Pacific is a maritime-centric space.
The main sea arteries from the Persian Gulf to the Sea of Japan are vital to deliver goods and energy from and to the region. Approximately 60% of maritime trade passes through Asia carrying an estimated one-third of global shipping. More specifically, it has been estimated that ships passing through the South China Sea carry some US$ 3.4 trillion in trade, equal to over 20% of the world total. This vast volume of trade is processed by a network of ports that include nine of the top ten port facilities in the world. These trade routes are the lifelines of leading regional powers like China, Japan, and the ROK. These countries possess industrialised economies that are highly dependent on access to natural resources. This demand for raw materials can only be met through imports, most of which are carried by sea. Likewise, their manufactured goods are predominantly exported by sea. Over 64% of China’s maritime trade transits through the South China Sea. In the Japanese case, some 42% of its trade passes through the South China Sea alone, and more than 80% of its energy imports are delivered by sea. By similar token, underwater sea-cables in the East and South China Sea carry the vast majority of telecommunications and internet traffic and are central to regional connectivity. Avoiding disruptions, whether from natural disasters, terrorism and crime, or state intervention, to this area of intense maritime traffic is a security priority across the region.

2. The East and South China Seas are the region’s centres of gravity.
In the Asia Pacific, the sea is also central to regional dynamics as a provider of natural resources, especially fishing and hydrocarbons. In the region, some 30% of the annual protein intake is derived from fish catch, and both the East and South China Seas are considered as important fishing grounds. There is also a longstanding perception that the disputed waters of the East and South China Seas encompass geological basins holding significant potential oil and gas reserves. Whilst data concerning oil and gas reserves remain contested and fish stocks are being quickly depleted, regional state actors have been keen to exploit natural resources – especially

5. Ibid.
6. Ibid.
fish and hydrocarbons. This has contributed to a raising of the political significance of territorial (often island-related) sovereignty disputes and associated maritime claims and boundary delimitation issues. Maritime disputes in the East and South China Seas are enduring sensitive topics. These have the potential for dangerous confrontations between countries like Japan and China in their competing claims in the East China Sea; they also leave coastal states in the South China Sea with similar competing claims with China and less developed capabilities exposed to coercion.

3. The Asia Pacific is a maritime space that matters to the UK.

The emergence of the Asia Pacific region as a maritime-centric reality is reshaping the landscape and composition of the UK economic relationships. According to 2017 data, whilst the EU – taken as a bloc – remains the UK’s largest trading partner, Asia now accounts for approximately 20% of both UK export and imports. These data are comparable to those from the North American continent, which accounted for 22% of UK exports and 14% of imports. It should come as no surprise, therefore, that eight of the UK’s top 25 export markets are now in Asia. The top three – China, Japan and Hong Kong – together account for some £47.2 billion of exports in goods and services, a value higher than France’s (the UK’s third export market). Similarly, in 2017, the ASEAN bloc was the third largest non-EU export market, accounting for £17.1 billion of exports.

4. The Asia Pacific is rising whilst the EU has relatively declined.

Within this context, it is important to emphasise that as the EU’s share of UK trade has been in relative decline in recent years, economic interactions with the Asia Pacific have followed the opposite trend. Trade volumes with key Asian actors, notably China and India, have significantly increased since the end of the 1990s. In terms of financial investments, Japan – the UK’s closest defence partner in the Asia Pacific – stands as the fifth largest recipient of British foreign investments (5%). Equally crucial, the UK is the single most important recipient of Japanese investments in Europe, with approximately 100 new projects per year across different sectors. Maritime connectivity is in fact the unseen engine powering the UK’s economic ties with its Asian partners and these are sensitive to disruptions of sea-lanes. For example, in March 2011, as a result of disruptions in the shipping of core components after the triple disaster in Japan, Honda factories in the UK had to reduce their output by 50% for the following two months.
5. The Asia Pacific is a place of opportunity for a post-Brexit UK.

These observations are particularly relevant in light of the debate in the UK over future economic opportunities in the aftermath of the Brexit process and the exiting from the EU. The Asia Pacific is at the centre of a significant economic transformation, with increasing attention to the liberalisation of regional markets and the expansion of requirements for services. Within this context, it is important to stress that the Japanese government has openly supported the possibility of the UK’s inclusion in the critical economic liberalisation project Trans Pacific Partnership (TPP), formally the Comprehensive and Progressive Agreement for Trans Pacific Partnership. This agreement promotes trade among 11 countries bordering the Pacific region, representing approximately 40% of the world’s economic output.\(^{16}\) As Japan played a pivotal role in realising TPP 11, the country’s support to the UK presents significant potential opportunities.

6. The Asia Pacific is an area of long-term growth for UK defence industry.

For the first time since the 1970s, the UK is going to export a frigate design. Both the Australian and Canadian navies will introduce the BAE’s Type 26 frigate as the main workhorse for their future fleets. In Australia, the £19.6bn contract is expected to help transform the Australian shipbuilding sector and cement industrial and defence ties.\(^{17}\) Crucially, the project will create around 5,000 jobs over a period of thirty years to build nine vessels with cutting edge capabilities for ASW missions. In Canada, the contract is expected to deliver a similarly advanced surface fleet of Type 26 frigates.\(^{18}\) Part of the strategic rationale for this choice pertained to the expectations in both countries of the importance of advanced maritime capabilities to engage with the evolving security challenges in the Asia Pacific region.\(^{19}\) By a similar token, UK defence industrial ties with Japan have been at the centre of government action. In 2017, the two governments agreed to research options for a future joint air-to-air missile and future fighter jets as part of a widening agenda of industrial cooperation.\(^{20}\)

Based on the above five points, and in line with recommendations set forth by Policy Exchange in its collective work on foreign policy and defence since 2017, this study makes the following two headline recommendations:

- **Develop a national maritime security strategy that articulates how the UK intends to remain a world leading maritime power.**
  
  Such a strategy should align with and complement the recently published *Maritime 2050: Navigating the Future* document authored by the Department for Transport. In particular, a national maritime security strategy should clearly engage with the consequences of the shifting international power balance towards the Asia Pacific region.

---


\(^{17}\) ‘BAE Wins £19.6bn Type 26 Frigate Deal with Australian Navy’, The Engineer, 29 June 2018, https://www.theengineer.co.uk/bae-type-26-frigate-australia/.


• **Make the case for the UK as a leader in the respect of the international maritime order.** The UK stands as one of the founding members and primary custodians of the freedom of navigation and of the importance of the oceans to human and economic development. It is a prominent member of the International Maritime Organisation (IMO), and a party to the United Nations Conventions on the Law of the Sea (UNCLOS), as well as having had a strong voice in shaping its terms. As the core principles of the maritime order are challenged in the East and South China Sea, the UK should restate its commitment to respecting their content to avoid instability and conflict.
A New Framework: The ‘Indo-Pacific’ as a UK Strategy East of Suez?

Policy 2

Introduce the ‘Indo-Pacific’ as the lenses through which the UK defines its engagement with the Asia Pacific as a way to prioritise its defence commitments to regional security as well as to align its objectives and activities with regional partners and allies.

In British modern history the Indo-Pacific as a geopolitical framework was debated for the first time in the mid-1960s. At the time, the working committee on overseas defence policy was the first modern context within which the notion of an Indo-Pacific theatre was used to bring together three main geographic areas in which a UK military footprint was to be considerably reconfigured and downscaled: East and Central Africa, the Indian Ocean, and the Pacific region – encompassing the wider area from Singapore to Hawaii.

From a geopolitical perspective, the Indo-Pacific was as a construct designed to engage with power politics.

As the UK reviewed its options in a post-imperial world, the overarching strategic priority was to address the Cold War competition with the Communist world. In the geographic area stretching from Africa to Southeast Asia this meant that the main focus was predominantly the threat of Chinese communism. At heart, this construct also sought to highlight how in a context of constrained capabilities a changing ‘global’ and post-imperial role was still possible. The centrality of maritime communications in this theatre pointed to the advantages of a naval core to enable the UK’s commitment in the region by maximising mobility and poise to support presence and influence. The main aim of such a diminished defence posture was not merely to manage and contain crises. It was to influence the regional security environment, reassuring and supporting allies as a way to limit the influence of Communism, and to ensure ability – albeit reduced – to respond to crises when needed.

This framework never came to inform British policy but its appeal resonates with contemporary approaches to the region.

The UK’s closest security partners in the Asia Pacific – Japan, Australia, and the United States – have all adopted an ‘Indo-Pacific’ framework to define their policy actions. In Australia, this construct has been in use since the early 2000s. It should come as no surprise that he way in which the ‘Indo-Pacific’ is conceptualised in these three countries differs considerably; yet, these constructs share three assumptions crucially relevant to a UK Indo-Pacific framework:

A. **They are all maritime-centric frameworks.** Geographically, the ‘Indo-Pacific’ draws upon an emphasis on the maritime connectivity linking the Gulf States to the Northeast Asia, through the South and East China Seas, and the South Pacific.

B. **They all stress the importance of the rules-based order.** In terms of values, the ‘Indo-Pacific’ is a geopolitical notion drawing upon the centrality of the maintenance of the current maritime legal order to its stability and prosperity.

C. **They all emphasise the return of state on state competition at sea.** From a security perspective, the ‘Indo-Pacific’ is a notion that recognises the use of the sea as a space for the exercise of dominion, to assert control as much as to project power within and beyond the region’s confines.

These assumptions are all relevant to the way the UK should approach its security role in the Asia Pacific region.

Geopolitically, an Indo-Pacific framework defined according to the above lines plays to the strengths of the UK as a world leading maritime power and it firmly aligns its expectations and objectives for the region with its closest regional allies. These are centred on maintaining stability in the maritime commons by means of respect of rule of law to avoid the erosion of the international order essential to favour global trade and prosperity. By the same token, this framework provides a way to prioritise security challenges and how to approach them, aligning limited resources with the ambitions of a post-Brexit ‘Global Britain’ by creating the conditions to work in concert with allies and partners where possible.


The Security Landscape: Power Struggle and Maritime Instability in the Indo-Pacific

1. The Indo-Pacific is the epicentre of this century’s power struggle.

There is little doubt that the Asia Pacific stands at the very heart of the United States’ recent re-acknowledgment of the return of state-on-state competition in world affairs. Similarly, projecting power at sea and from the sea seems central to Chinese efforts to challenge American predominance. In particular, the Chinese leadership’s quest to become a maritime power is intended as a comprehensive effort to secure and exploit maritime resources as well as projecting power where national interests lie. The behaviour and capabilities underwriting this behaviour raise questions as to Beijing’s aim to unravel the maritime order. To put the scale of Chinese maritime transformation in context, just in naval terms, since the year 2000 China has commissioned 82 major combatants, more than four times the size of the Royal Navy’s surface fleet. In addition, the Sino-American competition, within the region, China is using maritime disputes to challenge the maritime order and redefine the regional power balance, with notable push-backs by other powers like Japan and Australia, Vietnam, the Philippines, and Indonesia. On a related note, Russia is seemingly ‘embracing’ China in the Asia Pacific to further tilt the scales of regional power balance in the latter’s favour.

2. The Indo-Pacific is China’s primary theatre as a revisionist power.

Chinese military modernisation is not, however, a mere question of capabilities built-up. Beijing’s authorities have built large military outposts in the South China Sea, and developed an overseas base in Djibouti. Recent news highlighted how the Chinese government may have signed a secret deal to access a naval base in Cambodia. This move has to be reviewed in the context of the acknowledged ambition to develop a network of dual use facilities across the Indian Ocean. Notably, such facilities would include places such as Gwadar (Pakistan) and Hambantota (Sri Lanka), where the Chinese have acquired a 99-year lease of the port facilities. These actions,

taken altogether, are indicative of expanding overseas interests and of the Chinese leadership’s intention to protect them.\textsuperscript{35}

These investments, when combined with a review of the deployment patterns of oceanic survey vessels and the widening operational radius of nuclear-powered submarines in the Indian Ocean and Pacific theatres, would suggest an awareness of the needs to translate ambitions into reality.\textsuperscript{36} Projecting power and influence to protect Chinese interests from Africa to the South Pacific seems to be on the Chinese government’s agenda. Within this context, the behaviour of China’s three sea forces (the navy, the coast guard, and the maritime militia) in the South and East China Seas link coercive activities to advance outstanding claims to such wider strategic ambitions to exert control over larger swaths of the region.\textsuperscript{37} Russian military – and especially maritime activities in the region are also contributing to the Chinese revisionist agenda.\textsuperscript{38}

\textbf{1: China’s Forward Stationing and Military Bases Network}

3. The Indo-Pacific is where state actors are redefining military spending.

The Asian military rise extends well beyond China. The most recent data on world’s defence expenditure released by SIPRI leave no doubt as to the growing international prominence of the broader region. In a context in which global expenditure in 2018 has risen some 2.6% from the previous year, Asia and Oceania accounted for 28% of the total. Western Europe as a whole accounted for just 20% of the world’s total spending.\textsuperscript{39} Data confirmed a widening gap between Asia and Europe that was first detected by the International Institute for Strategic Studies (IISS) in 2012.\textsuperscript{40} It is no surprise that China is now the world’s second defence spender. Yet, India, Japan, and the ROK firmly stand within the top ten – and plans to further expand their military capabilities from the procurement of additional


advanced maritime combat systems to the development of new space and cyber capabilities. To put the sheer scale of the military transformation in the Asia Pacific in perspective, SIPRI reports that in 1988 the same region accounted only for 9.0% of the world’s total.\textsuperscript{41}

4. The Indo-Pacific is a risk-prone maritime space.

Beyond matters of power struggle and revisionist behaviour, equally significant factors in regional security are non-state sources of instability. Indeed, as the relatively constricted maritime areas of the region remain central to connectivity and human development across the Indo-Pacific, so are the risks of instability. Indeed, the Indo-Pacific accounts today for more than half of the increased frequency in disasters worldwide whilst a staggering 88% of people affected by all disasters reside regionally. Coastal area urban concentration has been a major factor in amplifying disasters’ effects.\textsuperscript{42} Another source of instability concerns the safety of shipping. South China, Indochina, Indonesia and the Philippines are still regarded as a maritime security global hotspot.\textsuperscript{43} The impact of both issues on regional political and economic stability is unlikely to change given the combined effects of climate change, the intensity of maritime traffic, and trends in urbanisation. These factors of instability contribute to a lack of ‘predictability’ and complicate risk mitigation. In turn, the challenge to mitigate risks to stability undermine the development of prosperity.\textsuperscript{44}

From a UK perspective, this is a particularly important point, provided that Commonwealth countries in the South Pacific are among those who are more likely to be affected by such risks.

5. The Indo-Pacific is where Asian powers are redefining their international outlook.

Within this broader context, states’ spending on enhanced maritime capabilities signal greater confidence in using military might to advance their profiles as responsible stakeholders. Major Asian military powers are actively working to manage international security and advance their status and influence. The decade-long Japanese and Chinese contributions to counter the plague of piracy off the Horn of Africa are well-documented examples of Asian state actors joining the international community with a sustained military presence to provide stability in areas in the Western Indian Ocean crucial to their national interests.\textsuperscript{45} Throughout this decade, the Japanese operational effort has led to enhanced ties with the EU and NATO, as well as the to the Japanese volunteering to take rotational command of Combined Task Force (CTF) 151.\textsuperscript{46} On the other hand, China has deployed some 32 task forces and 26,000 personnel to Djibouti that have been employed in support of nationals overseas in crisis in Libya (2011) and Yemen (2015), as well as on diplomatic missions and military exercises from the Mediterranean to the Baltic Seas.\textsuperscript{47} Other actors like India and Australia have also used similar opportunities to promote capacity building and multilateral cooperation.
In light of this complex security environment, and of the recent calls for Global Britain to be a policy of action showcasing the UK’s role as a ‘shaper’ of international affairs and security, this study makes the following two additional headline recommendations for the three objectives of a UK Indo-Pacific framework:

- **Shaping maritime stability.** The UK should take a leading role in enhancing the resilience of coastal states’ maritime security infrastructures and in assisting them to build capacity to mitigate the risks of disasters as well as the ability to address challenges to law-enforcement. The whole-of-government approach developed by Japan with its Free and Open Indo-Pacific Initiative represents a relevant template for a UK approach. Continuous engagement is needed to develop a predictably stable environment which, in turn, favours prosperity.

- **Promoting multilateral maritime security.** The UK should continue to explore ways to integrate and coordinate its activities with regional powers like Japan and Australia – and with the United States – to counter revisionist challenges to the maritime order and UNCLOS especially in the key theatres of the East and South China Seas. In the Indo-Pacific, France – another close UK defence partner – has now come to formally support multilateral action (both in terms of forums of discussion and military and constabulary cooperation) to this end.48

---

A New Posture: The UK Indo-Pacific Station

Policy 3

Introduce a new Indo-Pacific Station based on a permanent forward deployed amphibious capability in Australia. The Indo-Pacific Station would be the point of coordination of the UK military strategic presence from the Arabian Gulf to the Sea of Japan, with in-theatre defence support units in Duqm, Singapore, and Japan.

Provided the increased significance of the Indo-Pacific to the UK is well recognised, this report assumes that adequate budget will be needed for a relevant defence posture to be implemented. Whilst discussions about budgetary requirements are beyond the scope of this report, this section focuses on providing the raw intellectual materials to maximise the effect of a relevant posture whilst minimising costs. With this aim in mind, the report draws upon considerations on the maritime nature of the region, to articulate the UK core strategic interests around the three core factors.

Meeting existing treaty commitments and obligations.

The first set of interests unfolds predominantly from the UK’s role as a member of the UN Security Council (UNSC), as part of the Five Powers Defence Arrangements (FPDA), and in relation to the Five Eyes (FVEY) arrangement. The UK is part of the UN Command overseeing the Korean War armistice and is involved in implementing sanctions against North Korea. The armistice implies no automatic commitment of UK forces in hostilities on the Korean peninsula. There is nonetheless international expectation for the UK to be involved in meeting such a challenge. Similarly, the FPDA and FVEY do not automatically commit UK forces to regional crises but they inevitably come with an expectation of continuous security engagement.

Supporting regional allies and strengthening Anglo-American relations.

It is in the strategic interest of the UK to support partners and allies, notably Australia, Japan, New Zealand, and the ROK, as well as to maintain defence ties with Commonwealth countries. These actors nurture a reasonable expectation for the UK to contribute to managing security in the Indo-Pacific for historical reasons and as a result of the UK’s international standing and ambitions. Such expectations are also implicit in the significant defence

---

investment in British designs for future maritime capabilities, notably in Australia, and in the growing industrial partnerships explored with close partners like Japan. In turn, this network of partnerships is a potentially significant asset to maximise influence. In particular, given US interests in the Indo-Pacific, a sustainable and regular UK defence role within an Indo-Pacific framework would likely enhance British relevance and leadership in trans-Atlantic relations.52

Sustaining the existing maritime order to favour economic prosperity and political stability.

As an export—oriented economy, a party to UNCLOS, and a major stakeholder in the existing rules-based maritime order, the UK has a fundamental interest in preserving the international maritime order. In particular, the UK has a strategic interest in the respect for freedom of navigation and over-flight and of the rule of law in managing maritime and territorial disputes. Actions that undermine these principles destabilise the maritime order by setting problematic precedents applicable elsewhere, from the Baltic Sea to the South Atlantic, from Africa to South America and Asia. This risk should not be underestimated provided that some 57% of all maritime boundaries remain ‘unresolved’.53 For the UK, it is important to maintain a strong role in protecting the maritime order, especially as some of its behaviour has been under international scrutiny.54 The undermining of the maritime order has also potentially significant consequences in terms of working against risk mitigation and therefore, undermining the creation of sustainable prosperity.

Upon this basis the UK should aim to be a normative Indo-Pacific power.

Against these strategic interests, and in light of increasing pressure on regional actors in the Indo-Pacific to ‘pick a side’ in the competition between the United States and China, the UK can play a stabilizing role by supporting allies, reassuring and empowering partners, and signaling and deterring competitors. Such a role should aim at ‘shaping’ regional security by regularly supporting good order at sea and crisis prevention, by promoting capacity building, and – if required, contribute to disaster and crisis response. The UK role in the Indo-Pacific should be centred on, but not limited to, a maritime posture that is scalable, robust enough, and capable of multilateral integration to deliver effects across the constabulary, diplomatic, and military spectrum.

51. This was certainly the case before the UK’s withdrawal from ‘East of Suez’, and a significant factor informing the policy reviews of the mid-1960s.
The UK has a unique advantage in promoting multilateralism without containment.

Actors like the United States have supported the Quadrilateral Security Dialogue (QSD). However the QSD is only one tool available to support a UK Indo-Pacific strategy and it remains in its infancy because of perceptions of ‘containment’ it engenders – especially in India – vis-à-vis China. The UK has showed relevant interest in this format, but it should remain focused on developing its existing wide portfolio of defence arrangements. In this context, the ‘trilateral’ cooperation with Japan and United States has been a very effective way to generate focused action with clear deliverables on maritime stability. This is an example of how to maximise the impact and influence of UK defence engagement by means of enhanced multinational interoperability.

The current UK defence investment in its Indo-Pacific posture is inadequate.

The current deployment schedule of major surface combatants in the East and South China Seas have done much to address prior absence (a five-year hiatus) by showcasing the UK’s support to regional maritime order and allies alike. These deployments have been major capabilities extending their operational reach. This has put the Royal Navy to test in terms of sustaining overseas commitments for prolonged periods of time in one of world’s largest maritime theatres. These deployments have similarly put to test the scalability of British military power in that part of the world.

A UK forward stationing of forces in the region could be a sustainable option.

The opportunity provided by the recent award of a major contract for the development of the Australian future frigate may offer an alternative and more sustainable option. As the two countries explore how to jointly develop doctrines and capabilities to optimise future assets’ performance, new defence industry requirements to support more regular interaction are likely to emerge. Within this context, the needed logistical support for UK maritime assets in Australia may create favourable conditions for an affordable long-term basing option. Such an option – built on the basis of an industrial commitment - would offset the considerable costs of setting up an overseas base, and contribute to manage its expenses. A permanent forward base in Australia would considerably enhance the UK profile in the region from an operational perspective, as the American experience would strongly suggest. In fact, as a recent official American report highlighted, the availability of permanent forward deployed forces creates political opportunities that may lead to difficulties in striking a balance between operational and training and support requirements.

Recent experience has been invaluable to both reassert the potential

of British military influence in the Indo-Pacific, as well as to highlight the limits of a defence posture that is inadequately funded. For the UK to develop a defence posture that is relevant to its international standing and commitments, and adequate to its aspirations in a post-Brexit context, funding for the defence department will have to be reconsidered. In this spirit, the report makes six cost-effective recommendations – with individual components already in place – on how to harmonise ambitious objectives, containing costs, and maximise capabilities:

- **Establish an Indo-Pacific station.** For the UK to maximise its role in shaping regional stability and security, it needs to upgrade its status to resident power. This would be possible with a permanent forward stationed force based in Australia. Given Australia’s position in the Indo-Pacific context, a base on the country’s west coast would offer a cost-effective and strategically relevant option. Such an option would be feasible if linked to an agenda aimed at working closely with allies. In particular, the British and Australian navies are already on a pathway to develop close maritime integration especially as Australia has signed up to re-introduce British built capabilities (Type 26 frigate) at the heart of its future fleet. From an Australian perspective, as Defence Minister the Hon Linda Reynolds recently pointed out, authorities in Canberra not only welcome a UK’s enhanced profile in the Indo-Pacific. They are also keen to facilitate it.

- **Permanently Forward Deploy an Assault/Amphibious Vessel.** Expeditionary capabilities such as the current Bay-class landing ships (preferably manned by Royal Navy personnel), and indeed vessels like HMS Albion, possess poise and flexibility, visibility and affordability. They are ideally suited to support robust military actions in case of contestation of excessive maritime claims as well as other critical shaping security functions – from capacity building to humanitarian assistance, disaster relief, and support to national overseas. They are a the ‘Swiss Army knife’ of British military capability edge. In a region that is prone to man-made and natural disaster, a force capable of being at the forefront of this array of security challenges would be performing deterrence and relationship building functions at the same time. This capability would be the centerpiece of a posture that is flexible, scalable, and sustainable. Former Defence Secretary Gavin Williamson’s idea to deploy one future ‘Littoral Strike Ship’ in the Indo-Pacific is particularly relevant in this regard.

- **Develop a network of bases to maximise presence and operations.** In the Indo-Pacific, Duqm in Oman, Singapore in Southeast Asia, and Yokosuka in Japan, are potentially ideal places to support and complement a permanent presence in Australia from the Western Indian Ocean to the Sea of Japan. Singapore already disposes of a defence support unit, and Duqm is part of an evolving UK-Oman defence relationship. By a similar token,
the UK and Japan have considerably upgraded their ties, both bilaterally and trilaterally with the United States. In this regard, the UK and Japan have been particularly effective in enhancing maritime and expeditionary cooperation as the unprecedented levels of joint exercises as well as the activities conducted under UNSC resolutions on sanctions vis-à-vis North Korea attest. Base access agreements would further normalise the UK presence across the wider region.

**Enhance picture-building capacity.** Maritime domain awareness is key to operating successfully in the Indo-Pacific. The UK should leverage its existing multilateral and bilateral agreements, drawing upon a mix of national efforts and information sharing with allies to enhance its intelligence capabilities. The establishment of a liaison officer in Japan to both 7th Fleet and the Japanese navy is an example of one way this objective, as much as the allocation of a liaison officer to the Information Fusion Centre hosted by the Republic of Singapore Navy.

**Pursue regional interoperability and integration.** For the UK to maximise the impact of its capabilities on regional security, closer integration with key partners, Australia and Japan, in addition to the United States is essential. Doctrinal and capabilities integration should be regarded as a step above interoperability, in that it would entail capabilities from different military partners working together to perform specific missions. This should be achieved through exercises and enhanced, targeted mil-mil relations. Current attempts by the British and Australian navies to develop future ASW doctrines tougher represent a step in the right direction. Other natural avenues to explore would consist the development of joint battle groups, expeditionary task forces, as well as escort task forces. The focus should be on working together with key regional allies, notably Australia, Japan, and New Zealand.

**Maintain regular rotational forward deployments.** A UK permanent presence should not be intended as a dismissal of the important role of additional rotational forces deployed to the region. This remains the largest maritime theatre in the world, and one with considerable regional capabilities. Additional forces deployed on the basis of the format and principles currently explored with HMS Montrose suggest seem a reasonable and sustainable option. Further consideration to the deployment of smaller vessels, like the hydro-graphic vessels, and offshore patrol vessels (OPV) currently developed by the Royal Navy could also represent invaluable assets in a constabulary and diplomatic canvas of missions.