

Associate Paper

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The United Kingdom's Integrated Review: Implications for the Indo-Pacific

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Key Points

- The British Government's *Integrated Review* signals the most significant shift in the country's strategic outlook since the end of the Cold War.
- The review re-affirmed the Government's intention to "tilt" to the Indo-Pacific, with the primary objective of becoming 'the European partner with the broadest and most integrated presence in the Indo-Pacific'.
- The Review looks beyond the traditional scope of security by encompassing issues such as climate change, soft-power and technological innovation being cast as some of its key pillars.
- It re-commits the UK to working co-operatively in bilateral and multilateral settings with other countries and organisations on issues salient to the region.

Summary

The British Government recently released its long-awaited and highly-anticipated *Integrated Review*. The review sets out the government's vision for a "[Global Britain](#)", as well as the UK's international role following its [withdrawal from the European Union](#). It conveys that, for a country that has lost both its empire and its closest continental partner, it has finally found its place in the international system. Although no longer a superpower, the UK remains a significant player within the global arena, with an internal security architecture that maintains a global reach.

To navigate the increasingly complex and polarised global order, the British Government sets out four overarching trends that will be of particular significance to that order and how the UK travels through it. The four perceived trends – increased geopolitical and geo-economic risks, systematic competition, rapid technological shifts and trans-national challenges – underpin a general recognition of the UK’s middle-power status: the need to be competitive where it should be, collaborative where it can be, and adversarial where it must be.

Analysis

Following the 2019 general election, the British Government signalled its intention to undertake a comprehensive review of [‘Britain’s security, defence and foreign policy since the end of the Cold War’](#). In keeping with that commitment, the review process began in early 2020, but, as with several others, did not anticipate the effects on it of the COVID-19 pandemic, arguably the greatest international crisis since the Second World War. Quite legitimately, security, defence and foreign policy considerations were reduced in importance in favour of providing greater attention and increasing capacity to deal with the ongoing health crisis.

Regardless of the realities of government priorities during the pandemic, security threats to and tests of national resilience have not dissipated. In light of that situation, coupled with the effort to realise its post-Brexit identity and adhering to Winston Churchill’s WWII dictum, “never let a good crisis go to waste”, the British Government released its findings in the report titled [Global Britain in a Competitive Age: The Integrated Review of Security, Defence, Development and Foreign Policy](#).

Those findings lead the government in some areas of the review to take a rather sensible and conventional approach to an increasingly polarised world; in others, however, it contains a radical shift in Britain’s vision and strategy. In the decades ahead, the UK will deepen its engagement in the Indo-Pacific region, establishing a greater and more embedded presence than any other European country. Amid the rhetoric of a “[Global Britain](#)”, it is increasingly important to understand the implications of the Integrated Review for the Indo-Pacific region as a whole and Australia more specifically.

The Expanding Scope of Security

The allure of a strategic realignment in the current international context is clear. Indeed, a range of actors are manipulating the security environment to exploit the COVID-19 crisis for strategic gain. Just as with Australian Prime Minister Scott Morrison’s announcement during the launch of Australia’s [2020 Defence Strategic Update](#), any reconsideration of the current security environment must be understood in the context of a world that will likely be [poorer, more dangerous and more disorderly](#).

Recognising that possible outcome, the British approach is underpinned by the narrative that the nature and distribution of global power is shifting, particularly towards the Indo-Pacific region. As the Indo-Pacific emerges as the centre of gravity for geopolitical and geo-economic competition, the British government recognises that those who are not

proactively engaged in the region will maintain a reduced capacity to shape the global agenda. The Integrated Review is designed to stabilise Britain's balance as the earth's centre of gravity shifts [east](#).

On the question of security, the British Government recognises that the current narrative, which underpins the nation's strategic framework, is not fit-for-purpose when dealing with emerging challenges. The problem, therefore, lies in how the UK's strategic policy choices have historically been framed and made. Britain's strategic decision-making was not configured to integrate traditional and non-traditional security threats in a way that balanced and integrated the twin objectives. Strategic policy has overwhelmingly been framed in political-military terms. Britain needed a strategic, forward-looking, outcome-based plan for national strategy that is integrated with other elements of national security. The Integrated Review is strategically innovative in that it considers an enhanced scope to its previously-defined dimensions of national power and influence. It recognises emerging threats such as [cyber](#), [space](#) and [climate change](#), yet also looks at health, supply chains, demographics and soft power as increasingly salient within strategic considerations.

Increased Financial Commitment

Perhaps the most sincere indication of the UK's commitment to the Indo-Pacific region is the increased levels of funding pledged. Given the uncertainty over the state of the UK's economy, resulting from the pandemic, British Prime Minister Boris Johnson, in an effort to provide some much-needed planning clarity for Defence, [announced](#) a multi-year settlement that provides an extra £16.5 billion (\$30.1 billion) increase in funding to Defence beyond the spending growth already promised in the Conservative Party manifesto. Combined, the Integrated Review specifies a spending arrangement of £24.1bn (\$43.9bn) greater than the regularly budgeted allocation, signifying the largest increase in defence spending since the end of the Cold War.

Already, the British Government has invested heavily in an increased Indo-Pacific presence, with the [newly-commissioned](#) aircraft carrier, HMS *Queen Elizabeth*, leading a British and allied task group on the UK's most ambitious global deployment in two decades, with particular emphasis being placed on its voyage through the Indo-Pacific. Most of the money will be used to upgrade the British Armed Forces (BAF), however. Johnson has already announced some big-ticket items his government plans to implement, including investing heavily in overseas bases such as in [Oman](#), [Bahrain](#), [Kenya](#) and [Singapore](#). Some of the money will be used to fund a [new national cyber force](#), [a new space command](#) and research into new systems and technologies to improve the breadth and depth of the BAF.

Economic Co-operation

The Integrated Review clearly recognises that the Indo-Pacific region matters to the UK, most specifically for the economic opportunities presented as the world's growth engine. The region already [accounts for 17.5% of the UK's global trade and 10 per cent of inward foreign direct investment](#) (FDI) and as such, the UK expects to take full advantage of the opportunities that the region presents. The most apparent illustration of those opportunities

is its desire to conclude and implement new [bilateral trade agreements](#) with Australia and New Zealand.

For Australia in particular, the UK's increased economic engagement in the region will provide an opportunity to accelerate the diversification of Canberra's export markets. Agricultural exports provide a firm example of how Australian and British economic integration can benefit that diversification. As a result of the UK's then-membership of the EU, the tariffs and quotas imposed by the Common Customs Tariff and the subsidies provided by the Common Agricultural Policy, Australian agricultural exports to the UK sharply declined. [Since then](#), exports of beef, sheep, rice, wheat and sugar fell by 96 per cent of previous levels in some instances.

Beyond the Trans-Tasman partnership, Britain is hopeful of entering into an [Enhanced Trade Partnership](#) with India, which could serve as a stepping stone towards a comprehensive trade deal. The prospects are even more positive when it pertains to reciprocal investment with India. Indeed, the UK is a [leading source](#) of FDI in India as UK businesses have put more than \$30 billion into the country over the past decade. The Integrated Review sets out a firm intention of increased British investment in India which could help deepen financial ties between the two countries.

Military Co-operation

The Integrated Review makes clear that, by 2030, the UK will be deeply engaged in the Indo-Pacific as the European partner with the broadest, most integrated presence in support of shared security. The increase in defence spending, therefore, could signal an increased defence presence and engagement in the region. To strengthen defence and security co-operation, the Integrated Review clearly emphasises the importance of enhancing the UK's engagement and exercising with India, Japan and Australia, coupled with increasing its engagement with regional security groupings such as the Five Power Defence Arrangements (FPDA) and the Quadrilateral Security Dialogue.

India: Although India and the UK declared their relationship to be a "[comprehensive strategic partnership](#)" over a decade ago, it has lacked substance within the defence and security domain. The underlying cause of that situation has commonly been reduced to India's apparent [anti-colonial obsession](#). Breaking with that outdated obsession, however, India is now ready to embrace Britain as part of its new emphasis on strengthening security co-operation within the framework of Indo-Pacific security. Maritime co-operation is a concrete means for India and the UK to put their strategic partnership in action, as both states have [a shared interest](#) in safeguarding the maritime supply chain networks and bolstering a rules-based regional order.

They have conducted annual joint naval exercises for some years now, but those remain fairly low-key. The ongoing collaboration will most acutely be felt in the [western Indian Ocean region](#), from the Horn of Africa and across the Gulf region. Four layers of activity give the region its geostrategic importance: it is an *arc of energy* through the Gulf region; an *arc of instability* due to increased rates of piracy; an *arc of growth* with Africa projected to be the future global economic engine; and an *arc of opportunity* that is provided by the unique

demographics of the region. Thus, there is both an opportunity and a need for the UK and India to co-operate in providing security in the region.

Australia: Although defence co-operation between Australia and the UK never entirely withered, insured by political and cultural affinity, similar perspectives on international affairs, inter-military links and British defence industry interests, the impetus for increased Australia-UK defence co-operation can largely be reduced to their principal common partner: the United States. That is an outcome not only of former US President Donald Trump's [call](#) on American allies to be more proactive in their defence posture, but the often overlooked aspect of the high degree of interoperability that exists between Australia's and the UK's military forces, both of which share much American military technology, operational doctrine and logistic supply chains.

For its part, Australia finds itself in a geographical region with a less developed security architecture, as various organisations in which it is a member fall short of a collective security arrangement. The FPDA, therefore, provides a unique vehicle for Britain's re-engagement in the region. For key American allies wanting to hold on to their existing relationship with Washington, the best way to achieve this is to do so collectively and semi-independently from Washington, while taking care at the same time not to hurt Washington's interest in the region.

Japan: Building on the framework of the already established ["2+2" ministerial meetings](#), the Integrated Review sets out the need for a high-profile security partnership with Japan. This is made clear by HMS *Queen Elizabeth*'s leading role in planned [bilateral naval drills](#) later this year and the signing of a [Maritime Security Arrangement](#) by British and Japanese naval officials. Subsequent to HMS *Queen Elizabeth*'s deployment, several more Royal Navy warships will visit Japan so as to build on previous training missions to develop a more sophisticated and high-intensity defence relationship with the Japan Maritime Self-Defence Force.

Given Britain's objective of being a proactive global power, the Integrated Review suggests that the UK should be playing a major, if not central, role in East Asia. The UK sees Japan as a capable security partner, which shares fundamental values as a platform for facilitation of a greater UK military presence in the region.

Emerging Threats

Cyber: The cyber domain is unique in that it is subject to rapid technological change and remains at the early stages in the evolution of its rules and norms, all of which combine to create enormous opportunity and risk. Prominent amongst the science and technology-focused initiatives was the establishment of the National Cyber Force, a new organisational construct that brings together skills, capabilities and resources across government. As such, many questions are being asked about Britain's new offensive cyber capability and how it impacts the Indo-Pacific region. Underpinning Britain's approach will be its ability to act as a responsible and democratic cyber power.

As part of the Integrated Review, Foreign Secretary Dominic Raab [announced](#) a £22 million investment in increasing the cybersecurity capabilities of poorer nations, again notably, in the western Indian Ocean region. A further caveat to this is the UK's commitment to enhancing the bilateral capacity-building programmes with both Australia and New Zealand. This will serve to enhance the Trans-Tasman partnership's political resilience to common state-related and other advanced persistent threats in cyberspace, assist in building resilience of overseas infrastructure, share information concerning supply chain threats and risks and enhance the capacity of cyber law enforcement partnership.

Climate Change: The threat posed by climate change is perhaps a more substantive and immediate security risk. The Integrated Review recognises that tackling climate change requires a global response, however, it also recognises that the climate crisis provides the UK with a unique opportunity to engineer the conditions for a more proactive approach to the existential crisis. In 2021 and beyond, the British Government will make tackling climate change and biodiversity loss its number one international and security priority. To assist the developing world, with particular reference to South-East Asia, the British Government will provide upwards of [£11.6 billion \(\\$21.2 billion\) for climate financing](#) between 2021 and 2025. This is on top of an [already pledged £5bn](#), provided in partnership with Germany and Norway.

Conclusion

The year 2021 could well be a year of British leadership internationally. The UK's presidency of the G7 in June, the Global Partnership for Education in July and the 26th UN Climate Change Conference in November will set the tone for its international engagement in the decade ahead. The UK maintains an apparent responsibility for ensuring peace and stability in the world, given its role as a permanent member of the UN Security Council, its nuclear capability, its role as a leading financial centre and its powerful intelligence capability.

The volatile security conditions of a post-pandemic global environment require the UK to act as a stabilising international actor. To achieve that end, the Integrated Review sets out the desire to deploy the full range of military capabilities along with a clear political intent to proactively shape the security and economic environment to ensure a more stable outcome.

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