HOUSE OF LORDS

Select Committee on International Relations

5th Report of Session 2017–19

UK foreign policy in a shifting world order

Ordered to be printed 5 December 2018 and published 18 December 2018

Published by the Authority of the House of Lords

HL Paper 250

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Q in footnotes refers to a question in oral evidence.

SUMMARY

We are living through a time of worldwide disruption and change. Trends including populism, identity politics, nationalism, isolationism, protectionism and mass movements of people are putting considerable pressure on states and traditional structures of government. At the same time, the global balance of power is shifting and fragmenting in a way not experienced since the Second World War, undermining the rules-based international order.

We have sought not only to look at needed responses but to understand from our many witnesses the roots of this upheaval in world affairs. Explanations are many, but it is clear to us that one powerful common influence, fuelling many aspects of change, is the massive and on-going revolution in communications technology, connecting and empowering peoples, interests, causes and groups on a scale never before known.

Our year-long inquiry confirmed the increasing volatility of international relations, a situation which poses major and novel questions and challenges for UK foreign policy, the assumptions on which it has rested, and the way it is formulated and implemented. We conclude, for instance, that the UK's 'bedrock' relationship with its key ally of past decades, the US, is under disturbing pressure. The US Administration has taken a number of unilateral foreign policy decisions on high-profile issues, such as the Iran nuclear deal and trade policy, which undermine the UK's interests. The UK has struggled to influence the Administration, which is, in part, a reflection of a broader shift in the US towards a more inward-looking 'America First' stance, with less focus on the transatlantic alliance or multilateralism. In future the Government will need to place less reliance on reaching a common US/UK approach to the main issues of the day than has often been the case in the past.

This comes at a time when China's economic and geopolitical influence, and its technological capabilities, are growing substantially. We conclude that it is not in the UK's interest to treat China systematically as an adversary; rather, the Government should aim to work closely with China in seeking to address major global challenges, while ensuring such co-operation is consistent with the international humanitarian law, and balanced with our other close friendships, such as with Japan.

Other significant challenges come from Russia, a declining power, which is exploiting both traditional and new methods, such as cyber capabilities, to act as a disrupter. In the face of Russia's provocations, the UK should continue to seek to counter and deter its activities, but must also remain open to dialogue with Russia on issues such as counter-terrorism and non-proliferation.

In the context of this changing pattern of power, not only between states but within societies, we recommend that the Government should, for example, reset its relationship with India to focus on strategic priorities, recognise the importance of building links with regional powers in Africa, Asia and Latin America, whilst maintaining the strongest possible co-operation and practical ties with its regional partners in Europe in the post-Brexit era.

The UK should continue to resist US challenges to the multilateral system, and seek to strengthen key institutions particularly the United Nations, the North Atlantic Treaty Organisation, the Bretton Woods institutions and the World

Trade Organisation. The Government should make the defence of the rules-based international order a central theme of all its bilateral relationships, and be a vocal champion of reform to international institutions.

As well as commitment to maintain existing global institutions and networks, many of them under strain, we highlight the need for engagement with the many new multilateral groupings and networks that the 21st century has brought into being and which will have direct impact on our lives, society and security. The Government should follow closely the development of other regional groupings, including those led by China.

Renewed efforts to engage, for example, with the modern Commonwealth network, embracing almost a third of the world's population, could well be part of this new pattern.

We conclude that new technologies, particularly relatively low cost cyber capabilities, have created an asymmetrical shift in the balance of security considerations. The nature of defence and security threats mean that significant harm can be done to a nation without the use of traditional weaponry. Digital communications tools have also intensified public pressure on governments, and increased the audience for foreign policy making.

We highlight cyber security as an increasingly significant global challenge: attacks often involve both state and non-state actors, making attribution very difficult. We find that the UK has strong cyber capabilities—including acknowledged offensive capabilities—and has the opportunity to play a leadership role in establishing a 'coalition of the willing' to establish 'rules of the road' in cyberspace. Given the importance across Whitehall of cyber security, we recommend the designation of a Minister with responsibility for cyber issues across government.

Turning to the UK's foreign policy capabilities, we conclude that the Government's Global Britain branding needs more definition if it is to be an effective tool in the promotion and re-positioning of the UK in a transformed international landscape. The Government should also invest more in the UK's global diplomatic presence and supporting resources, including by reversing cuts to the Foreign and Commonwealth Office's budget to ensure a better co-ordination of the UK's different levers of power and influence. It should strengthen and deploy the UK's considerable soft power assets and instruments. In our view it is critical to ensure that the public understands and is supportive of the UK's foreign policy objectives, necessitating the development of a strong foreign policy narrative, co-ordinated by the National Security Council.

In a world where the UK's influence can no longer be taken for granted and where the shifts in economic and political power relationships are not working to our advantage, a more agile, active and flexible approach to foreign policy must now be developed. In support of the changes needed, and which this report outlines, strong and fully informed discussion with the public on the demands and parameters of UK foreign policy are essential. In the digital age our international relations have a new mass audience which both wishes to be fully informed and to offer a full range of views.

Our report aims to form part of a constructive debate about which new paths the UK should take, and the assets and experience it should develop in a new epoch.

UK foreign policy in a shifting world order

CHAPTER 1: INTRODUCTION AND CURRENT SITUATION

1. The evidence we have taken since January confirms that the international scene is in a state of turmoil and upheaval. The most visible features are new centres of world power and influence, increased populist and nationalist pressures, far-reaching networks of crime and terror, new and empowered networks of political dissent and assertions of identity, extreme polarisation of political viewpoints, the rise of non-state actors and movements, the disruption, and in some cases destruction of established industries, the distortion and corruption of news and views on a worldwide scale, and mass movements of migrants and refugees. As to the root causes of this radical transformation, many explanations have been offered, and no single one suffices. But it is clear that the influence of the ongoing digital revolution and the accompanying global connectivity on an unprecedented scale, affecting every sphere of modern existence, plays a central role in this turbulent scene.

2. Whichever explanation is preferred, it is clear that major dilemmas and quandaries arise for British foreign policy, with old alliances, assumptions and priorities all in question. The direct challenges are there to see: a harsher and more inward-looking America, a shrinking political centre-ground in much of Europe, a more aggressive Russia—using cyber malevolence and poison in place of its former power, the collapse of some regimes in the Middle East with governments dramatically weakened or overthrown, and China rising on the back of new technologies to an eminence not enjoyed for centuries. But perhaps the most serious of all, and in consequence of these changes, we see widespread disregard for the laws, rules, treaties, customs and international institutions which together make up the rules-based order, which was constructed between nations after the Second World War so that never again could we return to the barbarism of two world wars and so that the comparative peace we have enjoyed could be preserved.

3. Our inquiry has sought to analyse and understand some of these disturbing trends, although to encompass them all would be impossible—not least because change is continuing at a hectic pace, as one form of globalisation rapidly succeeds another, trade patterns are revolutionised, and growing volatility brings unforeseen crises. Nonetheless, we reach some conclusions and recommendations—which we hope will be useful—as to how a nation in the UK's position—with all its advantages but also all its constraints—can best equip itself to navigate a course through the dangers and opportunities immediately ahead. We have entered an unfamiliar world—which could be called a new epoch in human affairs—in which new policies, new partnerships, new methods of implementation and new tools of diplomacy are urgently called for.

4. The complexity of this new environment was described in authoritative terms by many of those who shared their view with us. Lord Hague of Richmond, Secretary of State for Foreign and Commonwealth Affairs from 2010 to 2014, said that "the speed of change in the way international relations are

conducted and the way events can happen in a way that could not have happened 10 or 20 years before has picked up and increased".[1]

5. Sir Mark Lyall Grant KCMG, former National Security Adviser, said the Westphalian system of nation states was under considerable pressure. Governments were "losing the monopoly of things that are fundamental to a state". He gave a number of examples including: the size of multinational companies; the internet; terrorism; migration; the growing role of non-state actors, including militias in some parts of the world; and cryptocurrencies, which were "a rival to states printing money".[2]

6. The Foreign and Commonwealth Office (FCO) described "an increasingly complex, interconnected and volatile world, where information and influence are dispersed and contested amongst many more actors, and where major foreign policy actors are pursuing their interests even more assertively."[3] Lord Ricketts GCMG GCVO, former Permanent Under-Secretary, FCO and former UK National Security Adviser, described several "underlying shifts" that had resulted in a "major strategic change in the landscape" for the UK. He listed "the shift of global economic power towards the rising economies of Asia", major powers becoming "impatient with the rules that they inherited from the post-war settlement", "great power competition" and the "US pulling back from multilateralism". In addition to these changes, "everyone can add their voice to foreign policy, and Governments have to take account of that."[4]

7. This greater interconnectedness has been accompanied by a rise in nationalism. Dr Robin Niblett CMG, Director, Chatham House, described this as the "disaggregated effects" of globalisation: "emotion, identity and tribalism".[5] Professor Gareth Evans, Former Foreign Minister of Australia, said "economic anxieties, security anxieties and cultural anxieties from immigration and so on" were "creating, in many parts of the world, a visible sense of national identity which … will be a significant and compelling dynamic for the indefinite future."[6] Bronwen Maddox, Director, Institute for Government, said that changes to domestic political attitudes—"a lot of grievances and … detachment from those who have been leading them"—also spilled over into international affairs.[7] Foreign policy-makers needed "to look much more closely at the base from which they [were] operating, at the mood and satisfaction level of that base, and the insecurities of that base."[8]

8. These changes are reshaping the international order. The foundations of British foreign policy—the construction and maintenance of a rules-based international order, the relationship with the US and EU membership—are being challenged as a direct consequence of political and social waves caused by people's access to information, boosted by instant connectivity on an unprecedented scale and speed. Governments are responding to short-term demands of their citizens, who have been empowered by their access to information and opinion.

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1 Q 9
2 Q 213 (Sir Mark Lyall Grant)
3 Written evidence from the Foreign and Commonwealth Office (FPW0027)
4 Q 15
5 Q 198
6 Q 124 (Professor Gareth Evans) Henry Wilkinson also drew attention to the role of the financial crisis in the decline of faith in liberal democracy and capitalism. Q 34.
7 Q 198
8 Q 198 (Dr Niblett)

Box 1: The rules-based international order

The rules-based international order developed after the end of Second World War. It involves "a shared commitment by all countries to conduct their activities in accordance with agreed rules that evolve over time, such as international law, regional security arrangements, trade agreements, immigration protocols, and cultural arrangements."[9] It also involves a set of behavioural norms and customs, and the acceptance of restraints by states.

James Rogers, Director, Global Britain Programme, Henry Jackson Society, said the rules-based international order was "predicated on three different but interwoven components":

(1) "politically, it is comprised of liberal–democratic nation-states;"

(2) "economically, it involves globalisation, whereby the world is progressively linked together in a more integrated economic system; and"

(3) "diplomatically, it is founded on expectations of peaceful change, where its members structure their relations through a plethora of international laws and organisations."

It is "an attempt by a community of like-minded democratic states to 'domesticate' the international system in such a way that it becomes more like an international society, based on a clear set of rules, to try and prevent revisionist behaviour."

This system "is not 'natural' or permanent; its continued existence depends ultimately on the willingness of its members to uphold it and its principles, particularly when confronted by authoritarian states that seek to revise the rules or challenge the liberal assumptions on which it is based".[10]

Sir Mark Lyall Grant said there had been a "golden era" of the rules-based international order from 1989 to 2009. During this period:

> "We suddenly saw the UN Security Council unblocked, a number of new UN peacekeeping missions … the International Criminal Court, the Human Rights Council, a flourishing of women's rights and LGBT rights, a whole series of new institutions and new normative developments, particularly at the United Nations. What is striking about those developments is that they all went in a liberal direction."[11]

9. Robert Hannigan CMG, former Director, GCHQ, said there had been "a trend of states behaving in a way that suggests that they simply do not care about things they cared about 10 or 15 years ago". While "the past century was perhaps not a golden age", there had been "a degree of predictability about it, and there were certain red lines which most states stuck to in their own interests. That has been eroded.". Although "we are not necessarily at some great tipping point … there is fragmentation and fraying of that system".[12]

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9 The United Nations Association of Australia, *The United Nations and the rules-based international order* (2017): https://www.unaa.org.au/wp-content/uploads/2015/07/UNAA_RulesBasedOrder_ARTweb3.pdf [accessed 4 December 2018]

10 Written evidence from Mr James Rogers, Director, Global Britain Programme, Henry Jackson Society (FPW0026)

11 Q 207

12 *Ibid.*

10. Jeremy Hunt MP, Secretary of State for Foreign and Commonwealth Affairs, said "the world order is changing very dramatically." In the "30 years that followed the fall of the Berlin Wall in 1989", there had been "a general assumption that the march of democratic values was unstoppable," accompanied by a "general optimism". He said that "we are once again moving into a period in which we cannot have that complacency at all."[13]

11. Supporting the rules-based international order "has been a central narrative for the way in which Britain has understood its actions in the world".[14] According to the FCO, the rules-based international order

> "works for UK interests in multiple ways: promoting peace and prosperity through security and economic integration; encouraging predictable behaviour by states; and supporting peaceful settlement of disputes. It also encourages states, and a wide range of non-state actors, to create the conditions for open markets, the rule of law, democratic participation and accountability."[15]

Ms Maddox said the UK now found itself with the challenge of "trying to argue in its foreign policy for a rules-based international order, an argument that it thought it had won".[16] This was "undoubtedly a worrying trend for a country such as the United Kingdom which depends so heavily on" it.[17]

12. The multiple, intersecting changes explored in this report—the changing global balance of power, the transformative effects of new technologies and the impact on multilateralism—present a challenge for the UK, a medium-sized power with global interests.

This report

13. In Chapter 2 we consider the changes to the global balance of power and their causes, including changes since the election of President Trump, the increasing influence of China, Russia's approach to international relations and the role of other regional powers. In Chapter 3 we consider the proliferation of new technologies, from behavioural and social change to the changing nature of defence and security threats, the impact of technology on international relations and the balance of power, and the challenge of global cyber governance and regulation.

14. In Chapter 4 we explore the challenges facing multilateralism, and examine the impact on the United Nations (UN), the North Atlantic Treaty Organisation (NATO), the World Trade Organisation (WTO) and the Bretton Woods institutions, the growing importance of networks of states, and new non-Western organisations. In Chapter 5 we explore the UK's foreign policy capabilities, and how the foreign policy establishment should adjust and adapt its mindset, structures and diplomatic understanding to the totally changed world outlined in Chapters 2–4.

15. While the UK's withdrawal from the EU has significant foreign policy implications, it was not in itself the motivation for this inquiry. The wider

13 Q 231
14 Written evidence from Dr Tara McCormack, Lecturer in International Politics, University of Leicester (FPW0025)
15 FCO, 'Rules-based international system 2016 to 2017': https://www.gov.uk/government/publications/rules-based-international-system-2016-to-2017 [accessed 4 December 2018]
16 Q 198
17 Q 207 (Sir Mark Lyall Grant)

geopolitical shifts taking place around the world would be present regardless of Brexit, and the case for a rethink of British foreign policy predated the referendum. In this inquiry we focused on the transformative nature of new technologies as an important and relatively unexplored factor in international relations. We were not in a position to consider many of the other important changes and challenges to the international system, many of them having roots in the information revolution, leading to the rise of populism, nationalism, and major "problems without passports"[18] such as migration, climate change and resource scarcity. We were also not able to consider in detail the challenges facing the global nuclear order (which will be the focus of our next inquiry), or the threats caused by the development of chemical and biological weapons.

16. We took evidence on this inquiry from January to November 2018. Five committee members visited Washington DC as part of the inquiry; the summary of that visit and a transcript of evidence sessions at the Atlantic Council are online. We also held a roundtable with early-career experts, under the Chatham House Rule, the record of which is online. We thank all our witnesses, along with those who facilitated our visit to Washington DC.

18 Q 124 (Professor Gareth Evans). Professor Evans attributed this name for transnational issues to former UN Secretary General Kofi Annan.

CHAPTER 2: DISRUPTION AND CHANGE TO THE GLOBAL BALANCE OF POWER

17. There have been dramatic shifts in the global balance of power since the end of the Cold War, many of which have accelerated in recent years. Some of these shifts may prove temporary, while others are part of a long-term trend towards "a more multipolar world."[19]

18. Several witnesses suggested that the era of US dominance may be coming to an end. Xenia Wickett, Head of the US and the Americas Programme, Chatham House, said there was general acceptance in the foreign policy community in the United States of a "post-primacy world".[20] Dr Richard Haass, President, Council on Foreign Relations, said that the world needed to "retire" the term 'superpower' because "that degree of consolidated or concentrated power, that degree of primacy, is simply no longer available to the United States or anybody else." It was not likely that superpower dominance would be re-established as "too much has changed structurally in the world".[21]

The US

19. Examples of recent changes in US foreign policy include US withdrawal from the Joint Comprehensive Plan of Action (the Iran nuclear deal) and the Paris Agreement on climate change, US policy in the Middle East, the Administration's approach to alliances and the Administration's trade policy.

20. Witnesses considered whether President Trump's foreign policy was a 'blip' or part of a long-term trend. Lord Hague told us he did "not see President Trump as a revolution in American foreign policy." He said that in some areas President Trump had remained consistent with previous US policy—for example he had "been prepared to increase the American commitment in Afghanistan and to take military action in Syria", which was contrary to rhetoric during the 2016 election campaign.[22] Arun Pillai-Essex, Senior Political Risk Analyst, Verisk Maplecroft, said that on "key issues", "the Administration's tone and temperament" had changed but "the actions show behaviour that is more within conventional norms".[23] The Foreign Secretary did not think President Trump represented a new approach: he described current US foreign policy as "a return to a more muscular Republicanism of the sort we have seen in previous periods of American history, which is based on a desire to make sure that America's strength in the world is maintained."[24]

21. Lord Hague said that, "overall", President Trump was "accelerating rather than inventing some of the changes in American foreign policy."[25] Lord Ricketts said "the changes in Washington … are not entirely a result of

19 Q 33 (Jake Stratton)
20 Q 24 The concept of 'post-primacy' was discussed by the US Army War College in its publication 'At Our Own Peril: DoD Risk Assessment in a Post-Primacy World'. Strategic Studies Institute of the US Army War College, *At Our Own Peril: DoD Risk Assessment in a Post-Primacy World* (June 2017): https://ssi.armywarcollege.edu/pdffiles/PUB1358.pdf [accessed 4 December 2018]
21 Q 53 (Dr Richard Haass)
22 Q 10
23 Q 33
24 Q 232
25 Q 10

President Trump's victory … the gradual disengagement of US foreign policy in Europe and its pivoting towards Asia was a President Obama initiative."[26]

22. Other witnesses said there were some aspects of current US foreign policy that are particular to the current President. Ms Wickett said:

> "America's interests have not changed. Interests do not change, people change. So what we are going through right now with the current President is a manifestation principally of this President. We should be careful to separate out the implications of the individual from implications of the direction America is going in more broadly."[27]

Emily Thornberry MP, Shadow Secretary of State for Foreign and Commonwealth Affairs, likewise said "I do not think that the [UK's] alliance with America is wobbly; I simply do not think that President Trump reflects the values of the majority of the American people … I do not think that America has fundamentally changed."[28]

23. Dr Haass said President Trump was "the first President in the post-World War Two world who has fundamental issues or differences with the idea of the United States playing the leading or the foundational role in many areas of international relations, in supporting what is widely described as the liberal world order". While the US had "pulled back from that role", it had "not substituted something else for it."[29]

24. During our visit to Washington, some officials told us that a chaotic approach to foreign policy was as much a choice as a consequence of ill-preparedness. Another senior official told us that the President had promised disruption, and that he was delivering.[30] Ms Thornberry said the UK had "come to rely on the United States as being reliable, predictable and understandable. We now have a President whose very schtick is being unreliable", which had "a profoundly destabilising effect".[31]

25. Lord Ricketts said US foreign policy under President Trump had become more "transactional", with a focus on bilateral relations over alliances.[32] Dr Kori Schake, Deputy Director General, International Institute for Strategic Studies (IISS), noted two constraints on President Trump's hostile approach to alliances: first, he had been "dragged kicking and screaming by his Cabinet to behave slightly better." Second, he was "hemmed in by public attitudes": the American public, on the whole, supported traditional US alliances.[33] During our visit to Washington DC we were told by representatives of several different government departments, members of both parties in Congress and by a range of non-governmental figures that the US remained committed to these alliances.[34] We discuss this in greater detail in Chapter 4.

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26 Q 18
27 Q 21
28 Q 221
29 Q 50
30 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
31 Q 219
32 Q 15
33 Q 21
34 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

26. The US Department of Defense's National Defence Strategy, published in January 2018,[35] articulated a shift in US national security policy to prioritise 'great-power conflict'.[36] Dr Schake said:

> "A rising China and a declining Russia are both threats to [the US] in different ways and the Defense Department believes that our margin of military advantage, technologically and operationally, is being eroded because we have focused our effort on a different set of challenges."[37]

Sir Peter Westmacott GCMG, former Ambassador to the United States, told us that while global terrorism—the previous focus of US national security policy—generated the most public attention, "the rise of major powers … is probably a bigger global security challenge".[38]

27. Mr Pillai-Essex said that "when we look at the totality of the world and US foreign policy, the real energy is on trade and on linking it to national security … trade is the real, central agenda of this Administration."[39] For example, the US has imposed tariffs on products from a number of trading partners including China and the EU, citing national security concerns as justification. The US approach to the WTO is discussed in Chapter 4.

28. Dr Haass said greater protectionism in the US was a trend: "The consensus on free trade had started eroding before Donald Trump. Indeed, it was the only issue on which all three candidates, Donald Trump, Hillary Clinton and Bernie Sanders, agreed during the 2016 election. All three of them opposed the Trans-Pacific Partnership."[40] The Democrat legislators we met in Washington were more opposed to free trade than those of the Republican Party, although most legislators were concerned about the White House's approach.[41]

29. Marc Grossman, Vice Chairman, Cohen Group, and former Under-Secretary of State for Political Affairs, told us that the effect of President Trump's foreign policy on the world would depend to a considerable degree on whether his Presidency lasted for four or eight years.[42] Other witnesses too thought it was difficult to predict the impact of the current Administration's policies in the longer term without knowing whether President Trump would be re-elected, and what kind of Administration might come next.[43]

UK–US relations

30. The FCO told us that "our alliance with the United States remains our top priority and cornerstone of what we wish to achieve in the world." It acknowledged, however, that in some areas of foreign policy the current US

35 United States Department of Defense, *Summary of the 2018 National Defense Strategy of the United States of America:* https://dod.defense.gov/Portals/1/Documents/pubs/2018-National-Defense-Strategy-Summary.pdf [accessed 4 December 2018]
36 Q 15 (Lord Ricketts)
37 Q 23
38 Q 29
39 Q 34
40 Q 50. The Trans-Pacific Partnership has since been replaced by the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), a prospective 11 member trade agreement (that does not include the US), which is yet to enter into force.
41 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
42 *Ibid.*
43 Q 35 (Henry Wilkinson) and Q 188 (Sir Simon Fraser)

Administration "has set new directions … some of which differ from our own".[44]

31. The Foreign Secretary said that while he "would not want to minimise [the] long list of differences between British and American policy as just the odd blip", he also thought it was "important to say that the alliance between the United States and the United Kingdom is stronger than any individual Prime Minister or President". He cited "a shared view of the world and a shared set of values that are rock solid" as the basis for a strong UK-US relationship.[45]

32. Sir Peter Westmacott said some of the emerging differences between the UK and US were "of genuine concern to the United Kingdom."[46] Lord Hague nonetheless thought that "the coming decades will accentuate our dependence on the United States even while major differences arise."[47]

33. Many witnesses said the UK–US relationship could endure the current challenges. Sir Simon Fraser GCMG, former Permanent Under-Secretary of the FCO and Head of the Diplomatic Service, said it was important not to "exaggerate divergence", because the UK–US relationship was "structurally very strong": it comprised "a dense and complex set of relationships across many parts of policy, society and economic and individual life."[48] Sir Mark Lyall Grant likened the UK–US relationship to an "iceberg", in that "the massive majority of what binds the United Kingdom and the United States goes on below that higher political level"; such relationships have not been severely damaged.[49]

34. Lord Ricketts identified "some fundamentals that do not change and have not changed with the arrival of President Trump", namely "our strategic partnership with the US right across the defence area, including the very important area of nuclear, and the intelligence relationship". He said these were "absolutely vital pillars of our national security", which were not affected by the election of President Trump, "and it is very important that they should not be."[50]

35. Every government official and politician we met in Washington expressed their commitment to the UK–US relationship, with many emphasising its value to the US. Several non-government figures told us that the UK had a role to play in reminding the US of the importance of the rules-based international order.[51]

36. Dr Haass thought that the UK–US relationship was not as strong as it once was. This was "in no small part because the UK is as distracted as it is … Brexit is taking a lot of the oxygen out of the room in British public and political debate." He had concerns about the UK's military capabilities and willingness to engage them. The UK's 2013 decision not to take military action in Syria, according to Dr Haass, had raised questions about "Britain's

44 Written evidence from the Foreign and Commonwealth Office (FPW0027)
45 Q 232
46 Q 27
47 Q 10
48 Q 188
49 Q 205
50 Q 18. Mr Hannigan made a similar point Q 205.
51 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

reliability and its consensus to play a large role". He added that "a lot of history will play out in parts of the world, including Asia, where Britain has not been all that involved and does not have relevant capabilities."[52]

37. **The US Administration has taken a number of high-profile unilateral foreign policy decisions that are contrary to the interests of the United Kingdom. In particular, US withdrawal from the Paris Agreement on climate change, the Iran nuclear deal and the UN Human Rights Council, and the imposition of trade tariffs on its allies, undermine efforts to tackle pressing global challenges of critical importance to the UK. The Government's response of maintaining its commitment to these agreements and institutions has been the right one.**

38. **Below the political level, our witnesses asserted, the UK and US are deeply entwined through defence and intelligence links, and connections between officials, which should withstand political decisions by the Administration. The Government should reach out to those parts of American society which share our views and values; and the Government should increase support for the Marshall Scholarship scheme.**

39. **However, the difficulty the UK and its allies have faced in trying to influence the US demonstrates the challenge of working with the Administration. How damaging this will be to what has hitherto been the UK's most important international relationship will depend on whether the current approach is an enduring trend. Should President Trump win a second term, or a similar Administration succeed him, the damage to UK–US relations will be longer lasting; and the Government will need to place less reliance on reaching a common US/UK approach to the main issues of the day than has often been the case in the past.**

40. **Some of the foreign policy decisions of the US Administration do not stem solely from the election of President Trump—they represent a broader shift towards a more inward-looking US, which is less focused on the transatlantic alliance and multilateralism, and the sense of the US losing power to other sources. In its diplomatic relations with the Administration, the UK should distinguish between those aspects of current US foreign policy which are driven by the current President, and those which are part of longer-term trends of divergence from the UK.**

41. **The Government's response to US foreign policy decisions needs now more than ever to be closely co-ordinated with like-minded countries throughout the world.**

China

42. Lord Hague called President Xi Jinping's October 2017 speech to the Chinese Communist Party's National Congress[53] "the most important political event

52 Q 54

53 Xinhua, 'Full text of Xi Jinping's report at 19th CPC National Congress' (18 October 2017): http://www.xinhuanet.com/english/special/2017–11/03/c_136725942.htm [accessed 2 November 2018]

… of recent years". It was an entirely different speech … from anything delivered by a Chinese leader in modern times". He said President Xi:

> "declared that in two stages, to 2035 and then to 2050,[54] China will take centre-stage in world affairs, with not only the economic muscle but the corresponding military and political prominence, with world-class military forces and a system of government, defined as socialism with Chinese characteristics, in a moderately prosperous country".[55]

43. Professor Steve Tsang, Director, China Institute, School of Oriental and African Studies, told us that it had never been "a realistic prospect that, if and when China became rich and powerful, it would continue … keeping a low profile." China wanted to "claim its place in the sun." While China had been clearer in its desire to have a greater global role, "it has never been spelt out exactly what the rightful place for China would be" internationally.[56]

44. China's history is central to understanding its world view. Carrie Gracie, broadcaster and former China Editor, BBC, articulated what she called China's "victim psychology", based on the belief that for "two centuries [the Chinese] were the victims of terrible humiliation at the hands of foreigners, beginning with the UK."[57] Professor Tsang said China's imperial past, in which "peripheral countries of China were all paying homage to the imperial government in Beijing," informed China's desired contemporary relationship with its neighbours. This was causing concern in Asia.[58]

45. We heard of several reasons for China's new confidence. Ms Gracie raised the importance of the collapse of the Soviet Union and of regimes during the Arab Spring to China's political thought, and to the Communist Party's approach to its survival.[59] Professor Tsang suggested that the global financial crisis and subsequent political uncertainty in liberal democracies had emboldened China's desire to pursue an alternative development model.[60] Ms Gracie agreed: "I cannot stress enough how enormously the Chinese public mood has changed in relation to the approval rating for the idea of liberal democracy."[61] The West's 'challenges' had "provided opportunities for China to present itself, both inside and abroad, as politics that works pragmatically".[62]

46. Stephen King, Senior Economic Adviser, HSBC, demonstrated the scale of China's economic growth. In 1980 China's Gross Domestic Product (GDP) had been 2.7% of the world's total, while the US accounted for 25.8% and

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54 Before 2035 and 2050, there are two other important dates in China's transition. First, in 2021 the Chinese Communist Party will celebrate its centenary and hold its 20th Party Congress, and China's ambition is to be a 'moderately well-off society'. Another target for China, as set out in the 'Made in China 2025' policy, is to increase China's domestic output of core components and materials for high-tech goods, thus reducing its reliance on imports. Philippe Le Corre, 'China: Xi Jinping's 2021 Countdown', *Institut Montaigne* (18 December 2017): https://www.institutmontaigne.org/en/blog/china-xi-jinpings-2021-countdown [accessed 29 November 2018], and James McBride, 'Is Made in China 2025' a Threat to Global Trade?', *Council on Foreign Relations* (2 August 2018), https://www.cfr.org/backgrounder/made-china-2025-threat-global-trade [accessed 29 November 2018]

55 Q 11

56 Q 77

57 *Ibid.*

58 *Ibid.*

59 *Ibid.*

60 *Ibid.*

61 *Ibid.*

62 Q 78 (Carrie Gracie)

the UK 5.4%. In 2017, China accounted for around 15%, the US 24.5% and the UK 3.2%. He said that, "As a rough rule of thumb, that suggests that China is delivering economically every 10 years what it took the US every 50 years to achieve."[63] Sir Martin Donnelly KCB CMG, former Permanent Secretary, Department for International Trade (DIT), told us that "China's consumption patterns are becoming extremely important, not just in economic and business terms, and digitally, but in how trade lanes work and how naval power is used globally".[64]

47. George Magnus, former Chief Economist, UBS, told us China's geopolitical influence today is "unequivocally" a result of its economic success.[65] Stefania Palma, Asia Editor, *The Banker*, agreed, citing Chinese land reclamation in the South China Sea and the Belt and Road Initiative (BRI), Beijing's strategy to invest "between $900 billion and $1 trillion" in infrastructure in Asia and around the world, which was "considered to be the biggest infrastructure initiative that a single country has ever undertaken."[66]

48. China's BRI, which is shown in Figure 1,[67] was used by several witnesses as an example of China's geopolitical ambitions. Professor Michael Clarke, Senior Associate Fellow, Royal United Services Institute (RUSI), called it "a geopolitical game-changer."[68] Professor Evans said it was driven by "both geostrategic and very strong economic imperatives".[69]

49. Dr Monique Chu, Lecturer in Chinese Politics, University of Southampton, told us the two central motivations for the BRI are China's "energy insecurity"—China's desire to have "access to a sufficient and reliable supply of energy resources"—and a concern regarding "transportation security" stemming from the fact that the majority of China's oil imports pass through the Malacca Strait, a strategic choke point that could be controlled by a power hostile to China at a time of war.

50. The exact scope of the BRI is not clear. Kathryn Rand, Assistant Director, Great Britain China Centre, told us "pretty much every country out there … has been told at some point that it is at the end of one of the many roads involved".[70] Some countries, according to Ms Palma, have "officially signed up to the belt and road and endorsed it publicly", and others "have not officially signed up to it but … are already seeing projects that fit the B&R initiative."[71]

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63 Q 85
64 Q 188
65 Q 85. Lord Ricketts also made this point. Q 15.
66 Q 85.The Japanese Partnership for Quality Infrastructure has been described as its version of the BRI. In 2018, it was supported by government-backed agencies such as the Japan Bank of International Cooperation ($2.2 billion) and the Japan International Cooperation Agency ($69 million), with additional funds from the private sector. Trissia Wijaya and Yuma Osaki, 'Japan Doesn't Need to Compete With China's Belt and Road', *The Diplomat* (7 September 2018): https://thediplomat.com/2018/09/japan-doesnt-need-to-compete-with-chinas-belt-and-road/ [accessed 15 November 2018]
67 As well as China's investment through the Belt and Road Initiative, which largely focuses on Eurasia, Beijing has been increasing its investments around the world, including in Latin America. David Dollar, 'China's investment in Latin America', *Brookings*: https://www.brookings.edu/research/chinas-investment-in-latin-america/ [accessed 29 November 2018]
68 Q 5
69 Q 128
70 Q 90
71 Q 86

Figure 1: The Belt and Road Initiative

Source: Asia Times, '"Make Trade, Not War" is China's daring plan in the Middle East',: http://www.atimes.com/article/make-trade-not-war-chinas-daring-plan-middle-east/ [accessed 4 December 2018]

51. Raffaello Pantucci, Director of International Security Studies, RUSI, referred to the BRI as an "overarching" or "umbrella" concept, which had "in a way … put a name to something that was already going on", namely Chinese investment abroad. He cited several examples of initiatives that have been under way for decades now being considered a part of the BRI, including Chinese activity in Central Asia.[72]

52. Ms Palma told us "quite a few [BRI projects] are slowing down." There were several causes of these delays, including "social upheaval in response to greater Chinese involvement", problems with local bureaucracy and the absence of the necessary "soft infrastructure" in largely developing countries. Ms Palma also cited "the question of indebtedness" as a problem facing China's BRI. She said "a lot of the countries that are hosting these infrastructure projects are … developing countries and have very high government debt to GDP ratios". The "worst case" was Hambantota port in Sri Lanka, which China now owns, "partly because Sri Lanka was really struggling to pay back its debt to China". This indebtedness "questions the sustainability of this kind of project if Chinese development banks are lending to countries that fundamentally cannot afford to service debt."[73]

53. Several witnesses discussed Asian regional security in the context of China's growing power. Dr Chu told us that since 2014 China has been trying to introduce a "21st century security concept", the core of which argues "that Asians should manage their own security problems", implicitly excluding the US. Although "Chinese policy makers are very aware that it would take the PLA[74] a long time to catch up with its American counterpart" in terms of

72 Q 90
73 Q 86
74 The Chinese People's Liberation Army.

military capability, it was "hard to imagine that China will back down from its new assertiveness in its foreign policy".[75]

54. Mr Pantucci said that "China is now a global power, but it has regional consequences … it is changing the balance of power in that place." He gave the examples of central Asia, where "China is increasingly the more consequential actor", and the China–Pakistan Economic Corridor, a series of investments valued at between $50 and $60 billion. This project "means that when Pakistan is thinking, 'Who is our major ally at the moment? Who is the major power we have to deal with? Who is the one we can rely on?', it is no longer necessarily the West, Washington or even the United Kingdom, which is incredibly important for a country like Pakistan."[76]

55. Dr Chu said China's increasing assertiveness in the South China Sea, which has seen it press expansive territorial claims, including through building infrastructure on man-made islands, could result in an escalation of tensions in the short term. The US was "equally assertive in trying to hedge against the Chinese claims" through Freedom of Navigation Operations in which US air and naval forces demonstrate internationally recognised maritime rights by passing through claimed territory.[77]

56. Professor Katherine Morton, Professor of Chinese International Relations, University of Sheffield, said that while the US regarded itself "as a stabilising force in the region", China identified its "primary threat" as US and Taiwanese activity in the Taiwan Strait and "defending the maritime periphery". She said a question remained over "the extent to which [the US and China] will be able to arrive at some kind of accommodation and more equitable strategic relationship". She was concerned that "at the moment there seems to be no new policy agenda able to offset those rising tensions between Xi Jinping and President Trump".[78]

57. Professor Rosemary Foot, Emeritus Fellow, St Antony's College, University of Oxford, said the US–China relationship was "the key relationship … not only because they are both nuclear weapon states but because we are talking about the first and second largest economies in the world. So if this goes wrong it goes wrong for all of us".[79]

58. Mike Pence, Vice-President of the US, said in a speech on 4 October 2018 that China had "been moving further away" from the vision of "a constructive [US–China] relationship."[80] Professor Foot did not wish to overstate the danger, however. The 'Thucydides trap'—the theory that "when you have a dissatisfied rising power challenging the hegemonic status quo power, conflict arises"—had "been promoted very strongly in our media" in relation to the US–China relationship, but she was "not of that view, because I think there are actions that governments can take to ameliorate those kinds of conditions."[81]

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75 Q 91 (Dr Monique Chu)
76 Q 89
77 Q 91
78 Q 96
79 *Ibid.*
80 White House, 'Remarks by Vice President Pence on the Administration's Policy Toward China' (4 October 2018): https://www.whitehouse.gov/briefings-statements/remarks-vice-president-pence-administrations-policy-toward-china/ [accessed 4 December 2018]
81 Q 96

59. Sir Ciarán Devane, Chief Executive, the British Council, said China was also investing heavily in soft power, including through cultural institutes and scholarships.[82] Professor Tsang said China was "very keen on projecting Chinese soft power. The word 'project' is used deliberately, because they do not wait for soft power to emanate or emerge; they try to project it". He said that China's "network of Confucius Institutes" was "superintended by the propaganda department of the Communist Party".[83]

60. Several witnesses discussed the challenges China will face in continuing to grow economically and in geopolitical power. It faces demographic challenges as a result of a rapidly ageing population.[84] Its debt is more than 250% of GDP.[85] Mr Magnus told us that a lot of China's growth figures were "unreal", as they do not account for bad debts and investments. He said that had China accurately accounted for these then "growth would probably have been, in my estimation, about a third or more than a third lower".[86]

UK–China relations

61. The FCO said the UK had "a strong economic and global partnership" with China. It aimed to "encourage and support China's greater cooperation in helping resolve global challenges." The UK was "robust in defending our position on areas of difference, including on issues of human rights and values, on the South China Sea, and on the importance of Hong Kong's high degree of autonomy and freedoms."[87]

62. Lord Hague said the UK's approach to China should be to "find the right areas of partnership and as many areas of partnership as possible, including the development of other countries and climate change and many areas of economic and trade policy."[88] Mr Hannigan and Sir Mark Lyall Grant said there had been differences within the Government between those who emphasised the economic value of closer relations with China, and those who prioritised security concerns:[89] the UK had "veered between threat and opportunity over the past 10 years on China".[90] Ms Rand said the UK "seems to be driven by a responsiveness to China's rise as opposed to a sense of where the UK sees itself in the future and what our global leadership is."[91]

63. Lord Hague said the US–China relationship had implications for the UK's engagement with China. Growing tensions raised "important strategic questions, because at some stage, probably in the next decade, a President of the United States will have to decide whether to accommodate the rise of China or confront it, as a succession of island chains in the Asia-Pacific become untenable for the United States Navy to pretend it can operate in freely or ever protect."[92]

64. The Foreign Secretary said "we cannot stop the rise of China, nor should we seek to." He noted, however, the risks associated with a having "an existing

82 Q 144
83 Q 80
84 Q 85 (George Magnus)
85 Q 85 (Stefania Palma)
86 Q 85
87 Written evidence from the Foreign and Commonwealth Office (FPW0027)
88 Q 11
89 Q 206
90 Q 206 (Robert Hannigan)
91 Q 94
92 Q 11

power and a rising power" in the US and China respectively. He said that to avoid the 'Thucydides trap', it was necessary to "[maximise] understanding on all sides of each other's objectives."[93]

65. Dr Chu thought that while "China is viewed by Britain as a golden opportunity in a post-Brexit world", the UK should be "serious about its embrace of its ideals and norms, such as human rights, respect for international law and the rules of law". She said "diplomats and officials here should think carefully about the different facets of China today. China is not just a business opportunity. It is still an authoritarian state with a vast array of values and norms that are probably very different from ours."[94] Ms Gracie thought the Government was "engaging with China in a clear-eyed way", but it was "very important to speak up for one's values, assert where one's red lines are and be firm about adhering to them, because one's Chinese counterpart expects that."[95]

66. The Foreign Secretary said it was "also important for the Chinese to understand that, provided they do not threaten our values, we will be their best friend and will welcome their development and growth." On the approach the UK should take to raise concerns with China on human rights abuses, he said it was important to recognise that "you have to raise these issues differently with different countries … if we raise these issues in public [with the Chinese government], the truth is that the dialogue would stop."[96]

67. **China's growing economic and political power gives it global influence, and it has become increasingly regionally assertive. We welcome the Government's now long-standing openness to China: it is not in the UK's interest to treat China systematically as an adversary. But the Government must ensure that this relationship does not damage the UK's relations with the US or Japan nor efforts to forge a stronger relationship with countries like India.**

68. **While there are continuing concerns including China's human rights record and its behaviour in cyberspace, the Government should aim to work closely with China in finding responses to the main international challenges we face, such as climate change and freer and fairer world trade. But it should do so in a manner which is consistent with the rules-based international order, in particular international humanitarian law.**

69. **In the longer term, the Government will need to weigh up the strategic challenge posed by China's approach to its international role, and its impact on the rules-based international order, against China's growing economic significance.**

Russia

70. Dr Andrew Foxall, Director, Russia and Eurasia Studies Centre, the Henry Jackson Society, said that "Russia's behaviour over the past 20 years or so" had "obstructed our foreign policy objectives." Russian foreign policy was "aggressive … it: invades, and annexes territory from, its neighbours; supports separatist movements and militias in de facto and unrecognised

93 Q 233
94 Q 94
95 Q 83
96 Q 235

states; foments the spread of terrorism; and, engages in repeated acts of military sabre-rattling and economic coercion."[97] Paul Maidment, Director of Analysis and Managing Editor, Oxford Analytica, said it was "a tradition of Russian foreign policy just to disrupt and disconcert generally".[98] Dr Neville Bolt, Director, King's Centre for Strategic Communications, described "a kind of industrialised, systematic approach to destabilising, unsettling and making life uncomfortable, particularly for eastern European states"[99]

71. In our recent reports *The UK and the Future of the Western Balkans* and *The Middle East: Time for New Realism*, we reflected on Russia's role in both regions. In the Western Balkans we concluded that Russian influence was "of particular concern" as it had "[slowed] progress towards good governance and the region emerging as fully democratic." In the Middle East we concluded that Russia had "been able to both foment and to exploit the turbulence of the Middle East to gain considerable authority and leverage, which it is likely to wish to trade off in the global arena."[100]

72. Sir Andrew Wood, former Ambassador to Russia, said "we should be particularly cautious about drawing parallels between our experience of the Cold War and the experience we have now."[101] Sir Tony Brenton, former Ambassador to Russia, said that while using the term 'Cold War' in the current context was often unhelpful, we were now "in a slightly more dangerous situation because Russia *vis-à-vis* the West … does not have the conventional capacity to protect itself as it feels it needs to, and so the threshold of moving to nuclear weapons is lower."[102]

73. The motivations for Russian foreign policy were discussed by several witnesses. Some said that President Vladimir Putin's international assertiveness is popular with his domestic audience. Sir Tony Brenton said this stemmed from "the feeling [in Russia] that it had been systematically humiliated and neglected by the West, particularly the United States; and the determination that that would not happen to it again."[103] Sir Andrew Wood disputed that Russia had been intentionally humiliated; rather, "They were humiliated by their collapse, which is something different."[104]

74. Dr Oksana Antonenko, Visiting Senior Fellow, Institute of Global Affairs, London School of Economics and Political Science, said "the humiliation" Russia experienced in the 1990s was "unprecedented among our generation." She noted that the simultaneous Western engagement with the Yeltsin government in support of "what at that time was called the transition of Russia to democracy" had resulted in the "deeply rooted" perception amongst Russians that the West supported and encouraged Russian corruption and economic collapse. She said that in the early years of President Putin, Russia had supported Western efforts, such as the invasion of Afghanistan, and did

97 Written evidence from Dr Andrew Foxall, the Henry Jackson Society (FWP0005)
98 Q 6
99 *Ibid.*
100 International Relations Committee, *The UK and the Future of the Western Balkans* (1st Report, Session 2017–19, HL Paper 159) and International Relations Committee, *The Middle East: Time for New Realism* (2nd Report, Session 2016–17, HL Paper 53)
101 Q 101
102 *Ibid.*
103 *Ibid.*
104 *Ibid.*

not strongly object to NATO expansion. In return Russia felt it had been marginalised because the West believed it was too weak to be considered.[105]

75. A further reason for Russia's behaviour was its status as a 'declining power'.[106] Sir Mark Lyall Grant described Russia's behaviour as being:

> "a fundamental trend of a declining power that has very strong hard power but virtually no allies around the world and no soft power. That is why we are seeing the destabilisation of Russia's neighbours, the cyber-attacks,[107] the misinformation campaigns and the assassination of people who disagree with the Kremlin overseas."[108]

Dr Schake told us "Russia is not our peer. That is the essential thing to understand about why Russia is trying to destabilise civil society and politics in the United States … Russia is trying to recreate a sense of its own grandeur; it has chosen to do that by being a threat to us in the West."[109] Dr Lucas Kello, Director, Centre for Technology and Global Affairs, University of Oxford, explained Russia's "prioritisation of information warfare" as being rooted in its "understanding of its relative conventional weakness."[110]

76. Professor Alister Miskimmon, Head, School of History, Anthropology, Philosophy and Politics, Queen's University Belfast, and Professor Ben O'Loughlin, Professor of International Relations, Royal Holloway, University of London, highlighted the contradictions in Russia's position. It:

> "aspires to a great power status and indeed sits on the United Nations Security Council P5 yet lacks the economic dynamism and stability expected of a great power; and it simultaneously projects an aspiration to act as a good citizen contributing to the solution of collective problems (Syria, ISIS), while it also acts as a norm disruptor by occupying the territory of other nation-states and interfering illegally in other nation-states' democratic election processes."[111]

77. Turning to Russia's relationship with China, Dr Natasha Kuhrt, Lecturer, Department of War Studies, Kings College London, said "we should not overestimate" a Russian "pivot to the Asia-Pacific". Russia, she said, "still needs Europe." Dr Kuhrt acknowledged increased Chinese investment in Russia but noted that it still remained relatively low. Overall, Chinese support "has been extremely helpful to Russia in the difficult period after 2014."[112]

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105 Q 106 (Dr Oksana Antonenko)

106 Q 23 (Dr Schake), International Relations Committee, Record of roundtable discussion with early-career experts 27 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Early-career-expert-roundtable-note.pdf and Q 206 (Sir Mark Lyall Grant)

107 A cyber-attack is a malicious attempt "to damage, disrupt or gain unauthorised access to computer systems, networks or devices, via cyber means". This can include sabotaging an organisation's computer systems, disrupt services or infrastructure related to the system, accessing information on the system, or disabling the system completely. National Cyber Security Centre, 'NCSC glossary: cyber attack', 5 January 2018: https://www.ncsc.gov.uk/glossary [accessed 2 November 2018]

108 Q 206 (Sir Mark Lyall Grant)

109 Q 23

110 Q 6

111 Written evidence from Professor Alister Miskimmon, Queen's University Belfast, and Professor Ben O'Loughlin, Royal Holloway, University of London (FPW0015)

112 Q 106

78. Sir Andrew Wood said that the prospect of "getting rid of Putin is a very unreal one."[113] Sir Tony Brenton said it was important to understand the level of support there was in Russia for his foreign policy. Even if President Putin left in 2024, "we need to resign ourselves to a sort of Putin clone replacing him … [and] to assume that the Russia we have is the Russia we will have for some time to come."[114]

UK–Russia relations

79. The FCO said it was "severely concerned by the evolving spectrum of threats emanating from Russia. We are resolved to meet these challenges while remaining open to appropriate dialogue; we want to reduce risk, talk about our differences, and make clear that interference with sovereign states is not acceptable."[115] The FCO's written evidence came before the chemical weapons attack in Salisbury and the subsequent increase in diplomatic tensions with Russia.

80. The Foreign Secretary said that "Russia is one of the great powers of the world and that it is entitled to the respect that comes with that". However, its current behaviour was "not a way to gain respect". Russia had to understand that

> "if it continues on this path, countries with different values will react in concert from a position of strength. That is what we have been doing. You could argue that it has taken us too long to realise that that is what needs to happen, but we are doing that."[116]

81. Lord Ricketts told us the UK had "important commercial interests in Russia, not least BP, which seem to continue and should continue, but ever since the poisoning of Mr Litvinenko in the streets of London[117] I think we have been clear that we are up against a Russia that does not play by the rules that we have accepted and is taking a much more aggressive approach to relations with western Europe."[118]

82. Sir Tony Brenton said the UK needed to talk to Russia:

> "Like it or not, they are a major player in the world … we are not going to deal effectively with Islamic extremism, for example, without the Russians helping. We are not going to solve the current chaos in cyberspace … without the Russians being involved. We need to get into dialogue with them on those subjects. We in the UK are right at the back among major Western countries in looking for those sorts of dialogues."[119]

83. Dr Antonenko called Western sanctions against Russia "a substitute for policy." She said "policy-makers felt that something had to be done" following Russia's annexation of Crimea in 2014, but "there was no other option on table." Dr Antonenko said in the context of the Russian economy returning to growth that sanctions "are having no visible impact in Russia

113 Q 104
114 Q 101
115 Written evidence from the Foreign and Commonwealth Office (FPW0027)
116 Q 235
117 Alexander Litvinenko was a former officer of the Russian Federal Security Service, who was killed in November 2006. The investigation into his murder concluded that former Russian agent Andrey Lugovoy was responsible for his poisoning with radioactive polonium-210.
118 Q 20
119 Q 101

to the extent that could compel it to change its policies in Ukraine or indeed elsewhere".[120] Dr Kuhrt described Western sanctions against Russia as "an imperfect tool", however they "retain an importance in sending a message" and are important in the "conferral of pariah status" which "can have a significant effect".[121]

84. **Russia is a declining power that is increasingly willing and able to use both traditional and new capabilities—such as cyber capabilities—to act as a disrupter in international relations. It is no longer a role model for idealist focus as it was during the Soviet era. We commend the Government for successfully co-ordinating a strong international response to the chemical weapons attack in Salisbury. The UK should continue to work closely with its allies to counter Russian disinformation campaigns and deter its hybrid warfare tactics.**

85. **The UK must also, nonetheless, remain open to dialogue with Russia on issues of common concern, such as counter-terrorism and nuclear non-proliferation. And it should not allow the inevitable increase in tension following the Salisbury attack to prevent a better understanding of developments in a country which remains important for our foreign policy.**

Regional powers

86. Witnesses noted a number of other countries that may become more influential at either a regional or global level in future. Professor Clarke listed Iran,[122] Turkey, Brazil, Saudi Arabia, Japan and Australia as being either "emergent" or already "regionally important powers." Nigeria, South Africa, Indonesia and Mexico might also become more influential.[123]

87. Professor Evans said there was "a whole army of countries out there in Asia, Latin America and Africa that by definition are not big or powerful enough to change the dial themselves on anything but which, working through co-operative strategies, have sufficient capability—diplomatic and otherwise—credibility and creativity in the way they go about the business of international affairs to make a difference." He cited Australia, Canada, the Scandinavian countries, South Korea, Vietnam, Indonesia, Mexico, Brazil, Argentina, Chile, South Africa, Nigeria and Egypt as examples.[124] Given its size, status as a nuclear power and its historic relationship with the United Kingdom, its role as the largest member of the Commonwealth, and the significant Indian diaspora in the UK, we considered India, which the FCO described as "an economic powerhouse, with a growing role in Asian and international geopolitics".[125] The Foreign Secretary noted that the economies of India and China together "will exceed the GDPs of the entire G7 put together" by 2050.[126]

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120 Q 107
121 *Ibid.*
122 We considered the significance of Iran and Saudi Arabia as regional powers in our report *The Middle East: Time for New Realism*. Since its publication in 2017, we note that regional tensions have increased significantly, and the war in Yemen has escalated. International Relations Committee, *The Middle East: Time for New Realism* (2nd Report, Session 2016–17, HL Paper 53)
123 Q 7. He considered India already to be one of the four global powers.
124 Q 129
125 Written evidence from the Foreign and Commonwealth Office (FPW0027)
126 Q 240

88. Professor Evans said that India had "punched below its weight for a long time."[127] Rahul Roy-Chaudhury, Senior Fellow for South Asia, International IISS, told us that under the premiership of Narendra Modi, India was now espousing a more proactive and pragmatic foreign policy. It was seeking to be a "leading power", for example through moving away from the policy of 'non-alignment.' Prime Minister Modi was more outward looking in his approach, seeking to build stronger relations with a host of countries.[128] Professor Kate Sullivan de Estrada, Associate Professor in the International Relations of South Asia, University of Oxford, said this approach meant "there may be a lack of clarity on India's fundamental commitments geopolitically", but suggested this could be an intentional "balancing act" of "multi-alignment".[129]

89. Professor Sullivan de Estrada said India's foreign policy ambitions were "both global and regional." There were three lenses through which to view Indian foreign policy goals. Through the "economic lens", India was seeking global market access for its goods and services, labour mobility and the physical connectivity to ensure resource security. In the "security lens", India's ambitions were "primarily regional", but global in the context of being a nuclear state. In the "social lens of status", India was seeking "a role of consequence in world politics".[130]

90. Mr Roy-Chaudhury said Prime Minister Modi had "a 'neighbourhood first' policy". Economic development was "the key aspect" of his agenda; it was "essential that there is a stable region" to deliver this. The first aspect of this was its relationship with China because "it is India's greatest strategic challenge."[131] Professor Sullivan de Estrada said that while India did not disagree in principle with China's infrastructure investment strategy, it was concerned about the lack of consultation between Beijing and its neighbours.[132] Ms Palma told us "India has definitely not publicly accepted the belt and road, on the basis of sovereignty infringement" concerning China's investment in the contested Kashmir region.[133]

91. A second aspect is maritime security concerns. Mr Roy-Chaudhury said that "the Government believe that the Indian Ocean is important to India's security, which is why they have looked at supporting the interests of the smaller island states and developing policies in tandem with other countries using the Indian Ocean, which would also mean involving China at some point."[134]

92. A third issue is India's relationship with Pakistan. Mr Roy-Chaudhury said that, despite efforts by the Indian Prime Minister in the early days of his premiership, there had been no progress with the peace process at the official level since 2013. The nuclear aspect of the India–Pakistan relationship was a particular concern.[135] Professor Sullivan de Estrada said there were not many confidence-building measures in place between India and Pakistan, but there was an understanding on both sides that it would be in no-one's interest in south Asia for a nuclear exchange to take place.[136]

127 Q 130
128 Q 112
129 Q 113
130 Q 112
131 Q 115
132 Q 121
133 Q 86
134 Q 121
135 *Ibid.*
136 *Ibid.*

UK relations with India and other regional powers

93. The FCO said the UK's relationship with India was "central to our aspirations."[137] Professor Sullivan de Estrada, however, said that the UK had been "somewhat consigned to the back burner in India's foreign policy ambitions".[138] Mr Roy-Chaudhury said "What has changed … is that other countries are assiduously seeking to engage with India and they appear to offer more than the UK either has or is able to commit to."[139] There was "potent competition from the exporting states of Japan, France and Germany".[140] Mr Roy-Chaudhury noted Russia's enduring importance to India due to its supply of 60 to 70% of India's defence equipment.[141]

94. Professor Sullivan de Estrada told us that while the UK often thought about the views of Washington, Berlin or Paris, it needed to be better at asking "What will New Delhi think?"[142]

95. Mr Roy-Chaudhury said the relationship "from the UK side focuses primarily on trade and economic issues". These were "good things", but to elevate the relationship, the UK needed to focus on "the strategic content … security relationships, cybersecurity and military exercises". The Indian government's "mindset" was that "the UK is in second place and that it is interested only in trade issues that are beneficial to the UK". To begin, the UK "could say that the strategic relationship with India is of primary importance—a strategic relationship that includes the Indo-Pacific."[143] Mr Roy-Chaudhury told us that France had succeeded in strengthening its relationship with India in part because it had included "the nuclear dimension, the arms dimension and the space dimension." Mr Roy-Chaudhury identified one area of strength: the UK "is the favoured cybersecurity international partner for India."[144]

96. **The UK has prioritised economic and trade links with India, but the potential security relationship has been under-developed. The Government should seek to reset and elevate its relationship with India by focussing on strategic priorities such as cybersecurity and maritime issues in the Indo-Pacific.**

97. **The Government must recognise the negative impact of the restrictive UK regime for visas and migration on the UK-India relationship and soft power links between the two countries; and in the forthcoming White Paper and legislation on the UK's post-Brexit immigration policy should reshape policy with the objective of addressing India's concerns.**

98. **The Government should recognise the increasing regional influence of middle ranking emerging powers in Africa, Asia and Latin America and should work more closely with them in addressing problems and disputes arising in their regions. We welcome the Foreign Secretary's commitment to this objective in his evidence to us.**

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137 Written evidence from the Foreign and Commonwealth Office (FPW0027)
138 Q 116
139 *Ibid.*
140 Q 116 (Professor Kate Sullivan de Estrada)
141 Q 115
142 Q 119
143 *Ibid.*
144 Q 116

Europe and other likeminded partners

99. Many witnesses said that close ties with Europe, and the European Union, remain "paramount" to the UK.[145] Dr Niblett said "Britain's first circle of interest and influence, even outside the EU, will be via Europe … continental Europe [is] our first line of defence and interest."[146]

100. Sir Simon Fraser told us that "although we are leaving the EU, our policy naturally aligns with that of other European countries … Europe remains very important in the group of partners based on our geographical and values interests."[147] He went on to say "the core relationships this country is going to rely on will be with those that share our values and are our closest economic and security partners. They are in Europe, in North America and in other English-speaking countries … It would be very unwise for us to downgrade those relations in pursuit of new relations."[148] Ms Thornberry said the UK needed to work with "friends", and they were "people who share our values. A lot of them are in Europe, Canada, Australia and … in Japan too."[149]

101. The FCO told us that "many of our closest and most like-minded partners are members of the European Union, and our national interests will align in many areas with the interests of our European friends."[150] Deborah Bronnert, Director-General, Economic and Global Issues, FCO, highlighted the close UK co-operation with France and Germany following the chemical weapons attack in Salisbury and recent foreign and trade policy decisions taken by the US government.[151]

102. The Foreign Secretary said the UK had "huge values in common with our friends in Europe. We find that we are thinking along similar lines on many global issues. I do not want the diplomatic alliance we have with EU countries to change as a result of Brexit." He said "It really would be a big step backwards if, in the context of wanting to have that strong partnership in global affairs, friendly countries started erecting huge trade barriers between each other."[152]

103. **In the context of a strained transatlantic relationship, an increasingly assertive China, a disruptive Russia and broad shifts to the global balance of power, it remains firmly in the UK's national interest to maintain the strongest possible partnership on foreign and security policy with its likeminded European partners, both bilaterally and at an EU level, after Brexit.**

104. **The Government should place a renewed emphasis on building alliances across the world and engaging with networks of likeminded partners.**

145 Written evidence from Dr Kristan Stoddart (FPW0017). Also see Dr Niblett Q 199 and Sir Simon Fraser Q 188.
146 Q 199
147 Q 188
148 Q 191
149 Q 220
150 Written evidence from the Foreign and Commonwealth Office (FPW0027)
151 Q 150
152 Q 240

CHAPTER 3: THE TRANSFORMATIVE NATURE OF NEW TECHNOLOGIES

The proliferation of digital technologies

105. Dr Madeleine Albright, former US Secretary of State, and Chair, Albright Stonebridge Group, told us that the internet has been "a double-edged sword." While "it was supposed to be … democratising", it had "disaggregated people's views in such a way that it's actually hard to have political parties, and everybody has their own echo chamber".[153] Dr Bolt described:

> "one universal media space and all battles take place within that single global media space… It is endless feedback loops that circulate 24 hours a day, seven days a week, without end. Whether it is traditional or legacy media, such as television, radio, cinema and the press, or digital media, such as video games or all forms of cyber and social media, they are all interconnected and they all feed off each other. The difficulty is that inside that spaghetti junction [are]… echo chambers. … [in which] quite extreme discourses become normalised".[154]

106. Nima Elmi, Head of Policy Initiatives, World Economic Forum, said "emerging technologies … make us much more interconnected, integrated and interdependent."[155] Merle Maigre, then Director, NATO Cooperative Cyber Defence Centre of Excellence and former Senior Policy Adviser to the President of Estonia, said "the spread of broadband internet access, where every second person on earth is online" had resulted in states becoming "more vulnerable to the malicious-minded use of the internet".[156] The Women's International League for Peace and Freedom UK said that as a result of new digital technologies, "society has a much greater awareness of what is happening politically in the world, and better opportunities to develop transnational activism using social media and other digital technologies influencing decision makers."[157] Participants in the early-career experts roundtable noted the role that digital communication tools had played in allowing collective action to undermine elite authority, most recently with the #MeToo movement. However, they said that some governments had effectively harnessed them to extend state control.[158]

107. During our visit to Washington, officials from across the Administration and legislators from both parties were concerned that the disaggregation of information and the loss of trusted sources was making it difficult to govern. One senior official expressed concern that a significant minority of Western citizens was increasingly believing in conspiracy theories about their own

153 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

154 Q 1

155 Q 71

156 Q 65. In January 2018, there were 4.021 billion internet users, of a global population of 7.593 billion (53%). We are social, 'Digital around the world in 2018': https://wearesocial-net.s3.amazonaws.com/wp-content/uploads/2018/01/DIGITAL-IN-2018–001-GLOBAL-OVERVIEW-V1.00.png [accessed 27 November 2018]

157 Written evidence from The Women's International League for Peace and Freedom (FPW0023)

158 International Relations Committee, Record of roundtable discussion with early-career experts 27 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Early-career-expert-roundtable-note.pdf

governments and adversaries, which affected the Administration's ability to achieve broad public support for aspects of its foreign policy.[159]

108. The Foreign Secretary said that technology was "already making its presence felt" and would be a "huge change" in the coming decades.[160] Lord Hague told us that there were major global events that could not have happened were it not for the arrival of digital technologies:

> "One of the earliest and most obvious examples of this was the Arab Spring at the beginning of 2011 … That would have been impossible to do 10 years before, before the rise of Facebook. Maybe a revolution would have happened in some other way at some other time but it could not have happened in that way or with that speed. There are many other examples of other political leaders arising, such as President Trump, who probably could not have been elected without social media, and the rise of ISIL, or Daesh, with a global franchise of terrorist activity, which would have been impossible to run 10 years before."[161]

An earlier stage in the global communications revolution was the development of 24–hour news cycles, which accelerated the development of similar events in the Russian Federation and Eastern Europe towards the end of the Cold War.

109. Dr Haass took a different view: "technology is a part of" the "greater disarray" in the world but he "would not exaggerate its significance."[162] Dr Andrew Futter, Associate Professor in International Politics, University of Leicester, said "we need to make sure that we focus, even in this era of emerging technology and lots of new challenges, on people. It is people who will write the code, build these systems, make decisions based on them and operate them. We have talked about the technology part, but the human interaction with the technology is important as well."[163]

The nature of defence and security threats

110. Dr Kello told us that it was now possible to do "significant harm to a nation's political, economic and social life without firing a single gun." The advent of cyber capabilities had brought the world to a state between war and peace, which he termed "unpeace". There existed "mid-spectrum activity, the consequences of which are not overtly violent or destructive in the way that traditional acts of war are, but nor are they tolerable in the way that traditional peacetime competition is."[164] Lord Hague gave Russian activity in eastern Ukraine as an example of the difficulty facing governments in being able to say what is and is not a "state of war". Russia had been able to combine

159 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

160 Q 231

161 Q 9.Another example of the use of digital communication tools during significant international events was the use of social media by Turkish President Recep Tayyip Erdoğan during the attempted coup in July 2016. President Erdoğan used the video communication platform FaceTime and the social media platform Twitter to encourage his supporters to protest against the ongoing coup attempt, which contributed to its failure. Merhul Srivastava, 'How Erdogan turned social media to help foil coup in Turkey', *Financial Times* (16 July 2016): https://www.ft.com/content/3ab2a66c-4b59-11e6-88c5-db83e98a590a [accessed 27 November 2018]

162 Q 50

163 Q 170

164 Q 1

"deniable military actions, non-attributable social media operations and cyber-attack", which had allowed Moscow to blur "the distinction between war and peace."[165]

111. The FCO said this "rise of disinformation and hybrid threat[s] poses a major challenge to governments and democracies around the world."[166] General Sir Adrian Bradshaw KCB OBE, former Deputy Supreme Allied Commander Europe, NATO, said this was not wholly new: there had "always been this phenomenon of hybrid warfare because, at a strategic level, if you want to achieve big strategic ends, you have to combine the levers of national and collective power". There were now "new elements within this, particularly cyber and a rather different information environment to the one that pertained decades ago".[167]

112. Cyber capabilities have changed the nature of security policy. Dr Kello said "the objective of security policy" had been "to keep your adversary outside. That is certainly true of conventional military doctrine. Today, in the cyber context, it has to be a starting assumption of security policy that your most persistent adversaries are already living inside your vital infrastructure, and you might not even know about it."[168] Box 2 outlines a cyber-attack—NotPetya, in Ukraine—and its consequences.

Box 2: The NotPetya cyber-attack

A notable example of the use of cyber capabilities to disrupt was the NotPetya attack, which took place in Ukraine in June 2017.

NotPetya malware was used by hackers to compromise a piece of accounting software needed by Ukrainian companies to file their tax returns. Since the software was required by the Ukrainian government it had been installed on most businesses' computers in Ukraine, hence the impact of the malware was extensive. The malware was undetected for four days, in which time it spread across every network, disabling about 10% of government computers and 10–12% of businesses.[169]

The consequences for daily life in Ukraine were wide-ranging. The effects included:

- There was an estimated loss of up to 0.5% of GDP;[170]
- Medical staff were unable access patient records, so treatments were delayed;
- Banking systems were significantly affected, including the use of bank cards and ATMs, and the ability of people to access their accounts;
- Retail businesses were unable to sell to customers due to the disrupted financial systems;

165 Q 9
166 Written evidence from the Foreign and Commonwealth Office (FPW0027)
167 Q 180
168 Q 1
169 Q 58 (Hugh Milward)
170 Marc Jones, 'Ukraine expects IMF tranche, market return in autumn', *Reuters* (5 July 2017): (https://www.reuters.com/article/us-ukraine-economy-finmin-idUSKBN19Q1L9 [accessed 4 December 2018]

- Businesses faced irretrievable data loss, which severely affected their operations. Some businesses subsequently closed;
- Infrastructure including electricity was disrupted; and
- Broadcasters were unable to broadcast.[171]

Analysis found that the attack "masqueraded as a criminal enterprise but its purpose was principally to disrupt", and targeted Ukrainian financial, energy and government sectors. Its indiscriminate design caused it to spread further, affecting other European and Russian business.[172]

On 15 February 2018, the attack was publicly attributed to the Russian government by the UK Government, after analysis by the National Cyber Security Centre. Other nations including the US and Ukraine also publicly attributed the attack to Russia and condemned it.[173]

113. The Joint Committee on the National Security Strategy identified the threat posed by the possibility of cyber-attacks on the UK's critical national infrastructure in its report *National Security Capability Review: A changing security environment*.[174] Dr Madeline Carr, Associate Professor of International Relations and Cyber Security, University College London (UCL), cited the "paradox of the information age" that "the states that have integrated digital technologies into their infrastructures most successfully are most vulnerable to the threats that they present." This paradox undermined a previous belief that the "state with the most advanced technology" was most dominant in conflict.[175]

114. Ms Maigre gave a different opinion: while "we often hear that you can have either online freedom or online security", Estonia's experience following its 2007 cyber-attack,[176] showed that "you can have both". It had, since the attack, expanded the role of digital technologies in the provision of government services. It was possible to "be transparent and have online freedom while maintaining vigorous cybersecurity rules and procedures".[177]

115. Participants in the early-career experts roundtable said the threshold for conflict had been lowered in part due to the difficulty of attributing actions

171 Q 58 (Hugh Milward)

172 Foreign and Commonwealth Office, National Cyber Security Centre, and Lord Ahmad of Wimbledon, 'Foreign Office Minister condemns Russia for NotPetya attacks' (15 February 2018): https://www.gov.uk/government/news/foreign-office-minister-condemns-russia-for-notpetya-attacks [accessed 4 December 2018]

173 *Ibid.*

174 Joint Committee on the National Security Strategy, *National Security Capability Review: A changing security environment* (First Report, Session 2017–19, HC 756, HL Paper 104) The Joint Committee has reported on the Government's approach to ensuring the cyber security of UK critical national infrastructure, in particular how it works together with private-sector operators and industry regulators in doing so. It recommended the appointment of "a Cabinet Office Minister designated as cyber security lead who, as in a war situation, has the exclusive task of assembling the resources—in both the public and private sectors—and executing the measures needed to defend against the threat". Joint Committee on the National Security Strategy, *Cyber Security of the UK's Critical National Infrastructure* (Third Report, Session 2017–19, HC 1708, HL Paper 222)

175 Q 44 (Dr Madeline Carr)

176 The attack—including spam sent by botnets and automated online requests which overwhelmed Estonian servers—severely affected the Estonian government, banks and media outlets over several weeks. Damien McGuinness, 'How a cyber attack transformed Estonia', *BBC News* (27 April 2017): https://www.bbc.co.uk/news/39655415 [accessed 4 December 2018]

177 Q 66

in cyberspace to specific state actors.[178] Dr Carr said that while it was often possible to attribute the geographic source of a cyber incident, i.e. to a specific location on the planet, it "can be very difficult or impossible to attribute cyber incidents conclusively to an actor".[179] Dr Gianluca Stringhini, Associate Professor in Computer Science and Crime Science, University College London, said "the difference between cyber weapons—the code that is exploiting vulnerabilities and computers—and traditional weapons is that, once a cyber-attack is launched, the other party can essentially intercept your tech traffic, re-weaponise it and use it later against someone else." For example, "Wikileaks leaked alleged evidence last year that the CIA was using code from other countries to attack third parties and make it look as though another country was responsible for it. This creates many challenges for diplomacy, because someone might suddenly be blamed for an attack that they did not commit."[180]

116. Several witnesses said the challenge of attribution was further complicated by the role of non-state actors. Dr Stringhini told us that "People can attack victims from far away, hide their tracks … make it look as though it is another nation state performing the attack. Often, the two groups are not 'disjoined', so we are witnessing non-state actors collaborating with national states to perform cyber warfare, if you like."[181] Ms Maigre told us that "very often, the attacks themselves are conducted by non-state actors". The target states then needed to consider how to establish a line of command between the state and the non-state actor.[182]

117. General Sir Adrian Bradshaw told us that this made it difficult for states to determine how to respond. He said "deterrence in the cyber world" was "incredibly hard to achieve":

> "You have the difficulty in identifying who is doing what. Then, if you are dealing with non-state bodies or if it is difficult to attribute the activity to a state, you have the question of whether it is appropriate to respond in a way that damages the host state when you cannot get at the unidentifiable body that is attacking you."[183]

118. Lord Hague said that, in light of the challenges of attribution, there were "some suggestions that the burden of proof should be lessened so that we can do without conclusive technological proof that can attribute an attack and rely on evidence such as who had the motivation or which actor had the capacity or stood to gain most from such an attack." He said this was "a worrying trend, as it leaves us open to these things being spoofed. If we no longer rely on conclusive technological evidence of an attack and rely instead on factors that can be faked, we leave ourselves open to responding to an attack that we should not respond to".[184] We discuss NATO's response to cyber threats in Chapter 4.

178 International Relations Committee, Record of roundtable discussion with early-career experts 27 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Early-career-expert-roundtable-note.pdf
179 Q 44
180 Q 63
181 Q 61
182 Q 67
183 Q 183
184 Q 44

119. Ms Maigre explained that the process of attribution did not rely on "digital forensics" alone. It could "also be based on intelligence, including reliable human intelligence; strategic context, patterns of activities, and the modus operandi of states and their motivations."[185]

120. Dr Andrew Futter told us that cyber threats had made existing "instruments of hard power more vulnerable."[186] For example, it was reasonable to assume that there would be state actors who would want to compromise the UK's nuclear deterrent. Dr Futter distinguished between "intention and capability" but said "the truth is that it can never be invulnerable. No one could say that it is impossible that that submarine, that missile, that warhead and the people involved could be attacked or compromised in some way." Explaining how this might happen, Dr Futter highlighted the Stuxnet cyber-attack, which was able to jump 'the air gap'(the term for operating systems that are not connected to the public internet):

> "If we take the analogy and call this a sea gap, just because the submarine is somewhere in the north Atlantic on the ocean bed does not mean that it has not been compromised before, at the manufacture stage or with a whole host of other suppliers. Do I think this is likely? No. Is it possible? Yes, probably."[187]

General Sir Adrian Bradshaw disagreed; he did not think it was possible "because our nuclear capability is physically protected."[188]

121. Several witnesses discussed the possible comparison between the proliferation of offensive cyber capabilities today and the development and proliferation of nuclear weapons during the Cold War. Mr Maidment said there were "interesting parallels between the two."[189] Dr Kello emphasised "the sheer speed and volatility of change":

> "If one compares it again to the nuclear context, one sees that nuclear weapons today are not much different to what they were in the 1970s, largely as a consequence of legal and institutional freezes on the development of those weapon systems. In the cyber context, what was a sophisticated artefact a few years ago might seem crudely unsophisticated and outmoded today."[190]

122. When asked whether there were lessons to be learned from the development of a protocol on responding to the threat of nuclear weapons, General Sir Adrian Bradshaw said we should be careful:

> "First, with nuclear weapons, rather more obviously their use results in massive destruction straight away. The potential damage is almost unimaginable. The difference is that with cyber warfare there is a matter of degree. A cyber-attack could be relatively mild; it is difficult to imagine a relatively mild nuclear attack. So it is a slightly different scenario in terms of proportionate response. There are other differences. In order to get on to the nuclear team, you have to have certain resources, technical and financial, and there are some really difficult hurdles to get

185 Q 67
186 Q 163
187 Q 167
188 Q 181
189 Q 1
190 *Ibid.*

> over. That is less the case with cyber; you can get in at entry level with much more modest resources, which is why it is a possibility for so many different nations."[191]

123. Franklin D. Kramer, former US Assistant Secretary of Defense for International Security Affairs, told us that while "cyber has gotten the most attention" there were a lot of challenges caused by other new technologies to consider.[192] Dr Ulrike Esther Franke, Policy Fellow, European Council on Foreign Relations, gave the example of the already "widespread use of military drones on battlefields around the world." Drones have "changed our battlespace awareness" with soldiers now able to maintain "24/7 surveillance and reconnaissance" and able to "be directly involved in battle while being very far away."[193]

124. Some witnesses discussed the prospect for and challenges caused by increased automation on the battlefield, an issue discussed in the House of Lords Artificial Intelligence Committee's report, *AI in the UK: ready, willing and able?*[194] Dr Franke said "fully autonomous weapons" did not yet exist: "We do not have the kind of killer robot-type weapons where artificial intelligence is used to find targets and engage them. But there are some plans to develop these."[195] Dr Futter gave the example of a recent announcement by Russia that it was considering developing a "nuclear-armed submarine drone". This would "essentially be an autonomous nuclear-weapon system. It would be very hard to see how it would be controlled or have much human oversight."[196]

125. When considering whether new technologies have revolutionised warfare, Dr Futter said they had "reinforced and augmented hard power rather than shifting it… [Cyber] has been a force multiplier of many things." Digital technologies were having the biggest impact

> "in support systems: greater intelligence collection capabilities, perhaps through drones; better command and control communications; greater precision; and situational awareness through satellites and other technologies. All these have made the use of hard power and force more doable and at least given different options and flexibility in what countries are able to achieve."[197]

126. Dr Franke said that, while technology was significant, the human aspect should not be forgotten: "it is important to understand that we may be adding more layers to the battle space but, in the end, to put it bluntly, it will still probably come down to 18-year-old soldiers dying somewhere in the mud". She thought that "in the next big confrontation, the first attack will probably be cyber and then we will have machines, drones, autonomous weapons of

191 Q 181 (General Sir Adrian Bradshaw)
192 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf
193 Q 163
194 Artificial Intelligence Committee, *AI in the UK: ready, willing and able?* (Report of Session 2017–19, HL Paper 100)
195 Q 163
196 *Ibid.*
197 *Ibid.*

whatever kind fighting the first attacks, but it will always end up with actual people being in war."[198]

127. According to one senior US official during our visit to Washington, "a cultural change" had been needed in the Administration. They told us that the economic and security effects of new technologies had previously been considered entirely separate. Senior officials told us that 'cyber security' and the 'digital economy' were now considered part of the same policy issue where possible.[199]

The rising power of technology companies

128. Mr Maidment told us "We have a world in which political power is fragmenting and new nodes are beginning to form, while economic power is concentrating. You see that happening very clearly with large multinational tech companies."[200] Sir Mark Lyall Grant said that "the Government can no longer keep their citizens safe from cyber or terrorism … over recent years the Government have increasingly relied on companies and individuals in order to help them keep the people safe."[201] Mr Hannigan said that technology companies "own the infrastructure of the internet",[202] and some of them "have a larger turnover" than many states.[203]

129. Professor Clarke told us that power was concentrated in cyberspace: "Microsoft and Apple are more or less a global duopoly; Facebook, Amazon and Google are near-monopolies."[204] We were told that Sir Tim Berners-Lee, inventor of the worldwide web, had recently warned that technology companies are "unaccountable and unknown to the general public" and that we should be concerned about the "the concentration of power in companies such as Facebook and that a handful of platforms … control which ideas and opinions are seen and shown".[205] Dr Franke said that in the defence and security sector the development of drones was an example of the "commercial sector catching up if not overtaking the military sector."[206]

130. Hugh Milward, Senior Director, Corporate, External and Legal Affairs, Microsoft, disagreed with the idea that technology companies are not accountable. He said that Microsoft, for example, is accountable both to its shareholders and customers, and "to every government in whose jurisdiction we operate". He said there was "a responsibility that comes with the ubiquity of technologies … When we are in people's homes and offices, we have a responsibility to behave in a certain way."[207]

131. Our witnesses identified two areas where the private sector could play an important role. First, Professor Maura Conway, Professor of International

198 Q 163
199 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
200 Q 3
201 Q 210
202 Q 213
203 Q 218
204 Q 1
205 Q 72 (Dr Becky Faith)
206 Q 168
207 Q 56; another example of this is the publication of Google's seven principles on development of artificial intelligence: 'AI at Google: our principles', Google (7 June 2018): https://www.blog.google/technology/ai/ai-principles/ [accessed on 4 December 2018]

Security, Dublin City University, said social media companies had a significant part to play in dealing with the use of the internet by terrorist groups. The response of these companies had "not [been] what many governments and policymakers thought it ought to be." She said that progress had been made in recent years, but there were "governments and policymakers who still do not think that the response is sufficient".[208]

132. Second, there was a role for private companies in defending against cyber threats. Mr Hannigan said that the "key insight, which we probably came to late but more quickly than most others, was that governments cannot do this … this is really about the private sector. This is about the economy. The attacks are on the economy. The data is in the economy."[209] Sir Mark Lyall Grant said the Government had established the National Cyber Security Centre (NCSC), the agency of GCHQ responsible for supporting the public sector, industry and businesses with their cyber security, to help deal with this issue.[210]

The impact of technology on the balance of power

133. Witnesses discussed the ways in which new technologies have affected the balance of power. Sir Tony Brenton called cyber a "poor man's weapon";[211] it had lowered the 'barrier to entry' into international relations. Mr Maidment said "International relations have not been immune to the cheap digital revolution that the commercial and business world has experienced. That also means now that very small numbers of people can become international actors in international affairs in a way they never could in the past."[212]

134. A second area was Russia and China's use of technology. A US government official told us that new technologies had allowed an "asymmetrical shift in the balance of power" towards Russia.[213] As we discussed earlier in this chapter, the emergence of a cyber theatre in international relations has allowed for disruptive and aggressive acts to take place below the threshold of war. For example Russia "knows it would lose" a war with NATO,[214] but had been prepared to conduct cyber-attacks.

135. An official in Washington told us that the US, and the wider West, had been on the defensive in cyberspace for "the last 10 years", and predicted this would remain the case for the next decade. Another senior official said the US remained concerned that emerging technologies could allow an adversary to "quickly challenge" the US and its allies.[215]

136. Ms Maigre was less pessimistic: "the picture is not that gloomy … We see that nations have been quick to adapt to the new threats and are taking steps to enhance their posture in cyberspace." She concluded that "the balance of power in international relations remains unchanged in principle". However,

208 Q 64
209 Q 213
210 Q 210
211 Q 103
212 Q 1
213 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
214 Q 102 (Sir Tony Brenton)
215 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

this balance had "shifted significantly in relation to the distance. Distant objects can now be targeted with cyber-attacks within seconds."[216]

137. Professor Clarke thought that "the control of so much cyberspace still resides—at the moment—in Western societies," giving Western countries power.[217] However, Mr Maidment thought that "control of cyberspace" was "already being distributed out to Asia. The largest Chinese e-commerce company is already larger than Amazon." China, and other authoritarian states, had a greater degree of control over its national technology companies.[218] Although it remained far behind the US in terms of military power (as discussed in Chapter 2), Dr Chu highlighted the potential for emerging technologies to give it "first-mover advantage":

> "I want to highlight … China's vast investment in quantum technologies[219] in recent years. This has been identified by the Pentagon as one of the most important emerging technologies, and any country that wants to lead the next military race will have to try to enjoy first-mover advantage in this particular area."

She said that if China were to develop quantum capabilities before the US, "we are likely to see a very important shift in the balance of power." [220]

138. At present, however, "the US still leads in military terms, as well as in quantum technologies and artificial intelligence; it still has a very strong private sector, with very able firms able to lead".[221]

139. Third, several witnesses spoke of cyber espionage as having the potential to affect the balance of power. Dr Futter said it was possible for state actors to "invest in cyber espionage, trying to steal secrets about weapons design".[222] Several witnesses referred specifically to Chinese cyber espionage. Dr Kello said there had been an incident where "Chinese agents stole through cyberspace several terabytes of data, including the stealth engine designs of the F-35, the most expensive and longest-running weapons programme in the United States." It had then "built, at a much lower cost and in a shorter time, the J31 aircraft, which, according to some analysts, is aerodynamically superior to the F-35."[223]

140. Fourth, Dr Ulrike Franke said that by removing more people from the battlefield, increased automation could mean "that players that were not as strong before because they did not have as many people … could become

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216 Q 65
217 Q 1
218 Q 1 (Paul Maidment)
219 Quantum technologies are those that use quantum mechanics to achieve a performance that would otherwise be unattainable. In classical computing a 'bit'—a single piece of information—can exist as either a 1 or a 0, but quantum computing would allow information to exist in multiple states, or 'qubits', as the subatomic particles it would use are able to exist in more than one state at the same time. Developers hope that this would result in computers that are significantly more efficient and sophisticated in their processing of information, and thus better able to solve complex problems. It is anticipated that advances in quantum technologies could allow for significant leaps in scientific discovery, including the ability to model complex chemical reactions, map weather patterns, improve navigation and significantly expand the ability to encrypt, and thus also hack, data.
220 Q 93 (Dr Monique Chu)
221 *Ibid.*
222 Q 167
223 Q 5

stronger because the impact of the number of people may become less important."[224]

141. Fifth, technologies have empowered non-state actors. Professor Conway told us that terrorist groups were using the internet to increase the impact of their existing activities, as well as potentially allowing them to engage in "so-called cyberterrorism".[225] Dr Stringhini said "organised criminals, non-state actor adversaries, are using technology and the internet to perpetrate crimes."[226] As discussed earlier in this chapter, non-state actors sometimes cooperate with state actors, further complicating the issue.

142. Finally, some witnesses highlighted more positive changes to the balance of power resulting from technology. Ms Elmi said developing countries have been able to use new technologies to "leapfrog" stages in their development. Ms Elmi gave the example of the use of mobile technologies to give people access to financial services.[227]

143. **The relatively low cost of some cyber capabilities is one more technological factor that has created an asymmetrical shift in the balance of power. Russia, for example, is able to disrupt international affairs despite its declining economic position.**

144. **Increased connectivity increases the vulnerability of critical national infrastructure to attack.**

145. **Major developments in emerging technologies, such as artificial intelligence and quantum computing, by China and other rising powers could further alter the balance of power.**

Technology's impact on international relations

146. Dr Carr thought that "Digital technologies have fundamentally undermined the social nature of international relations because of the capacity for anonymity and the problems that attribution brings". The "mechanisms that we use to address challenges—diplomacy, international law, political conflict—all rest on the fundamental principle that we know who we are engaging with and we understand that there is that social element to international relations." She viewed "that difficulty of not knowing who we are interacting with" as "the most challenging aspect of international relations in the information age".[228]

147. Sir Simon Fraser said that while new technologies have given the opportunity for greater people-to-people relations, "when you are conducting international affairs, in the end they are international; they are between nations and between governments, whether expressed through bilateral or multilateral relationships and instruments."[229] Lord Ricketts told us that foreign policy making was "now much more influenced by and open to contest from a whole range of different sources" but "foreign policy, defence and national security policy come down to the policies of governments".[230]

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224 Q 163
225 Q 61
226 *Ibid.*
227 Q 71
228 Q 43
229 Q 191
230 Q 15

148. Lord Ricketts said governments "have faced propaganda and efforts to influence public opinion for ever. But it has intensified and become sharper and more aggressive with the advent of our connected world, and with it the opportunity for states and other groups to try to hijack democratic processes and turn them to their advantage and to manipulate the free media. It is definitely a factor."[231]

149. Professor Evans took a different view of the significance of new digital technologies in international relations:

> "The digital revolution has been used as an excuse for everything, with 24/7 media cycles and people's passion for Twitter and 140-symbol communication being seen as a dumbing down—an inability to cope with complexity—which is at odds with the kind of complexity and give and take necessary to operate a multilateral agenda. I hear this all the time; we all do. But I think it is an excuse rather than an explanation."

He thought the best approach was not to be "too spooked by these new phenomena".[232]

150. Lord Hague discussed the effect that new technologies have had on national sovereignty. Digital technologies had "opened up new types of action in international relations, in some areas, blurring the distinction between war and peace"—as discussed earlier in this chapter—and "making it easier to intervene in the affairs of another state."[233]

Technology's impact on the conduct of diplomacy

151. Dr Constance Duncombe, Lecturer, Politics and International Relations, Monash University, said social media was "now an important tool of diplomacy". Both "Government leaders and diplomats are increasingly using social media platforms such as Twitter, Facebook and Instagram to communicate with their counterparts".[234] Tom Fletcher CMG, former Ambassador, and Visiting Professor in International Relations, New York University, gave the example of the British Ambassador in Cairo, John Casson, who has over one million Twitter followers.[235] Diplomacy was experiencing an "evolution" due to new technologies.[236]

152. Several witnesses commented on the relatively recent ability for world leaders to communicate directly with each other using new technologies. Lord Hague speculated that President Trump is likely to be in touch with other world leaders through WhatsApp. Had "Ronald Reagan wanted to talk to a Middle Eastern leader", then "he could not have done so without his officials and the State Department knowing what he had said". In contrast, "President Trump can do that now. When American policy gets confused over relations between the Gulf states—the recent events in Qatar, for instance—I wonder whether these informal networks are competing with the formal official networks. So it is making a difference to how relations are conducted."[237]

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231 Q 15
232 Q 125
233 Q 9
234 Written evidence from Dr Constance, Duncombe Lecturer in International Relations, Monash University (FPW0011)
235 Q 38
236 Q 37 (Tom Fletcher)
237 Q 12

153. Mr Fletcher told us "diplomats have always been slightly frightened of any form of communication that allows leaders to speak to each other more without having to go through them."[238]

154. **Digital communications tools have intensified public and lobbying pressure on governments, increased the number of actors involved, and resulted in a much wider audience for foreign policy making. This connectivity has increased the pace at which some events take place and information is disseminated, such as during the Arab Spring, as well as governments' ability to understand events, and the speed at which they have to respond.**

155. **It will be important for the FCO and the UK's diplomatic missions abroad to capitalise on the usefulness of digital communications and to be proficient in their use. But care will be needed to avoid crossing the line into interference in their host country's internal politics.**

The challenge of global cyber governance and regulation

156. Several witnesses discussed the prospects of an international agreement regulating behaviour in cyberspace. Professor Clarke said that "all innovations come through, first, invention, then growth—usually chaotic growth—then commercialisation, then regulation." On cyberspace, "we are half way through the commercialisation phase, and the regulation phase is still kicking in. We do not know how that will resolve itself over the next, say, 20 or 30 years."[239]

157. One challenge raised by witnesses was that cyberspace is still evolving.[240] Dr Andrea Calderaro, Director, Centre for Internet and Global Politics, Cardiff University, said the "main challenge" was that "the technology evolves more quickly than our capacity to understand the nature of that technology, especially when we need to discuss and identify policy reactions."[241]

158. Mr Hannigan raised a second challenge: the difficulty in verifying what cyber capabilities other countries have. He said that "first, it is much more difficult to measure who is responsible and what they are doing, and secondly, you may well not want to reveal how you know that. It is relatively easy in traditional arms control because you can see the explosion and measure it and you can see roughly who has done it, but cyber is more complex". Nonetheless, "that does not mean we should not try".[242]

159. Third, witnesses considered the high number of countries with a role in cyberspace to be a further obstacle to an international agreement, relative to arms control treaties. General Sir Adrian Bradshaw told us that because the 'cost of entry' is much lower for offensive cyber capabilities than traditional capabilities, "it is a possibility for so many different nations." It was therefore "rather more difficult to imagine some sort of arms control structure":

> "It is difficult enough getting one or two nuclear powers to agree to an arms control structure. Getting the world community, and every potential player in cyber warfare, to agree to structures and then

238 Q 42
239 Q 3
240 Q 1 (Dr Lucas Kello) and Q 43 (Dr Andrea Calderaro)
241 Q 43
242 Q 218

> ensuring that they abide by the rules—when it is rather more difficult to identify who is doing what in the cyber domain even than in the nuclear domain, where there is considerable scope for masking things—would be even harder."[243]

160. The positions of Russia and China were a fourth factor. Dr Carr said that for 20 years, "Russia and later China have been calling for an international treaty, arguing that there is a need for some hard law and agreement on what is acceptable state behaviour in cyberspace."[244] Ms Maigre told us that they were "taking great advantage" of the fact that there was international disagreement about whether or not a new treaty was needed to govern cyberspace or whether existing international agreements should apply. She said countries like Russia and China "come up with proposals saying that new law is needed in cyberspace, but it takes decades to negotiate new treaties and, in the meantime, they are free to operate in cyberspace as they please, claiming that existing international law, or at least big parts of it, do not apply to cyberspace."[245]

161. Ms Maigre cited the NATO Collective Cyber Defence Centre of Excellence's Tallinn Manual and the Tallinn Manual 2.0,[246] which she called "the most comprehensive guide so far to how international law applies in cyber space". She said that NATO had declared at its 2014 summit in Wales that international law applied in cyberspace. Ms Maigre told us:

> "the existing international law, with all its complexities, does apply to all state activities, be they carried out in the physical realm or in cyberspace. That said, we recognise that international law is always evolving, through state practice as well as the creation of new treaty law. But when it comes to cyberspace it is evident that that the political will that is required to establish new treaty law is very often overwhelmed by political disagreements on the conceptual level. Here I refer to the understanding of cybersecurity principles that are initiated by the like-minded nations of the West vis-à-vis information security, which is a term I would apply more to countries such as Russia and China."[247]

162. Dr Carr identified a fifth complication: while states have agreed that international law applies in cyberspace, "they have been unable to agree how to apply it. There has been no consensus on what constitutes the use of force or an armed attack, in part because cyberspace does not have this physical dimension."[248]

163. The choice of international forum to deliberate on international cyber issues was a sixth issue. Dr Carr said that "many of these forums we are talking about [have] old, existing cybersecurity problems [and] no capacity to understand the future problems that are either imminent or in the near future." She said the UN was "probably not agile enough to deal with those foresight problems."[249]

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243 Q 181
244 Q 47
245 Q 69
246 NATO Cooperative Cyber Defence Centre of Excellence, 'Tallinn Manual and the Tallinn Manual 2.0': https://ccdcoe.org/tallinn-manual.html [accessed 4 December 2018]
247 Q 69
248 Q 46
249 *Ibid.*

164. Several senior US officials told us in Washington that the US thought a 'coalition of the willing' was preferable to a 'lowest common denominator' approach that would result from seeking a global consensus. This meant, according to the officials, that Russia and China would be likely to be excluded.[250]

165. Witnesses stressed that decisions taken today would have a legacy: "A lot of the decisions that we are making now will have lasting influence."[251] Peter Wells, Head of Policy, Open Data Institute, gave two examples: the standards applied to the first wagonways in the UK had gone on to set the standards for the width of rockets in the US space programme, and decisions taken by the Romans in Britain on where towns were sited still affected the UK today.[252] Professor Clarke urged the West to make its mark: "while the control of so much cyberspace still resides—at the moment—in Western societies, there is a good possibility that a version of the rules-based international order could be articulated with those monopolistic elements … over the next 10 years, before the control and dominance of cyberspace diversifies much more fully to Asia and other parts of the world."[253]

166. Lord Hague proposed seven principles that "should underpin future international norms about the use of cyberspace" at the Munich Security Conference in February 2011. The principles were:

- "The need for governments to act proportionately in cyberspace and in accordance with national and international law;
- The need for everyone to have the ability—in terms of skills, technology, confidence and opportunity—to access cyberspace;
- The need for users of cyberspace to show tolerance and respect for diversity of language, culture and ideas;
- Ensuring that cyberspace remains open to innovation and the free flow of ideas, information and expression;
- The need to respect individual rights of privacy and to provide proper protection to intellectual property;
- The need for us all to work collectively to tackle the threat from criminals acting online;
- And the promotion of a competitive environment which ensures a fair return on investment in network, services and content."[254]

Mr Hannigan described these principles as "very sensible".[255]

250 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
251 Q 76 (Peter Wells)
252 Q 76
253 Q 1
254 William Hague, 'Security and freedom in the cyber age—seeking the rules of the road' (4 February 2011): https://www.gov.uk/government/speeches/security-and-freedom-in-the-cyber-age-seeking-the-rules-of-the-road [accessed 4 December 2018]
255 Q 218

167. **Cyber security is an increasingly important global challenge. The UK has strong capabilities in this area; this presents the UK with an opportunity to be a world leader on a critical global issue.**

168. **A problem facing any international agreement on cyber security is that attribution is uncertain and the involvement of private actors extensive. Any new rules pose the question of to whom they should be applied, and whether the source can be located.**

169. **It is unlikely that there would be agreement on a comprehensive, binding international treaty on cyber security. Instead the Government should convene like-minded countries into a 'coalition of the willing' to establish 'rules of the road' in cyberspace, using Lord Hague of Richmond's seven principles for an international agreement on cyberspace as the starting point. These 'rules of the road' would lay the groundwork for a more binding international agreement in the future.**

170. **We welcome the Government's work within NATO to develop the Alliance's thinking on cyber issues. It should seek to play a leading role in establishing cyber norms, increasing the Alliance's cyber resilience, and developing a common understanding of the potential impact on security and warfare of emerging technologies such as increased automation.**

171. **The active engagement of technology companies in establishing behavioural norms in cyberspace, and in any potential enforcement of those norms, will be crucial. The Government should seek better to engage technology companies and international partners in developing rules on cyber security and governance, and solving the challenge of attribution.**

CHAPTER 4: MULTILATERALISM AND THE RULES-BASED INTERNATIONAL ORDER

Challenges facing established international organisations

172. There are several challenges facing established international organisations: first, the qualified support of major powers for the concept of a rules-based international order—resulting from the changing balance of power and populism discussed in Chapter 2 and its root causes, in part rapid technological change; second, the growing complexity of international problems; and finally, the digital communications revolution.

173. The qualified support of major powers for the concept of a rules-based international order presents a major challenge to the established post-war institutions. Fabrizio Hochschild, Assistant Secretary-General for Strategic Co-ordination, UN, told us that there was an increasing unwillingness by states to pursue multilateral solutions.[256] Ms Thornberry told us that "there is a lack of respect for multilateralism; a lack of respect for organisations where the world comes together."[257] Lord Ricketts said that "some … major powers", including China and Russia, were "impatient with the rules that they inherited from the post-war settlement."[258] Combined with the "major move of economic investment, power and influence towards Asia" described by Sir Martin Donnelly, this put "new challenges to a rules-based system that was designed primarily between North America and Europe."[259]

174. We considered the approaches of the US, China and Russia to multilateral institutions. Professor Evans said that "multilateralism has certainly been under very visible, spectacular siege from the United States for quite some time, but really now under the Trump Administration in particular."[260]

175. On 25 September 2018 President Trump made a speech to the UN General Assembly in which he said that "America is governed by Americans. We reject the ideology of globalism, and we embrace the doctrine of patriotism. Around the world, responsible nations must defend against threats to sovereignty not just from global governance, but also from other, new forms of coercion and domination."[261]

176. Professor Evans said the US's "sense of exceptionalism—that the multilateral order is all fine and good provided that the United States is exercising a controlling influence over it"—pre-dates the current Administration.[262] Mr Wilson said that, while President Trump and former President Obama were very different, both had "a sense of over-reach of American engagement in

256 Oral evidence taken on 9 May 2018 (Session 2017–19). The Committee took evidence from Mr Hochschild as part of a one-off session in advance of the 2018 UN General Assembly. International Relations Committee, *The United Nations General Assembly 2018* (4th Report, Session 2017–19, HL Paper 156)
257 Q 219
258 Q 15
259 Q 187
260 Q 124
261 The White House, 'Remarks by President Trump to the 73rd Session of the United Nations General Assembly, New York, NY' (25 September 2018): https://www.whitehouse.gov/briefings-statements/remarks-president-trump-73rd-session-united-nations-general-assembly-new-york-ny/ [accessed 4 December 2018]
262 Q 124

the world".[263] The Trump Administration had amplified that trend—seen, for example, by its imposition of tariffs on its allies, and withdrawal from the Joint Comprehensive Plan of Action (the Iran nuclear deal), the Paris Agreement on climate change and the Trans-Pacific Partnership.[264]

177. Dr Haass described President Trump as "sceptical of international organisations". He "seems to prefer bilateralism, certainly in trade, and to prefer the freedom of action and manoeuvre that would come with the United States being apart from certain institutions",[265] a point also made by many of those we met during our visit to Washington.[266] Dr Haass advised that "we have to take the Administration at face value and assume a certain anti-institutional bias in its behaviour".[267] Sir Mark Lyall Grant said that the US was "the traditional champion of the rules-based international order", and so the fact that "the President of the United States, does not currently believe in it" was "certainly a challenge."[268] The Foreign Secretary did not think President Trump was "set on the wholesale destruction" of the rules-based international order. He thought the President was "trying to reconstruct the system to remove what he perceives as unfairness to America."[269]

178. Turning to China, Professor Foot said that "in very broad terms, China has been at times a difficult but often a reasonable partner in the central organisations of the post-1945 world".[270] Mr Magnus said it "wants to play by the rules of established international organisations, up to a point, because the last thing that China wants is chaos and instability".[271]

179. Professor Tsang said that "The Chinese Government are completely, totally and absolutely committed to globalisation as long as it works for the interests and advantage of China."[272] There was "a lot less acceptance" in China of the idea that "there are international rules and norms that we have to obey, even if sometimes they do not work in our interests".[273] Ms Gracie agreed with Professor Tsang: while President Xi was now presenting himself as a champion of globalisation, on "the question whether the view of globalisation is the same as ours, of course it is not".[274]

180. Professor Morton described China as "quite a transactional actor in multilateral institutions",[275] an approach Ms Rand described as "multipronged" and not always coherent.[276] For example, China had engaged "very effectively" in the WTO,[277] and had a "genuine willingness" to take the lead on climate

263 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf
264 Q 124 (Professor Gareth Evans)
265 Q 52
266 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
267 Q 52
268 Q 205
269 Q 232
270 Q 98
271 Q 86
272 Q 79
273 *Ibid.*
274 *Ibid.*
275 Q 99
276 Q 92
277 *Ibid.*

discussions according to Professor Evans,[278] but had "looked to water down and shift the discourse and traditional narratives" particularly on human rights.[279]

181. Professor Evans said China's government did "not want to be rule takers; they want to be rule makers".[280] Sir Simon Fraser said he did "not see China at the moment deliberately pursuing a policy of seeking to subvert the international system". He thought that it sought "to benefit from within that system; it is playing a long game, which is what China does. As time goes by, the psychology and the balance of power within that system are shifting in China's direction."[281] Both Henry Wilkinson, Head of Intelligence and Analysis, Risk Advisory Group, and Mr Magnus too said that China was seeking to change the international system towards its own rules.[282] Some participants in the early-career experts roundtable suggested this was having some impact: they said the decline of multilateralism, and many states' pursuit of international economic engagement but political unilateralism, may be influenced by China.[283]

182. Ms Thornberry said there was a role for China in filling the "vacuum" left by the United States. She gave the example of China's progress on international climate change to show that in some cases "China has shown over the years that it can take a leadership role."[284]

183. Lord Ricketts described China's approach as twofold: to "reinvent" institutions—for example through establishing the Asia Infrastructure Investment Bank—"and if necessary ignore them as well."[285] We consider China's new international organisations later in this chapter.

184. Our witnesses also discussed the approach of Russia to the multilateral system. Lord Ricketts said Russia was "prepared to ignore" the rules-based system "where it suits their interests, as … in Crimea and Ukraine".[286] Sir Tony Brenton said that Russia regarded the rules-based international order as "having been created by the West for the West's interests and still being driven largely by those concerns". He said that "when the Russians hear the words 'liberal international order', what they think is, 'US unipolarity'".[287]

185. Dr Antonenko said that Russia had perceived multilateral institutions to "have been broken for some time now." She thought that this was "in many ways … part of the reason for the annexation of Crimea and the Russian intervention in the Donbass: they … felt that there was no longer any platform on which Russia's interests could be heard, respected and acknowledged."[288]

186. Dr Antonenko said the current situation was that "pretty much every institution which Russia and the West are members of is … paralysed completely." This

278 Q 128
279 Q 89, Q 92 (Kathryn Rand)
280 Q 128
281 Q 189
282 Q 34 (Henry Wilkinson), Q 86 (George Magnus)
283 International Relations Committee, Record of roundtable discussion with early-career experts 27 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Early-career-expert-roundtable-note.pdf
284 Q 220
285 Q 15
286 *Ibid.*
287 Q 104
288 Q 110

was "a very dangerous phase", where there was "disagreement about norms". This resulted in institutions such as the Organisation for Security and Cooperation in Europe (OSCE) and the UN Security Council becoming "just platforms on which there is endless debate and controversy".[289] Dr Kuhrt, however, said that Russia was "not necessarily trying to paralyse or break" multilateral organisations, and wanted "to maintain those that already exist" where they suited Russia's interests, such as the UN, where it has a veto.[290]

187. A second challenge to established international organisations is the complexity of issues facing the international community. Mr Hochschild told us that the major international issues facing countries—such as migration, the impact of climate change and the growth in terrorism—transcend national boundaries.[291] Dr Kello thought international organisations such as the UN and the International Monetary Fund (IMF) had "retained a lot of their salience and effectiveness when it comes to addressing traditional problems", such as non-proliferation. However "the agenda of issues and problems has grown drastically in scope". There were "a new suite of problems—things such as information warfare and politically motivated hacking, the incapacitation of vital infrastructures using malware and so on".[292] Mr Kramer likewise identified new challenges, such as the "problems that exist with new tech, the impact of the private sector and empowerment of non-state actors". These issues made "for a different world, and that's a major change from the turn of the millennium".[293]

188. James Rogers, Director, Global Britain Programme, Henry Jackson Society, identified a final and pervasive challenge to the rules based international order as the "digital communication revolution". He said that "more people than ever" were "equipped with electronic devices, and connected through social media". This provided new ways for countries which either take a revisionist approach to the multilateral system—such as Russia—or "shirk" their "responsibility in the burden of upholding the rules-based order"[294] to "influence social, political and economic ideas and traditions in unpredictable ways".[295]

The UN

189. The United Nations Association UK (UNA-UK) said that "rising big power tensions"—as set out above—had been reflected in recent proceedings of the UN Security Council.[296] Professor Evans described "a hail of vetoes" on Syria, "particularly from Russia and to some extent China"[297], and UNA-UK highlighted stalemate over Iran, Israel–Palestine, Yemen, Syria and

289 Q 110
290 Q 109
291 Oral evidence taken on 9 May 2018 (Session 2017–19)
292 Q 8
293 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf
294 He identified Germany, Italy, Spain and The Netherlands as "shirkers" for having cut their military and intelligence spending and Overseas Development Assistance.
295 Written evidence from James Rogers, Director, Global Britain Programme, Henry Jackson Society (FPW0026)
296 Written evidence from The United Nations Association UK (FPW0010) and Q 17 (Lord Ricketts)
297 Q 124

Myanmar.[298] Lord Ricketts said that this "difficulty of reaching agreement on major issues in the Security Council" meant that the UN was "to some extent blocked".[299]

Table 1: Vetoes at the UN Security Council 1990–present

Date	Agenda item	Permanent Member casting negative vote
1 June 2018	Middle East situation, including the Palestinian question	USA
10 April 2018	Middle East	Russian Federation
26 February 2018	Middle East	Russian Federation
18 December 2017	Middle East situation, including the Palestinian question	USA
17 November 2017	Middle East	Russian Federation
16 November 2017	Middle East	Russian Federation
24 October 2017	Middle East	Russian Federation
12 April 2017	Middle East	Russian Federation
28 February 2017	Middle East	China Russian Federation
5 December 2016	Middle East	China Russian Federation
8 October 2016	Middle East	Russian Federation
29 July 2015	Letter dated 28 February 2014 from the Permanent Representative of Ukraine to the United Nations addressed to the President of the Security Council (S/2014/136)	Russian Federation
8 July 2015	The situation in Bosnia and Herzegovina	Russian Federation
22 May 2014	Middle East—Syria	China Russian Federation

298 Written evidence from The United Nations Association UK (FPW0010)
299 Q 17

Date	Agenda item	Permanent Member casting negative vote
15 March 2014	Letter dated 28 February 2014 from the Permanent Representative of Ukraine to the United Nations addressed to the President of the Security Council (S/2014/136)	Russian Federation
19 July 2012	Middle East—Syria	China Russian Federation
4 February 2012	Middle East—Syria	China Russian Federation
4 October 2011	Middle East—Syria	China Russian Federation
18 February 2011	Middle East situation, including the Palestinian question	USA
15 June 2009	Georgia	Russian Federation
11 July 2008	Peace and Security—Africa (Zimbabwe)	China Russian Federation
12 January 2007	Myanmar	China Russian Federation
11 November 2006	Middle East situation, including the Palestinian question	USA
13 July 2006	Middle East situation, including the Palestinian question	USA
5 October 2004	Middle East situation, including the Palestinian question	USA
21 April 2004	Cyprus	Russian Federation
25 March 2004	Middle East situation, including the Palestinian question	USA
14 October 2003	The situation in the Middle East, including the Palestinian question	USA
16 September 2003	The situation in the Middle East, including the Palestinian question	USA

Date	Agenda item	Permanent Member casting negative vote
20 December 2002	The situation in the Middle East, including the Palestinian question	USA
30 June 2002	The situation in Bosnia and Herzegovina	USA
14-15 December 2001	The situation in the Middle East, including the Palestinian question	USA
27-28 March 2001	The situation in the Middle East, including the Palestinian question	USA
25 February 1999	The situation in the former Yugoslav Republic of Macedonia	China
21 March 1997	The situation in the occupied Arab territories	USA
7 March 1997	The situation in the occupied Arab territories	USA
10 January 1997	Central America: efforts towards peace	China
17 May 1995	The situation in the occupied Arab territories	USA
2 December 1994	The situation in the Republic of Bosnia and Herzegovina	Russian Federation
11 May 1993	The situation in Cyprus	Russian Federation
31 May 1990	The situation in the occupied Arab territories	USA
17 January 1990	Letter dated 3 January 1990 from Nicaragua to the President of the Security Council	USA

Source: United Nations Dag Hammarskjöld Library, 'Security Council—Veto List (in reverse chronological order)': https://research.un.org/en/docs/sc/quick [accessed 4 December 2018]

190. Professor Evans said it was necessary to "restore credibility to the Security Council" by re-establishing "much greater willingness to achieve consensus on … difficult issues."[300] Dr Haass thought such a development unlikely: "We are not going to move towards a Security Council-dominated world."[301]

300 Q 124
301 Q 52

He said "the structure of the Security Council—who is there and who is not, and the role of the veto—is going to dramatically limit the UN's role".[302]

191. Our witnesses reflected on the different approaches of major countries. Sir Peter Westmacott said there was widespread concern about the US "going through the machinery of international organisations, such as the Security Council, in a way that is somewhat cavalier and not based on the usual process of trying to seek allies".[303] He gave the examples of the US Ambassador to the UN having "more or less said, 'We know where you live', to those who dared to vote in a way she did not want" at the Security Council,[304] and the US's decision to refer street protests in Iran—not a traditional national security issue—to the Security Council.[305]

192. As discussed in Chapter 2, the US Administration has withdrawn from a number of UN-related agreements. In June 2017 President Trump announced that the US would cease implementing the Paris Agreement on climate change, which built on the UN Framework Convention on Climate Change.[306] Professor Evans said this had "alienated just about everybody".[307] In May 2018 the US withdrew from the Iran nuclear deal, which had been endorsed by UN Security Council Resolution 2231 (2015).[308] Professor Evans described this as "a spectacular source of alienation for everybody except Israel".[309]

193. In June 2018 the US announced its decision to leave the UN Human Rights Council. In his speech to the UN General Assembly on 25 September 2018, President Trump reiterated criticisms that the council was "a grave embarrassment to this institution, shielding egregious human rights abusers while bashing America and its many friends". He also reiterated that the US does not recognise and will not co-operate with the International Criminal Court.[310]

194. Turning to China, Professor Foot said that it "states that the United Nations is the most authoritative, representative and important international organisation that we have and that it cherishes the UN charter".[311] Lord Ricketts, however, said China was reluctant to be drawn into "wider responsibilities [for] international peace and security" under the UN

302 Q 52
303 Q 31
304 US Ambassador to the UN Nikki Haley was reported to have written to UN member states that she would report to President Trump the names of those that supported a draft resolution which rejected the US's decision to recognise Jerusalem as the capital of Israel. Peter Beaumont, 'US will 'take names of those who vote to reject Jerusalem recognition'' *The Guardian* (20 December 2017): https://www.theguardian.com/us-news/2017/dec/20/us-take-names-united-nations-vote-to-reject-jerusalem-recognition [accessed 4 December 2018]
305 Q 31
306 United Nations, 'The Paris Agreement': https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement [accessed 4 December 2018]
307 Q 124
308 United Nations, Security Council Resolution 2231: http://www.un.org/en/sc/2231/ [accessed 4 December]
309 Q 124
310 The White House, 'Remarks by President Trump to the 73rd Session of the United Nations General Assembly, New York, NY' (25 September 2018): https://www.whitehouse.gov/briefings-statements/remarks-president-trump-73rd-session-united-nations-general-assembly-new-york-ny/ [accessed 4 December 2018]. The US signed the Treaty to establish the ICC, but it has not been ratified. The Administration of President Obama sent observers to the ICC.
311 Q 98

Charter,[312] although it is a member of the P5, and Ms Rand said it "perhaps does not see itself benefiting from the traditional systems of the UN Security Council and the P5".[313] However, Professor Evans said China was "an enthusiastic participant" in UN peacekeeping.[314] It had been "very visibly and actively" involved, "more so than any of the other" permanent member of the UN Security Council.[315]

195. Professor Foot said that in the Human Rights Council, China was "using within the UN system the more powerful economic weight of their contributions" both "to try to restrict the Office of the High Commissioner for Human Rights and to prevent UN peace operations spending … a significant part of their budget on the human rights aspects".[316]

196. Both Professor Evans and Sir Mark Lyall Grant expressed concern at China's "militarisation of the South China Sea",[317] in breach of the UN Convention on the Law of the Sea (UNCLOS). In 2016 an Arbitral Tribunal constituted under UNCLOS found in favour of the Philippines in a dispute with China on this issue,[318] a verdict which China has rejected.[319] Professor Evans said China was "thumbing its nose at the Law of the Sea Treaty and the Hague Tribunal decision".[320] Sir Mark Lyall Grant described this as "a threat" to the rules-based international order.[321]

197. On Russia, Dr Kuhrt said that it "is a member of the P5, and according to Russia the UN is working very well at the moment". It aimed "to ensure that the locus of international authority remains within the UN Security Council" for this reason.[322] Sir Tony Brenton said that Russia would "continue to use its veto" at the UN Security Council "if it thinks its interests are under threat".[323] Consistent with the increasingly close relationship between China and Russia discussed in Chapter 2, Dr Antonenko added that Russia and China "quite often co-ordinate their positions" at the Security Council.[324]

198. Professor Sullivan de Estrada said that the UN was "hugely important to India".[325] The norm of non-intervention was "important for India's security concerns" and participation in the Security Council—India has been a member seven times—"brings status benefits". It had also made an "unsurpassed contribution" to peacekeeping missions. However, India was pursuing a permanent seat on the Security Council, and if membership remained "an institutional reflection of Western dominance"[326] and India continued to be "side-lined and left out of conversations at the global high tables", it would "turn … perhaps to smaller groupings that exclude the

312 Q 19
313 Q 89
314 Q 134
315 Q 128
316 Q 98
317 Q 206 (Sir Mark Lyall Grant) and Q 128 (Professor Gareth Evans)
318 Permanent Court of Arbitration, PCA Case Number 2013–19 in the matter of the South China Sea Arbitration, 12 July 2016: https://pca-cpa.org/wp-content/uploads/sites/175/2016/07/PH-CN-20160712-Award.pdf [accessed 4 December 2018]
319 Q 206 (Sir Mark Lyall Grant)
320 Q 124
321 Q 206
322 Q 108
323 Q 104
324 Q 106, China and Russia's relationship is discussed in Chapter 2.
325 Q 123
326 *Ibid.*

traditional centres of power in the West."[327] These new organisations are discussed further later in this chapter.

199. Sir Mark Lyall Grant said that reform to the Security Council was "at the forefront" of the necessary changes to global governance structures.[328] The UK Government supports such reform.[329] Sir Mark Lyall Grant said that "one of the biggest obstacles" was China, which did not wish to "share its permanent membership limelight with its Asian neighbours Japan and India". Reform was nonetheless needed, as a way of "binding some of the emerging powers, not just China, into the governance structure in a way that makes them feel ownership of it so they will take more responsibility for it".[330]

200. Lord Hague said the case for reform to the UN Security Council was "worthy" but "impossible to bring about at any point in the foreseeable future". He thought that "by the time anybody managed to bring it about, the correct countries to bring in probably would have changed." Failure to reform the Security Council to date had not "either destroyed or seriously undermined the legitimacy of the UN Security Council", but if reforms were not made by 2045, "it will be losing its authority and legitimacy".[331]

Internal UN reform

201. Dr Haass said that, rather than focus on the Security Council, "the most important priority for the UN in the coming years might be to strengthen some of its capabilities; for example, professionalised peacekeeping and improving the World Health Organisation". Mr Maidment said the UN was "a hugely bloated and not necessarily very effective bureaucracy",[332] and the UNA-UK also said that reform was "much needed".[333]

202. In our report, *The UK and the UN: Priorities for the new Secretary-General*, published in November 2016, we identified a number of institutional reforms to overcome fragmentation and incoherence in the UN system, and allow the organisation to meet new demands and challenges.[334] We emphasised the importance of rationalising the UN budget and improving leadership. In our follow-up report, *The United Nations General Assembly 2018*, published in June 2018, we called for action to rationalise UN structures, and to foster greater coherence among UN agencies and officials.[335]

203. The US has threatened to reduce its funding for UN Peacekeeping and to move from assessed to voluntary contributions.[336] The UNA-UK said the US Administration was pushing for UN reform, but via a "combative, cuts-focussed approach". The US "drive for quick, heavy-handed action could

327 Q 112
328 Q 209
329 Written evidence from Foreign and Commonwealth Office (FPW0027)
330 Q 209
331 Q 13
332 Q 52 (Dr Richard Haass) and Q 8 (Mr Paul Maidment)
333 Written evidence from The United Nations Association-UK (FPW0010)
334 International Relations Committee, *The UK and the UN: Priorities for the new Secretary-General* (1st Report, Session 2016–17, HL Paper 60)
335 International Relations Committee, *The United Nations General Assembly 2018* (4th Report, Session 2017–19, HL Paper 156)
336 The White House, 'Remarks by President Trump to the 73rd Session of the United Nations General Assembly, New York, NY' (25 September 2018): https://www.whitehouse.gov/briefings-statements/remarks-president-trump-73rd-session-united-nations-general-assembly-new-york-ny/ [accessed 4 December 2018]

lead to budget cuts without the necessary changes to make UN programmes more effective." The US's approach was "doing little to create the consensus required for reform. On the contrary, it is exacerbating divisions between the wider UN membership and the Security Council".[337]

204. **The Foreign Secretary's view is that the Trump Administration's objective is to reform rather than disrupt and damage the UN. We are more sceptical, having heard evidence of actions it has taken which could undermine the UN. The Government should continue to resist US challenges to the UN and should work with other like-minded countries to compensate any resulting shortfalls in resources for the UN and its agencies.**

205. **Reform to the UN Security Council is necessary but difficult to achieve. We regret that efforts by the UK and France to reform the Security Council by expanding its membership have not progressed. The Government should focus on advocating reforms to the UN to overcome fragmentation and incoherence, as set out in our report *The United Nations General Assembly 2018*.**

206. **The Government should support efforts by the UN to engage with other groups, such as NGOs, to make it a more responsive and modern organisation, more than 70 years after it was founded.**

NATO

207. General Sir Adrian Bradshaw said that "for decades, the bedrock of the defence stability of Europe has been NATO".[338] The principle of collective defence is enshrined in Article 5 of NATO's founding treaty (see Box 3). Our witnesses raised a number of issues facing the Alliance, including the commitment of the US and of Turkey, and how it should respond to cyberwarfare.

208. In our report, *The NATO Summit 2018*, published on 5 June 2018, we concluded that "the degree and credibility of the US commitment to the principle of collective defence that underpins NATO remains uncertain".[339] Mr Wilson said that President Trump was questioning or reversing the established idea that NATO was the best means for the US to guarantee its own security.[340] This resulted from "a dystopian world view that comes out of the Oval Office that our allies are taking advantage of us".[341]

337 Written evidence from The United Nations Association-UK (FPW0010)
338 Q 179
339 International Relations Committee, *The NATO Summit 2018*, (3rd Report, Session 2017–19, HL Paper 143)
340 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
341 *Ibid.*

Box 3: NATO's Article 5

The North Atlantic Treaty, also known as the Washington Treaty, was signed in 1949 and forms the legal basis for the North Atlantic Treaty Organisation (NATO).

Article 5 of the treaty states that an armed attack on one Ally is considered an attack on all. The collective defence clause reads:

- "The Parties agree that an armed attack against one or more of them in Europe or North America shall be considered an attack against them all and consequently they agree that, if such an armed attack occurs, each of them, in exercise of the right of individual or collective self-defence recognised by Article 51 of the Charter of the United Nations, will assist the Party or Parties so attacked by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.
- Any such armed attack and all measures taken as a result thereof shall immediately be reported to the Security Council. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security."

Article 5 has been invoked only once in the history of the Alliance, in response to the 11 September 2001 attacks against the US. NATO responded by establishing the International Security Assistance Force (ISAF), which took part in the war in Afghanistan.

Source: NATO, 'Collective defence—Article 5': https://www.nato.int/cps/en/natohq/topics_110496.htm?selectedLocale=en [accessed 4 December 2018]

209. Lord Ricketts said that in the context of President Trump's scepticism about multilateralism overall, his "hesitations over the value of NATO and over recommitting to the Article 5" were "most worrying to me when it comes to our national security".[342] Chancellor Merkel's statement after the 2017 G7 Summit that "Europeans must take our fate into our own hands" had been a "significant statement from the German Chancellor and an indication of declining European confidence in the American underwriting of NATO."[343] Sir Adrian Bradshaw said "we have been reminded that we cannot take for granted the size of the American contribution to that collective effort".[344]

210. Sir Peter Westmacott, however, said that "on NATO we are in a better place than we were when the President appeared to question the United States commitment to Article 5", a point also made by Lord Hague and Lord Ricketts.[345] During our visit to Washington, officials from across the Administration expressed their, and the President's, support for the Alliance.[346] Dr Jim Townsend, Adjunct Senior Fellow, Center for New American Security, and Dr Schake said that there was also widespread support among the US public for NATO: Dr Shacke said the US was "the NATO country in which the largest proportion of the population believes that an attack on any

342 Q 18
343 *Ibid.*
344 Q 179
345 Q 18 (Lord Ricketts) and Q 10 (Lord Hague)
346 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

NATO ally should be met with a military response from the United States".[347] However, the US public thought European nations should contribute more to their own defence through NATO.[348]

211. In 2006 an agreement was reached by the defence ministers of NATO countries to commit a minimum of 2% of their GDP to defence spending.[349] This was formally agreed at the 2014 NATO Summit (see Box 4). General Sir Adrian Bradshaw said 2% of GDP was " a rather useful marker in the sand for the nations of NATO in the absence of any other helpful way of defining what capability is required, because it is by far the easiest way of getting people up to some sort of sensible level. ". If all NATO countries met their commitments, "collectively we would be a lot better off".[350]

Box 4: The NATO 2% spending commitment

At its 2014 summit in Wales, NATO leaders agreed the following statement:

> "we agree to reverse the trend of declining defence budgets and aim to increase defence expenditure in real terms as GDP grows; we will direct our defence budgets as efficiently and effectively as possible; we will aim to move towards the existing NATO guideline of spending 2% of GDP on defence within a decade,[351] with a view to fulfilling NATO capability priorities. We will display the political will to provide required capabilities and deploy forces when they are needed."

As of June 2018, of the 29 member states, only five were estimated to be meeting the 2% target: Estonia (2.14%), Greece (2.27%), Latvia (2.0%), the UK (2.1%) and the United States (3.5%). The estimated average expenditure on defence by the European members of NATO in 2018 is 1.5%, an increase from 1.44% in 2014.

Source: NATO, 'The Wales Declaration on the Transatlantic Bond': https://www.nato.int/cps/ro/natohq/official_texts_112985.htm [accessed 4 December 2018] and NATO, 'Defence Expenditure of NATO Countries (2011–2018)': https://www.nato.int/cps/en/natohq/news_156770.htm [accessed 4 December 2018]

212. Dr Townsend told us that President Trump had not understood how NATO was funded and so mistakenly thought that other Allies had not paid their 'dues'.[352] One senior official we met in Washington said that when considering

347 Q 21
348 *Ibid.*
349 NATO, 'Funding NATO': https://www.nato.int/cps/ro/natohq/topics_67655.htm [accessed 4 December 2018]
350 Q 182
351 In its 2018 Summit declaration, and in subsequent ministerial statements, NATO has not used the term "move towards" when discussing the 2% commitment. The relevant language in the 2018 Summit declaration read: "We reaffirm our unwavering commitment to all aspects of the Defence Investment Pledge agreed at the 2014 Wales Summit, and to submit credible national plans on its implementation, including the spending guidelines for 2024, planned capabilities, and contributions." NATO, 'Brussels Summit Declaration', (11 July 2018): https://www.nato.int/cps/en/natohq/official_texts_156624.htm [accessed 4 December 2018]
352 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf

President Trump's criticism of European countries' contributions to NATO, they should "focus on the message not the style".[353]

213. Sir Peter Westmacott said that President Trump "had a point … in saying that America was carrying a disproportionate share of the cost of the Alliance. It cannot be right or sustainable for America to pay 75% of the cost of an alliance of nearly 30 different countries."[354] General Sir Adrian Bradshaw too said that "individual nations within the European part of NATO" should be prepared "to contribute fairly".[355] The Foreign Secretary said the President was right to say "that it was unacceptable for the United States to be spending 4% of its GDP on defence and for many European countries not even to be honouring the 2% NATO commitment". He had been "seeking to get his NATO allies to agree that there should be proper burden-sharing and once he had secured—or believed he had secured—that, things would carry on as normal."[356] We raised the issue of the NATO target of 2% of GDP on defence spending in our report, *The NATO Summit 2018*, published on 5 June 2018.[357]

214. After the 2018 NATO Summit, President Trump said "NATO now is a really a fine-tuned machine". NATO countries were "paying money that they never paid before" and "the United States is being treated much more fairly".[358]

215. Mr Wilson said that NATO was in any case made resilient by the "habit of co-operation". The UK and US military establishments were closely enmeshed—through NATO's integrated military command structure—and this was more significant than the approach of any one leader.[359] This is consistent with Sir Mark Lyall Grant's assessment of the UK–US relationship, discussed in Chapter 2.

216. On Turkey's commitment to NATO, Sir Peter Westmacott and Dr Haass said that the US–Turkey relationship had deteriorated.[360] Dr Haass said Turkey was "distancing itself from the United States, NATO and Europe".[361]

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353 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf. NATO Allies pay for core funding—for the Civil Budget, Military Budget and NATO Security Investment Programme—on the basis of a two-year cost-sharing formula. This is based on each country's gross national income—with the result that the wealthiest countries pay the largest share. In 2017, the US paid 22.14%. This common funding is separate to the 2% funding target (see Box 4). David M. Herszenhorn, 'Primer for President Trump: How NATO funding really works', *Politico* (31 May 2017): https://www.politico.eu/article/primer-for-president-trump-how-nato-funding-really-works/ [accessed 4 December 2018]

354 Q 27

355 Q 179

356 Q 232

357 International Relations Committee, *The NATO Summit 2018*, (3rd Report, Session 2017–19, HL Paper 143)

358 'Trump Claims Victory as NATO summit descends into mayhem', *The Guardian* (12 July 2018): https://www.theguardian.com/world/2018/jul/12/donald-trump-nato-summit-chaos-germany-attack-defence-spending [accessed 4 December 2018]

359 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf

360 Q 32 (Sir Peter Westmacott) and Q 53 (Dr Haass)

361 Q 53

However, Sir Peter Westmacott said he did not think Turkey was on the verge of leaving NATO.[362]

217. Finally, our witnesses considered the challenges posed to NATO by cyberwarfare (an issue discussed in Chapter 2). Ms Maigre, Director, NATO Cooperative Cyber Defence Centre of Excellence, said NATO had been working closely on cyber issues since 2014, and had "defined cyberspace as an operational domain: that is, a likely battlefield" at the 2016 Warsaw Summit.[363]

218. In order to respond as an Alliance, NATO countries would need "a common understanding that international law applies in cyberspace", "basic cyber literacy or situational awareness", and to "be similarly attuned to the threat". Ms Maigre said NATO now had a plan "to implement cyberspace as a domain of operations", covering 10 areas, including systems development, command and control, NATO doctrine and strategic communications. NATO Allies were not yet at full readiness on all these issues, but "considerable progress" was being made. She highlighted the establishment of the Cyber Security Operations Centre in Mons, which was "dedicated to thinking about and planning the role of cyber in NATO operations", and was "the custodian of NATO doctrine on cyber operations".[364] She drew to our attention "good progress" on training, through "cyber exercises [which] offer that lifelike environment, which is second best to actually being attacked in real life."[365]

219. Ms Maigre said that a collective NATO response to a cyber-attack would take place only if that country chose to refer the issue to the Alliance.[366] On the possible use of Article 5 in relation to cyber-attacks—an issue raised in our report, *The NATO Summit 2018*[367]—she said that many of the "attacks currently going on in cyberspace qualify below Article 5"[368]. It was important to recognise that invoking Article 5 was "the ultimate response". Sir Adrian Bradshaw said:

> "Article 5, as applied to more conventional military situations, is good in that it is very clear to understand. There are obvious physical red lines and national boundaries. The incursion of military forces across a boundary is very identifiable and gives a very obvious trigger, that everybody understands, for collective defence to be invoked."[369]

"New elements", such as "cyber and a rather different information environment" led to "some ambiguity when interpreting actions and deciding whether they represent overt aggression".[370]

220. In March 2018 Lord Hague proposed that NATO should develop an "Article 5B", to "make clear that the use of a hybrid and undeclared attack would

362 Q 32
363 Q 68
364 Q 67
365 Q 68
366 Q 67
367 International Relations Committee, *The NATO Summit 2018*, (3rd Report, Session 2017–19, HL Paper 143)
368 Q 67
369 Q 180
370 *Ibid.*

trigger a collective response from the Alliance".[371] Mr Kramer thought this was already clear: "NATO decided a couple of years ago that cyber-attack can fall under Article 5—we didn't define how much harm but it was more the consequences and the resulting politics and geopolitics".[372]

221. Dr Franke said that Article 5 was "perfectly prepared for different scenarios". It did "not specifically state how one needs to react to an attack"—it was possible for the Alliance to "recognise that there has been an attack on a NATO member" but to decide that "the attack is not sufficient to warrant a response". She said there was "a lot of flexibility" and she "would not want to expand it [Article 5] at the risk of watering it down".[373] Sir Adrian Bradshaw too said that Article 5's "degree of ambiguity" was "helpful". He explained that it gave NATO countries "a chance to sit down as an alliance and decide on the appropriate proportionate response with cool heads, without being forced to do something because one has drawn a red line." He thought that modernising Article 5 would be "potentially very tricky".[374] Mr Kramer concluded that NATO Allies "don't need a red line but we should have responses in our pocket and we would undertake proportionate responses in the event of an attack that called for them".[375]

222. Ms Maigre said that the Alliance was still considering measures available to it below the level of Article 5. It was "important to look at what already exists in NATO's toolbox." For example, there were "the various measures that are indicated in the North Atlantic Treaty itself, between Article 3, which requires each state to build its own resilience, and Article 4, which allows states to convene consultations among all allies."[376]

223. **We commend the UK's efforts to encourage European Allies to meet their agreed 2% NATO commitment. This is important both to ensure that NATO has the requisite capabilities and to sustain US support for the Alliance.**

224. **Quality of spending is also important: NATO Allies should spend a substantial proportion of their 2% defence expenditure on major equipment including research and development.**

225. **The strategic ambiguity of NATO's Article 5 in the context of cyber-attacks provides Allies a degree of flexibility and guards against unwanted escalation. We conclude that amending Article 5 is unnecessary; the Government should oppose any proposals to revise it.**

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371 Lord Hague, 'NATO must confront Putin's stealth attacks with a new doctrine of war of its own', *The Telegraph* (19 March 2018): https://www.telegraph.co.uk/news/2018/03/19/nato-must-confront-putins-stealth-attacks-new-doctrine-war/ [accessed 4 December 2018]

372 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf

373 Q 167

374 Q 180

375 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf

376 Q 67

Global trade and the Bretton Woods institutions

226. Sir Martin Donnelly said that the global financial crisis had called into question "whether the economic system we have been used to, which had a lot of credibility globally until [then] and which no longer reflects accurately the economic balance of power in the world, serves anyone's interests."[377] This has implications for the global financial and economic institutions—such as the IMF, the World Bank and the WTO.

The WTO

227. US officials we met during our visit to Washington said there was concern in the Administration about the workings of the WTO and support for its reform.[378] They said that some WTO members were blocking efforts to reduce trade barriers through the use of vetoes.[379] Sir Peter Westmacott saw continuity in the US's approach to the WTO: it "uses the machinery of the WTO just as it did in the past. There are moments when it slaps huge countervailing tariffs on imports from countries that it thinks are dumping. America has done that in the past and will do it in the future, with all the consequences that flow from it."[380]

228. Dr Richard Haass said that the US was starting to use the "various trade 'remedies' that are available unilaterally", such as sanctions. But a "major American distancing from the WTO" was also "quite possible".[381]

229. In his address to the UN General Assembly in September 2018, President Trump said the system of world trade was "in dire need of change". He said:

> "countries were admitted to the World Trade Organisation that violate every single principle on which the organisation is based. While the United States and many other nations play by the rules, these countries use government-run industrial planning and state-owned enterprises to rig the system in their favour. They engage in relentless product dumping, forced technology transfer, and the theft of intellectual property."

He said that since China had joined the WTO, the US had "lost over 3 million manufacturing jobs, nearly a quarter of all steel jobs, and 60,000 factories", and "racked up $13 trillion in trade deficits".[382]

230. The US would "no longer tolerate such abuse" and he outlined "tariffs on another $200 billion in Chinese-made goods for a total, so far, of $250 billion".[383]

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377 Q 187

378 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf

379 *Ibid.*

380 Q 31

381 Q 52

382 The White House, 'Remarks by President Trump to the 73rd Session of the United Nations General Assembly, New York, NY' (25 September 2018): https://www.whitehouse.gov/briefings-statements/remarks-president-trump-73rd-session-united-nations-general-assembly-new-york-ny/ [accessed 4 December 2018]

383 *Ibid.*

231. In addition to imposing tariffs and threats from President Trump to leave the WT0,[384] the US Administration has twice blocked the reappointment of a judge to the WTO's Appellate Body,[385] a standing body of seven judges which hears appeals in disputes brought by WTO members.[386] There must be three judges for the Appellate Body to report. The fourth member of the panel's term expired on 30 September 2018; the US opposed his reappointment. Its objection to the reappointment was "no reflection of any one individual but reflects our principled concerns". These concerns included the Appellate Body's reports having "gone far beyond the text setting out WTO rules in varied areas" and its "disregard for the rules set by WTO members."[387]

232. Ms Bronnert said that the US Administration was raising "legitimate" questions about "whether the appellate body has started to expand its remit in a way that was not intended when that body was set up." [388] The EU has agreed to work with the US Administration towards reform of the WTO to try to break the impasse,[389] and Ms Bronnert said the UK was "part of the EU common position".[390] The Foreign Secretary said there were "very fair reasons why" the US "should want WTO reform".[391] Sir Martin Donnelly, however, said "the American Administration's attacks on the World Trade Organisation, imperfect though it is, are definitely a move in the wrong direction" for maintaining open trade and investment flows.[392]

233. Other witnesses reflected on the perspectives of China and India. Mr Magnus said that joining the WTO had been very positive for China and had been a catalyst for economic growth.[393] Ms Gracie and Dr Steve Tsang both alluded to President Xi's speech at the 2017 World Economic Forum in Davos, where he said that China's decision to join the WTO had "proved to be a right strategic choice".[394]

234. On India, Professor Sullivan de Estrada said that while there was "a tendency in some countries" to regard the WTO as "an essential part of the rules-based economic order", she was "not sure that India sees the WTO in quite that way". India had "not seen huge advantages to itself", which meant "the WTO is not necessarily an important home for trade from an Indian perspective". Its approach had been that of "brinkmanship", and there might be "a growing discontent with that institution among India's traditional developing country followership".[395]

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384 'Trump: US will quit World Trade Organization unless it "shapes up"', *The Guardian* (31 August 2018), https://www.theguardian.com/us-news/2018/aug/30/trump-world-trade-organization-tariffs-stock-market [accessed 4 December 2018]

385 'EU calls Trump's bluff as he takes an axe to the WTO', *Politico Europe* (27 August 2018): https://www.politico.eu/article/eu-calls-donald-trump-bluff-over-wto/ [accessed 4 December 2018]

386 World Trade Organisation, 'Appellate Body': https://www.wto.org/english/tratop_e/dispu_e/appellate_body_e.htm [accessed 4 December 2018]

387 Mission of the United States to the WTO, *Statements by the United States at the Meeting of the WTO Dispute Settlement Body*, 27 August 2018: https://geneva.usmission.gov/wp-content/uploads/sites/290/Aug27.DSB_.Stmt_.as-delivered.fin_.public.pdf [accessed 4 December]

388 Q 161

389 European Commission, Press Release: *European Commission presents comprehensive approach for the modernisation of the World Trade Organisation* (18 September 2018): http://europa.eu/rapid/press-release_IP-18-5786_en.htm [accessed 4 December 2018]

390 Q 161

391 Q 232

392 Q 188

393 Q 85

394 Q 89; Xi Jinping, 'Keynote speech at the World Economic Forum' (17 January 2017): http://www.china.org.cn/node_7247529/content_40569136.htm [accessed 4 December 2018]

395 Q 123

The Bretton Woods institutions

235. The Overseas Development Institute said that the multilateral development banks were "today considered by many—particularly in developing countries—to be too inflexible, bureaucratic and dominated by wealthy non-borrowing shareholder countries, so that their governance … does not fully reflect the new global economic order".[396]

236. Professor Foot noted that China had "asked for a larger voice in the IMF and the World Bank".[397] Ms Rand said that China had assessed that the IMF "was not fair towards China", and that the IMF had "thought that China would not reform in a rapid enough fashion".[398] For example, a significant reform to the IMF—to increase China's voting share from 3.8% to 6.1%—was agreed in 2010 but not implemented until 2016, because the US Congress did not ratify the agreement. The US continues to hold a veto in the Executive Board's formal decision-making process.[399]

237. Professor Evans said that this reluctance to reform the Bretton Woods institutions was "counterproductive or against the possibility of bringing China into that order."[400] A number of witnesses, including Lord Hague, Lord Ricketts and Sir Simon Fraser, said the creation of new financial institutions by developing countries, led by China, was in part the result of such delays and partial reforms.[401] These new non-Western regional organisations are discussed below.

238. **Maintaining the World Trade Organisation and the Bretton Woods institutions, and developing the rules of international trade and finance, will become even more important to the UK after it leaves the EU. This will be necessary to prevent trade anarchy, leading to worse things—as was the hideous story of the 1930s.**

239. **The US Administration's unilateral approach to trade is a major concern. The Government must do all it can to uphold the functioning of the WTO. It should consider with like-minded countries ways of circumventing the US blockage on appointments to the WTO's dispute settlement mechanisms.**

New non-Western regional organisations and groupings

240. Mr King said:

> "We are beginning to witness the creation of 21st-century institutions that look rather like the globalisation institutions of the mid-20th century, but they are China-led rather than American-led or European-led. There is a different flavour to them. They may be rivals to the existing institutions or they may simply be bolt-ons to those institutions, but they are different and they reflect China's increasing political reach."[402]

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396 Written evidence from Overseas Development Institute (FPW0012)
397 Q 98
398 Q 92
399 Jue Wang, 'China-IMF Collaboration: Toward the Leadership in Global Monetary Governance', *Chinese Political Science Review*, vol 3, Issue 1, (March 2018), pp 62–80: https://doi.org/10.1007/s41111–017-0085-8 [accessed 4 December 2018]
400 Q 128
401 Q 92 (Professor Foot and Kathryn Rand), Q 15 (Lord Ricketts), Q 189 (Sir Simon Fraser), Q 13 (Lord Hague), written evidence from The Overseas Development Institute (FPW0012)
402 Q 86

He said that China had identified "an opportunity in Asia, and indeed in Europe, which partly results from the fact that the US is no longer so enthusiastically embracing the global institutions that the US itself helped to create in 1944 and beyond".[403]

241. Mr King said that China was beginning to exercise a "gravitational pull" in Asia, and to an extent there was "increasing support for institutions that are China-led" such as the Asian Infrastructure Investment Bank (AIIB) and the Shanghai Co-operation Organisation (SCO).[404] Professor Sullivan de Estrada said China had "approached India at the beginning of the founding" of the AIIB, and so "India felt included". India was "the second largest voting partner" in the AIIB, and "the largest recipient of loans".[405]

242. Professor Foot said that new regional organisations established by China were different to existing international institutions: the new organisations "have specific low-level goals that are not particularly demanding on the individual players within the system." She described them as "not binding … in any sense", and there was "no pooling of sovereignty of any kind".[406]

243. Lord Hague said "global governance" was "further fractured" by the creation of such organisations.[407] Sir Mark Lyall Grant said that "the one thing" that organisations such as the AIIB and the SCO—discussed below—and the Belt and Road Initiative (discussed in Chapter 2) "have in common is that they do not include the United States". They were "rival organisations" to the established post-war multilateral system. He said that "in future this poses a threat to the current international governance system", but qualified that this was "more of a potential threat rather than a direct national security threat".[408]

New financial institutions

244. The AIIB and the New Development Bank became operational in January and February 2016 respectively. Box 5 provides an overview of these two organisations.

403 Q 86
404 Q 86
405 Q 120
406 Q 97
407 Q 13
408 Q 206

Box 5: The Asian Infrastructure Investment Bank and the New Development Bank

The Asian Infrastructure Investment Bank

The Asian Infrastructure Investment Bank (AIIB) is a multilateral development bank "with a mission to improve social and economic outcomes in Asia." Headquartered in Beijing, it began operations in January 2016 and has 87 approved members worldwide (as of 8 October 2018).

The AIIB has 24 non-regional members, including the UK, Canada, France, Germany, Italy, the Netherlands and Spain.

A total of USD 96.19 billion is subscribed to the AIIB by its members, of which 76.8% is from regional members and 23.22% is from non-regional members. The countries with the largest vote share are:

(1) China (26.6%)
(2) India (7.6%)
(3) Russia (6.0%)
(4) Germany (4.2%)
(5) South Korea (3.5%)
(6) Australia (3.5%)
(7) Indonesia (3.2%)
(8) France (3.2%)
(9) The UK (2.9%)
(10) Turkey (2.8%)

Major decisions taken by the AIIB require the consent of at least 75% of the voting shares, giving China veto power.

The UK holds a seat on the AIIB's Board of Directors, where it represents seven other non-regional members. In 2016 Sir Danny Alexander, former Chief Secretary to the Treasury, was appointed as the AIIB's Vice President and Corporate Secretary.

The New Development Bank

The New Development Bank (NDB) is a multilateral investment bank established by the BRICS countries (Brazil, Russia, India, China and South Africa) in 2014. Its aim is to "mobilise resources for infrastructure and sustainable development projects in BRICS and other emerging economies, as well as in developing countries".

The NDB was established with an initial authorised capital of USD 100 billion.

The NDB's Articles of Agreement state that all members of the UN could become members of the bank, but as of October 2018 no non-BRICS country had joined. Each of the NDB's five members have equal voting rights.

Source: AIIB, 'Introduction—Who we are': https://www.aiib.org/en/about-aiib/index.html; and 'Members and Prospective Members of the Bank': https://www.aiib.org/en/about-aiib/governance/members-of-bank/index.html [accessed 4 December 2018]; New Development Bank, 'About us': https://www.ndb.int/about-us/essence/history/ [accessed 4 December 2018]

245. The Overseas Development Institute said that there were "considerable funding gaps in infrastructure development in the region" which the AIIB could "help fill". Competition between the AIIB and the existing multilateral development banks (such as the Asian Development Bank and the World Bank) could "help make operations of other financiers more efficient".[409]

246. Mr King said that there was "no doubt that, whereas the Asian Development Bank is led by the Japanese as a proxy of the Americans and the World Bank is led by the Americans, the AIIB is fundamentally different."[410] Mr Maidment too said that the AIIB was "part of a Chinese attempt to create a parallel global governance architecture that will run at a lower level but will eventually compete" with the post-war global institutions.[411]

The Shanghai Co-operation Organisation

247. Box 6 sets out the role and origins of the Shanghai Co-operation Organisation (SCO).

Box 6: The Shanghai Co-operation Organisation

The Shanghai Co-operation Organisation (SCO) is an intergovernmental organisation formed in 2001 by China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. In June 2017 India and Pakistan became members.

Afghanistan, Belarus, Iran and Mongolia are observer states. President Xi Jinping has signalled China's support for Iran's accession to the SCO, following the lifting of UN sanctions against Tehran.

The original mission of the SCO was co-operation on security issues, with regional security and extremism a particular focus. This aspect of the SCO has been expanded with joint SCO military exercises. The remit of the SCO has expanded over time and it now describes its "main goals" as:

> "strengthening mutual trust and neighbourliness among the member states; promoting their effective cooperation in politics, trade, the economy, research, technology and culture, as well as in education, energy, transport, tourism, environmental protection, and other areas; making joint efforts to maintain and ensure peace, security and stability in the region; and moving towards the establishment of a democratic, fair and rational new international political and economic order."

Source: 'The Shanghai Cooperation Organisation, 'The Shanghai Cooperation Organisation': http://eng.sectsco.org/about_sco/ [accessed 4 December 2018]

248. Professor Morton said the SCO was "representative of a different kind of regional multilateralism". It was a framework for managing many "shared, overlapping but also diverse interests",[412] including energy security.[413] Dr Antonenko described it as a "framework" for Russia and China to "reconcile their interests in central Asia in a peaceful manner",[414] while Sir Tony Brenton described it as "basically an east Asian anti-NATO group".[415]

409 Written evidence from The Overseas Development Institute (FPW0012)
410 Q 86
411 Q 8
412 Q 97
413 Q 86
414 Q 110
415 Q 103

249. Jean-Christophe Iseux, Baron von Pfetten, former specially invited member, Chinese People's Political Consultative Conference, said the SCO was important both as an organisation which was "binding" Russia and China together, and as a possible future "NATO of the East".[416] Dr Antonenko, however, said that the SCO used to have "a major role, but its importance is now declining",[417] while Dr Kuhrt described it as "somewhat moribund".[418] Dr Antonenko attributed this to China "losing interest". It had wanted the SCO "to become a more economic institution",[419] but China's proposal to develop a SCO development bank was blocked first by Uzbekistan, and then by Russia.[420] China now instead had the BRI initiative and the AIIB.[421] Mr Pantucci said China was also sceptical of the SCO as a security organisation. Its creation of a separate grouping—the Quadrilateral Cooperation and Coordination Mechanism with Tajikistan, Afghanistan and Pakistan—to deal with Afghanistan, "one of the biggest hard-power issues" facing the SCO, demonstrated that China "does not put a huge amount of faith" in the SCO.[422] China had also allowed the inclusion of both India and Pakistan, which had made the organisation "incoherent".[423] Russia was also "losing interest" in the SCO, in favour of the Collective Security Treaty Organisation.[424]

250. Mr Pantucci said that the SCO "cannot do a huge amount, because the members do not all agree on what should be done." He said that while "it is nice to have a forum for engaging with everyone in this way … everyone has a veto".[425] For China, the SCO was "another umbrella … a multilateral organisation that they can use, but ultimately they get their business done at a bilateral level."[426]

Governance

251. Professor Foot said that "if one looks inside these organisations, one will probably find a particular narrative and a set of policies that one might describe as something of a challenge to the liberal aspects of the international order."[427] Witnesses said that the lending conditions of China were different to those of the West. However, Professor Foot noted that "in its early projects" the AIIB was "working with well-established international organisations such as the World Bank and the Asian Development Bank and is therefore to some degree subject to the lending conditions of those banks".[428]

252. Sir Martin Donnelly saw a role for the UK "in trying to maintain a degree of good governance in difficult parts of the world" where China was investing. He thought it "in no one's interest to find, say, African countries under great pressure because their governance systems are collapsing, and other investors, whether Chinese or European, then facing difficult choices about how to

416 Q 175
417 Q 110
418 Q 109
419 Q 110
420 Q 92
421 Q 110
422 Q 92
423 *Ibid.*
424 Q 110. The Collective Security Treaty Organisation is an intergovernmental military alliance between Russia, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.
425 Q 92
426 *Ibid.*
427 Q 98
428 *Ibid.*

respond, or how not to respond."[429] Professor Miskimmon and Professor O'Loughlin, Professor Clarke and the Environmental Investigation Agency also suggested a role for the UK in the AIIB and the BRI in maintaining legal standards, ensuring projects are managed responsibly and habituating China to the rules-based international order.[430]

253. The FCO said that the UK had "participated in the negotiation of the AIIB's founding principles to ensure it is well governed, open, transparent and accountable". The UK currently had "one of the five Vice President positions and a seat on the Board of Directors."[431] Sir Peter Westmacott said that "by joining at an early stage", the UK was "able to influence the principles on which that investment bank was formed".[432] He said that joining the AIIB had resulted in a "spat" with the US: "everybody from President Obama downwards was initially extremely critical of the position that we took". However, "an awful lot of people in the State Department and in international trading organisations took the view that in fact the UK had made a sensible choice".[433]

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (the Trans-Pacific Partnership)

254. Dr Schake noted that Canada, Japan and Australia had "agreed to move ahead with the Trans-Pacific Partnership, even without American participation … because it remains in their interests".[434] Eleven countries have decided to continue with the rebranded Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which will reduce both tariff and non-tariff barriers to trade. The participants are Australia, Canada, Japan, Mexico, New Zealand, Singapore, Brunei, Chile, Malaysia, Peru and Vietnam.[435] It will come into force on 30 December.

255. Lord Hague thought "joining … organisations [such as the CPTPP] for trade links could be meaningful and important". He said that the UK would be likely to find "a good deal of support" from "countries such as Japan" for this.[436] In October, Shinzo Abe, Prime Minister of Japan, said Japan would welcome the UK into the CPTPP "with open arms".[437] The Foreign Secretary said he "would love us to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership."[438]

256. **We welcome the UK's engagement with new international institutions such as the Asian Infrastructure Investment Bank. The UK should**

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429 Q 189
430 Written evidence from Professor Alister Miskimmon, Queen's University Belfast, and Professor Ben O'Loughlin, Royal Holloway, University of London (FPW0015), Written evidence from the Environmental Investigations Agency, UK (FPW0012) and Q 5 (Professor Clarke)
431 Written evidence from The Foreign and Commonwealth Office (FPW0027)
432 Q 29
433 Q 30
434 Q 25
435 Jamie Smyth and Robin Harding, 'Trans-Pacific Partnership to start in December', *The Financial Times* (31 October 2018): https://www.ft.com/content/274d411c-dc99-11e8-9f04-38d397e6661c [accessed 4 December 2018] Brunei, Chile, Malaysia, Peru and Vietnam. have yet to ratify the agreement.
436 Q 13
437 'Japan's Abe says would welcome Britain to TPP: FT', *Reuters* (7 October 2018): https://uk.reuters.com/article/us-britain-eu-japan/japans-abe-says-would-welcome-britain-to-tpp-ft-idUKKCN1MH0VK [accessed 4 December 2018]
438 Q 234

use its membership to seek to shape the lending terms and governance of these bodies.

257. **The Government should also follow closely the development of other regional groupings—such as the Shanghai Cooperation Organisation. We echo Lord Hague's view that participation in new organisations could be very valuable, and we highlight the potential of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Common Market for Eastern and Southern Africa, the Regional Comprehensive Economic Partnership, and the Pacific Alliance.**

The role of networks

258. Mr Kramer reflected that "the world is made up more now of series of networks that are interacting". He said that "a state is a key element in many of the networks but so are the non-states actors". He gave the example of security issues—as discussed in Chapter 3—where "non-state actors are more engaged". They could be used to meet new challenges such as "new tech, the impact of the private sector and empowerment of non-state actors".[439]

259. The British Council emphasised the importance of engaging with "new international networks and actors, in addition to traditional diplomatic relationships." It said that "the role and importance of networks and non-state institutions in international relations is significantly increasing". The world was becoming increasingly "hyperconnected", with an "increasing role in global policymaking and networks of influence" played by "global civil society organisations, businesses, NGOs, universities, media organisations and cultural institutions, as well as influential individuals".[440]

The Commonwealth

260. The Foreign Secretary said the Commonwealth was "particularly important because it is the strongest north/south alliance of nations there is. It is quite unusual. It has a mixture of established and newer democracies, but democratic values run through all Commonwealth members."[441]

261. Lord Hague said its value was "as an extraordinary network".[442] It could be used for "expanding trading links, links between universities and the myriad of civil society links". The FCO too said the Commonwealth "stimulates a wide range of political, non-governmental and people-to-people engagement across different regional and cultural environments". The "global and diverse character" of the Commonwealth and the "enduring nature" of these relationships "offers the UK and its members potential, long term, to reinforce the international rules-based order, and to complement and enhance UK engagement in other multilateral fora." [443]

262. Sir Ciarán Devane said he "absolutely subscribe[d] to the vision of the Commonwealth as a network." He said it "gives us something extra. It allows

439 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf

440 Written evidence from The British Council (FPW0021)

441 Q 234

442 Q 12

443 Written evidence from The Foreign and Commonwealth Office (FPW0027)

us to leverage the diversity of the Commonwealth and have conversations that we could not have just bilaterally", for example with schools and universities.[444]

263. Some witnesses ascribed less significance to the Commonwealth as a forum in itself. Lord Hague said while its reach was "extraordinary" it was "quite difficult to turn it into something with a united political impetus or trading purpose … You soon come up against the limits of the political and diplomatic purposes for which you can use such a disparate group from so many continents."[445]

264. Mr Roy-Chaudhury said that there was some interest from India in "re-energising the Commonwealth and on stepping up India's role" in it. The UK and India could work together to some extent, but although India had "found a new rationale for the Commonwealth", this "will not necessarily coincide with the UK's views". India looked at the Commonwealth "from its own national interest perspective", considering issues such as "How do you deal with small states in the Commonwealth with which India does not have diplomatic relations?" Delhi would "try to shift the traditional Commonwealth human rights-based approach to one that focuses on capacity development and so on".[446]

265. **The Government should be willing to develop and work with appropriate networks (such as the UN Global Compact, which supports the global business community in advancing UN goals and values through responsible corporate practices) and groups of countries to find solutions to international challenges.**

266. **Contacts and engagement between civil society groups and individuals have the ability to generate enduring connections and activities across borders. The Commonwealth network, based on increasingly close links at all levels of society, may prove remarkably well adapted to the modern age of connectivity.**

Responding to these challenges and changes

267. Many of our witnesses, including Ms Maddox, Sir Simon Fraser and Dr Niblett urged the Government to defend the rules-based international order.[447] Dr Niblett said being "an absolute champion" of the rules-based order, should be the UK's "core mission".[448] Mr Wilkinson said "if liberal democracies are not protecting … liberal institutions in the international system, no one else is going to".[449] Mr Maidment said the US's "step back from promoting liberal democratic values … opens up space for the UK to fulfil that role to a certain part."[450] Lord Ricketts hoped "that the current American dislike for multilateral engagement is a passing thing, and Britain is right to do what it can to maintain the dynamic in those organisations."[451]

268. Ms Bronnert said the UK was already actively "defending the international rules-based system".[452] The FCO's written evidence likewise stated the

444 Q 138
445 Q 12. Professor Evans made a similar point (Q 130).
446 Q 120
447 Q 198 (Bronwen Maddox and Dr Niblett), Q 187 (Sir Martin Donnelly) and Q 190 (Sir Simon Fraser)
448 Q 203
449 Q 34
450 Q 3
451 Q 18
452 Q 153

UK's "support for the rules-based international system; for free markets; our values and the rule of law".[453] The Foreign Secretary said "the United Kingdom must be an actor and not an observer." The UK had the ability to shape [the] world order—not to control it but to shape it. Because we are the country that, alongside the United States, was largely responsible for the current world order, I think people will be looking at us and asking what we are going to do to protect the values that all of us here believe in so strongly."[454]

269. Some witnesses however took a slightly different view. Dr Tara McCormack, Lecturer in International Relations, University of Leicester, said that the UK had itself weakened the rules-based international order through its "military intervention and at times regime change".[455] Ms Thornberry said "we cannot just trot out the phrase 'the rules-based international order' and then not adhere to it ourselves."[456] Mr Rogers said that "war weariness" and the economic dislocation caused by the global financial crisis had "sapped, to some extent" the willingness of the UK (and the US) to act as "custodians" of a rules-based international order.[457] Professor Evans cited the UK's decision to leave the EU—"a gold-standard multilateral institution"—as "a depressing indicator", part of the trend away from multilateralism, although he noted that there were "obviously other factors in play" in the decision.[458]

270. Sir Mark Lyall Grant said that the UK should "stand up and very loudly defend our values, whether they are democracy, the rule of law, [or] human rights".[459] This defence was necessary because if a "rival governance system" were to be "established around China" it would "not be based on our value system", which would be "very damaging for us".[460] Dr Niblett said that to defend the rules-based international order, "we in Britain and the countries in the West … need to put emphasis on some pretty basic principles of good governance domestically, with separation of powers, primacy of the judiciary and the rule of law … and an independent civil society". The UK should "call out any backsliding that takes place", referring to developments in some European countries.[461]

271. Dr Niblett cautioned, however that the UK might not "want to lecture other countries" depending on "the stage of their political evolution, development or cultural desires".[462] Sir Mark Lyall Grant said that in defending its values, the UK might need "to be a little more sensitive … in not pushing some of our beliefs down the throats of countries that are not ready for them". The UK had sometimes "been a little too assertive in insisting that everyone follows our value system when clearly they do not".[463] He said that "tactically some of the Western countries, including ourselves, [had] pushed a little too hard on LGBT rights, capital punishment and things such as that which brought in more conservative African and Caribbean countries on the wrong side of

453 Written evidence from The Foreign and Commonwealth Office (FPW0027)
454 Q 231
455 Written evidence from Dr Tara McCormack (FPW0025)
456 Q 222
457 Written evidence from Mr James Rogers, Director, Global Britain Programme, Henry Jackson Society (FPW0026)
458 Q 124
459 Q 209
460 *Ibid.*
461 Q 200
462 *Ibid.*
463 Q 209

the argument".[464] In a potential "battle" between the values of China and the West, the UK would need to "make sure that the middle ground, which is the vast majority of countries in the world, is attracted by our system rather than the Chinese one".[465]

272. The UK's trade relationships were raised by Ms Thornberry in the context of the balance between values and interests. She asked whether the UK was "interested only in trade deals" or whether it stood by its "principles and what we stand for as a country".[466] Ms Thornberry raised Saudi Arabia, "a long-term ally" to which the UK sells defence equipment. In the context of Saudi Arabia's role in the war in Yemen and she said the UK should not "indulge" Saudi Arabia, and should "not think that anything it does is fine because we rely on it."[467]

273. Dr Haass said that "at a minimum" it was desirable to "preserve" existing international organisations. To do so, reform was needed to "virtually every" international institution and arrangement—from the EU to the CPTPP to the Iran nuclear deal. He said that institutional reform should be the agenda of countries such as the UK.[468]

274. Our witnesses detailed what such reforms might entail. First, Sir Mark Lyall Grant said it was "important for us to recognise that international governance structures need to change and adapt to the new geopolitical realities".[469] Sir Martin Donnelly said that if the "new players" were not better engaged, the challenges to the global economic system were "likely to be greater",[470] a point also made by Sir Mark Lyall Grant in the context of UN Security Council reform.[471] Sir Simon Fraser urged the UK to seek to "adapt the system to accommodate China", an agenda "on which, frankly, we do not have a very good record."[472] Sir Peter Westmacott said allowing a greater role for China in the global financial institutions was particularly important.[473]

275. A second priority would be for the UK to engage with other countries on the reform of existing institutions. Lord Hague said the UK should "work with a future US Administration, China and others on reform where we can of [global] institutions".[474] Professor Evans said there was "a whole agenda of issues out there on which there is huge scope for co-operation with China to bring it into the global order and have it behave as a 'responsible stakeholder'"[475]. Professor Clarke similarly said that "the interest of the West" was "not to isolate China but to habituate it to the sort of rules-based order that we want to try to preserve".[476] However, Professor Tsang

464 Q 207. On LGBTQ rights Stonewall took a different view, arguing that "The UK Government should make sure its championing of LGBT equality is continued and extended". Written evidence from Stonewall (FPW0009).
465 Q 209
466 Q 219
467 Q 220
468 Q 52
469 Q 209
470 Q 187
471 Q 209
472 Q 189
473 Q 30
474 Q 13
475 Q 128
476 Q 5

cautioned that China thought it was already "fulfilling its own standard of what a responsible stakeholder is".[477]

276. The Foreign Secretary also saw an opportunity for the UK to work with the US on reform to multilateral institutions:

> "the way that … large multilateral organisations work at present does not work for the United States of America and they are seeking to change that … But I firmly believe that if we can get the proper reforms we want in that system, President Trump would be a big supporter of that system, but he needs to see it working better. I think that is the long-term purpose."[478]

277. Sir Martin Donnelly highlighted a third area requiring reforms: international economic governance. He said it was important to strengthen the system "in trade, in finance, in economic affairs and in the G7 style of overview of how the world economy is going". There was "perhaps more unease about new investment, not just from China but from elsewhere, as regards ownership and the domination of supply chains or particular sectors than there was 10 or 15 years ago". This is "a global issue that has to be handled, at least partly, through global institutions. If at the same time we are sceptical about global institutions, we will find it much more difficult to maintain open capital, investment, services and, indeed, trade in goods flows than we have in the past."[479]

278. Lord Hague cautioned that while reform to the existing international organisations was desirable, "we have to have an approach ready on the assumption that this will not work and that over the next few decades global institutions will steadily lose more of their ability to solve the world's problems".[480] Mr Kramer agreed that there was a place for the adaptation of current institutions, but there were "real questions" about whether good institutions can be built from a membership with both "converging" and "diverging" interests.[481] Professor Evans was more optimistic: despite major challenges, some subjects—such as the response to health pandemics and the increase in UN peacekeeping operations—provided "grounds for a greater degree of optimism about the survivability of the multilateral order". While "a commitment to national identity and the nation state" was "a pretty visceral phenomenon worldwide", "that does not mean it is not possible in that context to do an awful lot on the multilateral front". On this basis, he said efforts should still be made to address issues such as non-proliferation and disarmament.[482]

279. Dr Niblett identified an opportunity for the UK to work with the private sector in defence of the rules-based international order. He said that multinational companies (MNCs) "have global brands" and find it "easier to hew to one regulation"; for this reason, most MNCs had not reacted positively to

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477 Q 79
478 Q 232
479 Q 188
480 Q 13
481 International Relations Committee, Record of the session held in partnership with the Atlantic Council in Washington D.C. (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Atlantic-Council-record-of-discussion.pdf
482 Q 126

President Trump's changes to US regulations.[483] MNCs could "become soft projectors of some rules just for ease of doing business and for enlightened self-interest", and the Government should therefore "think intelligently" about how it designs regulations, and "who you have at the table".[484] Dr Albright said that, in order to garner their support for maintaining the rules-based international order, "representatives of the private sector should sit early on in international institutions, not just deal with it when they are supposed to pick up the pieces".[485]

280. Dr Haass thought that, beyond the existing international organisations, there was "a powerful argument for trying to create global arrangements, mechanisms, norms and institutions" for dealing with major issues such as cyberspace, infectious diseases or climate change. He drew attention to what he described as the "quite ingenious" Paris Agreement on climate change as an example, which had "allowed countries to join it and to set some of their own goals". Observing that "one finds partners where one can", he thought that, "particularly in the strategic area", such initiatives might be undertaken by "networks, alliances and clusters of countries that are not necessarily allies in the formal sense but are strategically associated".[486]

281. Lord Ricketts said that "much important international activity goes on outside [the] formal structures" of international organisations, through "contact groups" of countries. For example, the UK had played a leading role in the contact group leading up to the Iran nuclear deal. Such "small group diplomacy" would continue to be important, and the UK should continue to engage with both existing groups and seek opportunities for wider engagement, for example in Asia.[487]

282. **The rules-based international order in all its manifestations—which is critical to the UK's national interest—is under serious threat from multiple directions.**

283. **The policies of major powers—Russia, China and increasingly the United States—present considerable challenges to the multilateral institutions that underpin this order. Yet many of the problems facing states, such as climate change, terrorism and migration, are increasingly complex and trans-national. The Government should make the defence of the rules-based international order a central theme of all its bilateral relationships. This is particularly important in the UK's engagement with the US, China, Russia and emerging powers such as India.**

284. **Pressures on the rules-based international order also come from beyond the state, in the form of technology and protests. The roots of this instability are many, but one is the enormous access to information and spread of opinion caused by communications and connectivity.**

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483 Q 201
484 *Ibid.*
485 International Relations Committee, Note from Committee visit to Washington D.C 11–15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
486 Q 52
487 Q 17

285. **The Government must not lose sight of its core values—particularly the rule of law and respect for international commitments—which are fundamental to the good functioning of a rules-based system for international trade, economics and security. Tension between the UK's commercial interests and its values is likely to occur more frequently in its relationships with authoritarian countries and its pursuit of new trade deals across the world.**

286. **In the context of the US Administration's hostility to multilateralism, the UK will need to work with like-minded nations to move ahead on some global issues without US participation or support, or a changed nature of engagement. But it should always leave the door fully open for the US to join at a later stage.**

287. **The UK should be a vocal champion of reform to international institutions. It should support reforms both to make these institutions more efficient, and to give a greater voice to emerging powers—particularly China and India—to build their support for the rules-based international order.**

CHAPTER 5: UK FOREIGN POLICY—FUTURE CAPABILITIES

288. In the context of the dramatically changed world conditions identified in the preceding chapters, which represent an upheaval in international affairs and a transformation of the global system, we have considered how the UK should recalibrate its foreign policy.

289. The Government has announced a "vision for Global Britain". The FCO said that, in the context of changes to the international environment and the UK's departure from the EU,

> "The concept of 'Global Britain' is shorthand for our determination to adjust to these changes, to continue to be a successful global foreign policy player, and to resist any sense that Britain will be less engaged in the world in the next few years. It is intended to signal that the UK will, as Ministers have put it, continue to be open, inclusive and outward facing; free trading; assertive in standing up for British interests and values; and resolute in boosting our international standing and influence." [488]

290. Ms Bronnert said there was "no huge shift in foreign policy", which surprised us, but she said but there were three areas where the UK was doing things "a bit differently". First, it was "investing more in our global network" of embassies and high commissions. Second, it was increasing staffing to increase capacity in some posts. Third, it was "looking at" its "bilateral relationships and … multilateral and regional relationships".[489] Global Britain has been the subject of a series of inquiries by the House of Commons Foreign Affairs Committee.[490]

291. Sir Simon Fraser said he could not "think of any time in my career when there has been less clarity, frankly, about the purposes and objectives of British foreign policy."[491] He thought "many of the assertions that are made by Ministers" were "a combination of ignorance and wishful thinking". The Government needed "a bit more clarity and deep thinking about what, for example, lies behind the objective of Global Britain".[492]

292. Lord Ricketts was "disappointed at the lack of an energetic, active, distinctive British foreign policy in the last couple of years".[493] He thought Brexit was "distracting enormously from that".[494] Dr Haass said that "among the foreign policy elites—or the foreign policy establishment … the British role is seen as having been downsized and likely to continue that way, and that Brexit reinforces that".[495]

293. Ms Bronnert, however, said that the UK intended to "remain internationally engaged and influential in the international space". Europe was "very much part of the Global Britain philosophy"; "on recent events, whether it is Salisbury or our response to a whole range of different foreign policy

488 Foreign and Commonwealth Office, 'Global Britain: delivering on our international ambition' (13 June 2018): https://www.gov.uk/government/collections/global-britain-delivering-on-our-international-ambition [accessed 4 December 2018]
489 Q 147
490 House of Commons Foreign Affairs Committee, *Global Britain* (Sixth Report, Session 2017–19, HC 780)
491 Q 187
492 *Ibid.*
493 Q 18
494 *Ibid.*
495 Q 55

challenges, we have worked closely with France, Germany and others, including the US".[496]

294. Sir Jon Day KBE, former Second Permanent Secretary, Ministry of Defence (MoD), and former Chair of the Joint Intelligence Committee, said that if the UK was not "able to take control of the international narrative", it would " appear a declining power and an unattractive political partner. Some of our friends will complain that we have abandoned our traditional role and weakened the rules-based international order, and there will be questions about our reliability as an ally". The UK would "have to fight harder to maintain international leadership roles", if it was to "prove our critics wrong".[497]

295. In the context of Brexit, Sir Simon Fraser said the Government had "a big challenge in thinking through the consequences of the major strategic change in our position in the world on which we are embarked."[498] Sir Martin Donnelly agreed that "Trying to set out a somewhat grandiose narrative that does not reflect our experience or the experience of those we are dealing with is, frankly, counterproductive". It was clear to other countries that the UK was "wrestling with some very difficult issues", and "taking a Panglossian approach" was "not worthy of the United Kingdom".[499]

296. In a speech on 31 October, the Foreign Secretary outlined his vision of the UK as "an invisible chain".[500] He said that while the UK "may not be a superpower", it was "probably the best-connected of the major powers in the world". Through "our links with the Commonwealth, the transatlantic alliance, our European friends, and so on … we should aim to be the invisible thread that links the democracies of the world, and the most important link in that is going to be between the United States and Europe." He said it was the UK's "job to try to hold that together and to make sure, in all the big and lively debates that we have, that all sides remember the fundamental things that really matter, which is that we share values and we need to work together in the modern world to defend those values."[501]

Whitehall structure

297. Sir Simon Fraser said that power over foreign policy in Whitehall had been "sucked to the centre—to Number 10, the National Security Council secretariat and so forth", while "at the same time, we now have seven or eight departments dealing with different aspects of international affairs"—the FCO, the MoD, the Department for International Development (DfID) the DIT, the Department for Exiting the EU (DExEU), the Department for Environment, Food and Rural Affairs (Defra), HM Treasury[502] and the Department for Business and Industrial Strategy.

298. An important mechanism for the co-ordination of international departments is the National Security Council, established in 2010 (see Box 7). Sir Mark

496 Q 150
497 Written evidence from Sir Jon Day, Steve Chisnall, and Dr Ana Margheritis, University of Southampton (FPW0020)
498 Q 187
499 Q 197
500 Jeremy Hunt MP, 'An Invisible Chain: speech by the Foreign Secretary' (31 October 2018): https://www.gov.uk/government/speeches/an-invisible-chain-speech-by-the-foreign-secretary [accessed 1 November 2018]
501 Q 232
502 Q 192 (Sir Simon Fraser) and Q 8 (Mr Maidment)

Lyall Grant said the NSC had "fundamentally and strikingly changed the way of working in government over the past eight years because it brings together quite a wide range of actors—Ministers, officials, the Chief of the Defence Staff, the National Crime Agency, the Metropolitan Police et cetera—around the table in a formal way every week to discuss strategic security issues".[503] Lord Ricketts said it was now "embedded in the Whitehall processes and structures", and while "not perfect" it was "the best mechanism that we have devised so far … to bring all these various strands together so that we can look at them collectively".[504] The Foreign Secretary said he believed the NSC "works well".[505]

Box 7: The National Security Council

The NSC is the forum for collective discussion of the Government's objectives for national security. The NSC helps ensure ministers consider national security in a joined-up and strategic way, and that ministerial decisions are well-prepared and properly followed through.

It is made up of senior ministers, including the Prime Minister, who chairs the weekly meetings. It is served by the National Security Secretariat, based in the Cabinet Office. The Secretariat is headed by the National Security Adviser.

Cabinet ministers, the Chief of the Defence Staff, Heads of Intelligence and the Leader of the Opposition can attend when required.

There are four ministerial sub-committees of the NSC:

- Threats, hazards, resilience and contingencies;
- Nuclear deterrence and security;
- Matters relating to implementing the Strategic Defence and Security Review and the National Security Strategy (including cyber matters); and
- Cross-government funds.

There are also associated cross-government senior official groups that support and inform these ministerial-level structures. Principal among these is the Permanent Secretaries Group, chaired by the National Security Adviser.

Source: Gov.uk, 'National Security Council': https://www.gov.uk/government/groups/national-security-council [accessed 4 December 2018]

299. Economic issues are outside the remit of the NSC. Mr Hannigan said that this was "a problem".[506] He thought "it would be a good development if we could bring … together" both economic and security issues.[507] Sir Mark Lyall Grant said that while it was "true that economic issues per se do not appear in the remit, the Chancellor of the Exchequer and the Business Secretary are prominent members of the National Security Council and will always bring those issues to bear on any discussion."[508]

300. Consistent with the "atomisation" in Whitehall identified by Sir Simon Fraser,[509] Mr Fletcher said there were now "way too many government

503 Q 211
504 Q 16
505 Q 244
506 Q 212
507 *Ibid.*
508 Q 211
509 Q 192

departments".[510] Of the international departments in addition to the FCO and the MoD, the DIT and DExEU were established in 2016, and DfID was made independent of the FCO in 1997.

301. Sir Simon Fraser did not think the creation of the DIT had been "either necessary or a good idea". Co-ordinating the activities of different international departments could be "quite challenging" for the FCO:

> "If you have in a part of the world an ambassador sitting on a tiny Foreign Office budget, a head of DfID office sitting on a budget of several millions and a separate person from a different department in charge of trade policy, you have to ask yourself how you will be able effectively to co-ordinate those different activities."[511]

Mr Fletcher said that the seniority of DfID staff in some African countries had "got slightly out of control for a while … There were moments when it was the head of DfID who would go to see the president and the ambassador might get to tag along." His 2016 review for the FCO had recommended reasserting "the primacy of the head of mission".[512]

302. The Secretary of State for International Trade has appointed nine Trade Commissioners, for the following regions: Asia Pacific; Africa; Eastern Europe and Central Asia; Europe; the Middle East; China; Latin America; South Asia; and North America. HM Trade Commissioners are intended to "cooperate closely with HM Ambassadors and High Commissioners, the wider diplomatic network, and other HM Government colleagues based in countries in their region, in a joined-up and coordinated government effort overseas to promote UK trade and prosperity."[513]

303. Sir Simon McDonald, Permanent Under-Secretary, FCO, said "We have nine trade commissioners; five of them are double-hatted and all are blended into the existing structures."[514] Ms Bronnert said that "Global Britain and the NSCR [National Security Capability Review][515] restates very firmly that the country leadership rests with the ambassador or the head of mission, and that continues."[516]

304. On Whitehall co-ordination, Sir Martin Donnelly said that "fewer organisations are on the whole better than more organisations".[517] "A much more rigorous approach" was needed to how government departments were established: "do not do these things overnight, do not change them in six months, and do not respond because there is a short-term political need to find a job for someone".[518] Continuity of approach was also useful for the

510 Q 41
511 Q 192
512 Q 42; Foreign and Commonwealth Office, *Future FCO Report* (9 May 2016): https://www.gov.uk/government/publications/future-fco-report [accessed 4 December 2018]
513 Department for International Trade, 'Press Release: Final HM Trade Commissioner appointed', 6 July 2018: https://www.gov.uk/government/news/final-hm-trade-commissioner-appointed [accessed 4 December 2018]
514 Q 244
515 The National Security Capability Review (NSCR) identified how the Government could develop, deliver and deploy its national security capabilities to maximum collective effect. HM Government, *The National Security Capability Review* (June 2018), p 3*:* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705347/6.4391_CO_National-Security-Review_web.pdf [accessed 4 December 2018]
516 Q 158
517 Q 192
518 *Ibid.*

users of Government services: for example businesses had been used to the UK Trade and Investment model, and it would "take some years" for them to understand how the new approach—following the establishment of the DIT—would work.[519]

305. Sir Jon Day said there was "unnecessary duplication" between outward-facing departments. While (as discussed above) the NSC provided co-ordination, attempts at "more fundamental institutional reform" since 2010 had been thwarted by "sectional turf interests". He proposed that "a single policy department in lieu of the Cabinet Office, FCO, MoD and DfID might have the greater agility required to manage a much wider range of bilateral national interests".[520] Mr Fletcher foresaw the need for a further "consolidation and tighter co-ordination of all the overseas instruments", probably after the UK had left the EU. This would be "a good thing for British diplomacy and for the Foreign Office".[521]

306. Sir Martin Donnelly said the most important part of ensuring co-ordination was getting the culture within departments right.[522] Sir Simon Fraser said that the 'One HMG Overseas' campaign—which sought to bring together the "different parts of government" operating in a country under the ambassador or head of mission—had been such an initiative.[523] Effective co-ordination with domestic departments was also necessary for the FCO.[524] Ms Bronnert said "ensuring that we work together as the British Government overseas" was "incredibly important to our impact and effectiveness and to the good use of resource". The "cross-Whitehall" Global Britain Board was building on the earlier 'One HMG Overseas' campaign to enhance "policy alignment overseas."[525] Sir Simon McDonald said that the problem of 'siloisation' was "much less evident" overseas.[526]

307. The Foreign Secretary said 'siloisation' was "an inherent risk in the structures that we have." Regarding the establishment of the DIT, he "would not necessarily argue that we would want a DIT Secretary in a decade's time, but right now, as we face Brexit and the establishment of an independent trade policy, there is an absolutely enormous job in going around to sort out those trade deals. A Secretary of State is needed to do it."[527] He thought "there is a full-time Secretary of State's job for running DfID, a full-time Secretary of State's job for running DIT and a full-time Secretary of State's job for running the Foreign Office."[528]

308. Sir Simon Fraser said while there was still "a problem of 'departmentitis' to some extent", it was increasingly common for civil servants to move across departments, developing "a broader view".[529] Ms Maddox thought that the

519 Q 192
520 Written evidence from Sir Jon Day, Steve Chisnall, and Dr Ana Margheritis, University of Southampton (FPW0020)
521 Q 41
522 Q 192
523 *Ibid.*
524 Q 192
525 Q 149
526 Q 244
527 *Ibid.*
528 *Ibid.*
529 Q 192

FCO, DfID and the MoD had "been very good at working together, often very fast".[530]

309. Sir Simon Fraser said the FCO's place within Whitehall required attention. The FCO was "where professional expertise in international policy and diplomacy, which is a profession with its own skills, resides".[531] Mr Fletcher described the ability of the FCO to develop "generalists who can move across different disciplines but then can bring that particular added value of an understanding of the country context—how to negotiate and how to gather the right information and present it in a helpful way to the experts back in Whitehall".[532]

310. Sir Simon Fraser said it was necessary to "make sure that that is respected, understood and sufficiently empowered within the system to influence the nature of decisions that are taken and their execution". He was "not sure that the position of the Foreign Office" had "been quite clarified", and hoped the new Foreign Secretary, Jeremy Hunt MP, would "address it and help to give the organisation confidence to assert itself in servicing the centre and supervising the delivery of policy around the world".[533]

311. **The Government's branding of Global Britain lacks clarity, and needs more definition to be an effective tool in the practical promotion of the UK's interests overseas.**

312. **The establishment of the National Security Council has had a beneficial effect on the coordination of Britain's external policies. But in the modern world economic issues are inextricably linked to those of national security and international relations. We therefore recommend that the Government should amend the remit of the NSC to include international economic issues.**

313. **We welcome efforts by the Government to coordinate better the UK's internationally focused departments and break down siloes. The establishment of the Department for International Trade—and in particular the appointment of nine HM Trade Commissioners—has run counter to this initiative: it has further fragmented international policy and undermined the role of the FCO. We are concerned that this restructure may have undermined the support available to UK businesses seeking to trade internationally. A similar concern applies to the Department for International Development and the Home Office both of which need to take account of the Foreign and Commonwealth Office's priorities in their work.**

314. **In particular, the Government should consider the concerns of its international partners when developing its new immigration policy, and take account of the impact of its approach to visas on the pursuit of its foreign policy goals.**

UK influence in international organisations

315. The FCO said the UK "enjoys an influential position, including as a Permanent Member of the UN Security Council and an active member

530 Q 202
531 Q 192
532 Q 41
533 Q 192

of other key bodies" such as "the Commonwealth, G7, G20, counter-proliferation regimes and international financial institutions."[534]

316. Some witnesses thought the UK's influence in multilateral organisations was in question. The UNA-UK said the UK had recently experienced a number of "diplomatic setbacks" including "the loss of a British judge on the International Court of Justice for the first time in the Court's history", and that a number of states, including traditional partners, had voted "against the UK in the General Assembly vote on the Chagos Islands".[535] It said "a confluence of factors, including the UK's decision to leave the European Union (EU) and subsequent developments, has—rightly or wrongly—contributed to a perception that the UK is now a less useful partner".[536]

317. Sir Jon Day anticipated a shift once the UK ceased to be an EU member state: "working across the current network on multinational structures will become more difficult without a seat at the EU, especially if we continue to seek a broad leadership role." EU member states would not wish "to be seen to be caballing with us".[537]

318. In order to maintain the UK's influence, the UNA-UK recommended the Government should actively engage EU member states and Commonwealth partners, as well as "the wider UN membership" to "show the UK is prepared to use its permanent seat at the Security Council for the common good".[538] Lord Ricketts said that the UK's relationship with other multilateral institutions, such as the UN, the Commonwealth and NATO, and groupings such as the G7 and the G20, would become more important after Brexit,[539] a list to which Dr Niblett added the Organisation for Economic Co-operation and Development (OECD).[540]

319. Lord Ricketts said it was "critical that we make use of that membership and pursue an active, engaged initiative-taking foreign policy by making the most of our presence in these organisations."[541] It was "no good just vaunting the fact that we are members of more clubs than any other country; we really have to exercise that membership."[542] The UK should practise a more "entrepreneurial foreign policy", for example by seeking to play a leading role in "contact groups" in support of multilateral initiatives.[543]

320. Lord Hague said that "the right policy for the United Kingdom" was "to be present at the heart of as many networks"—which he defined as "being in the UN, the EU, the Commonwealth and many other overlapping groups

534 Written evidence from The Foreign and Commonwealth Office (FPW0027)
535 Mauritius petitioned the UN for an advisory opinion from the International Court of Justice (ICJ) on the legality of Britain's decision to remove the Chagos Islands from Mauritius before independence, and maintain them as a UK territory. The UN General Assembly voted to refer the case to the ICJ. A number of EU countries, including France and Germany, abstained.
536 Written evidence from The United Nations Association-UK (FPW0010)
537 Written evidence from Sir Jon Day, Steve Chisnall, and Dr Ana Margheritis, University of Southampton (FPW0020)
538 Written evidence from The United Nations Association-UK (FPW0010)
539 Professor Alister Miskimmon and Professor Ben O'Loughlin discussed the "renewed centrality and importance" of NATO to the UK. Written Evidence from Professor Alister Miskimmon, Queen's University Belfast, and Professor Ben O'Loughlin, Royal Holloway, University of London (FPW0015)
540 Q 201
541 Q 17
542 *Ibid.*
543 *Ibid.*

of friendships among countries that have now arisen in the world"—as it could.[544]

321. **The UK should step up its engagement with international organisations of all sizes. It should seek to exercise its membership (and observer status) of global and regional institutions, to demonstrate and reinforce the value of multilateral co-operation between states. This means putting more effort and resources into both existing and new organisations.**

322. **To maintain its influence and leadership on global issues, the UK needs a more agile, creative and entrepreneurial approach to foreign policy. It has an opportunity to demonstrate its value to old allies—such as the US—and other partners—such as India—by harnessing niche areas of UK expertise, such as cyber security and business and human rights.**

UK presence overseas

323. The FCO told us the UK has "274 posts in 169 countries and territories". These have "more than 15,000 staff from 31 UK government departments and public bodies". The FCO, the DIT, the DfID, the Home Office, the MoD and the British Council formed "the largest contingents", along with locally engaged staff.[545] Professor Clarke said that diplomatic representation overseas was essential to the UK's "cultural understanding". A "lack of cultural empathy has crept up on us over the past 15 or 20 years", which could be addressed through investment in the UK's diplomatic representation "in in the parts of the world that matter to us".[546]

Posts in Europe

324. Sir Jon Day *et al* said that the UK's foreign and security policy had been "multilateral by default for the past 40 years", which had "enabled the FCO to downsize most bilateral engagement." After Brexit there should be "a significant and rapid expansion of the Diplomatic Service, focused on protecting UK interests".[547] Lord Ricketts thought the FCO would need "a net increase in resource" after Brexit, to "effectively maintain our bilateral links with the European countries"—which both he and Sir Simon Fraser thought would become more important after Brexit—and to "lobby for the British view [on] whatever is happening in the EU".[548]

325. The Foreign Secretary said the Government would be "significantly strengthening our representation within the European Union as an organisation."[549] Jill Gallard, Deputy Political Director, FCO, said that in the context of Brexit, and the FCO's need to focus more attention on EU member states, the UK's diplomats "matter more than ever", as they "are the ones who speak the European languages".[550]

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544 Q 9
545 Written evidence from the Foreign and Commonwealth Office (FPW0027)
546 Q 2
547 Written evidence from Sir Jon Day, Steve Chisnall, and Dr Ana Margheritis, University of Southampton (FPW0020)
548 Q 17 (Lord Ricketts) and Q 193 (Sir Simon Fraser)
549 Q 240
550 Q 242

326. Sir Martin Donnelly said that because the UK would continue to have "extremely large interests across European policy-making", as well as economic and trade interests, there would be a requirement for "more resource not just in Brussels but in home departments, with people making more effort to find out what is going on in capitals in their area".[551]

327. The FCO said that it had "started to reinforce our Europe network and multilateral missions in response to EU Exit".[552] To date, seven heads of mission roles had been upgraded and 50 diplomatic jobs created "across our European and multilateral posts". It was "now in the process of creating an additional 150 new roles in London and the overseas network to support EU Exit".[553] Ms Bronnert said that "quite how [Brexit] will play out in relation to resources is quite difficult to judge now".[554]

The wider diplomatic network

328. Work on the wider diplomatic network was also under way. Lord Ricketts said that the FCO had "been adapting for some years to the emergence of China and India", as well as increasing its presence in South Africa and Brazil.[555] Lord Hague thought there was "still a long way to go in Latin America and south-east Asia to make it clear that Britain is expanding and wants closer links".[556]

329. In a speech on 31 October the Foreign Secretary said that the Government was undertaking "the biggest expansion of Britain's diplomatic network for a generation". He announced new High Commissions would be established in Lesotho, Eswatini,[557] the Bahamas, Tonga, Samoa, Vanuatu, Chad, Niger and Djibouti, three new Resident Commissioners, and a new British mission to ASEAN.[558] He said "in the speech … we announced one of the biggest strengthenings of our diplomatic network for 20 years or so, including increasing our number of ambassadorial posts to 160 of 193 UN countries. We will do that by 2020. That is equivalent to France, only six fewer than China and seven fewer than the United States. We will be one of the four biggest diplomatic networks in the world."[559]

330. **Witnesses urged, and we agree, that the UK needs to be more active diplomatically to maintain its relevance in a world where power is becoming more diffuse, challenges are increasingly transnational and its longstanding ally—the US—is less aligned with its priorities.**

331. **The Government must invest more in the UK's global diplomatic presence. To fulfil its responsibilities as a permanent member of the UN Security Council, the UK should have a presence in every country. We therefore welcome the Foreign Secretary's recent commitment to open additional UK missions.**

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551 Q 194
552 Written evidence from the Foreign and Commonwealth Office (FPW0027)
553 *Ibid.*
554 Q 151
555 Q 16
556 Q 14
557 Formerly Swaziland.
558 Jeremy Hunt MP, 'An Invisible Chain: speech by the Foreign Secretary' (31 October 2018): https://www.gov.uk/government/speeches/an-invisible-chain-speech-by-the-foreign-secretary [accessed 4 December 2018]. There is currently a British office in Chad which will be upgraded. The Resident Commissioners will be based in Antigua and Barbuda, Grenada, and St Vincent and the Grenadines.
559 Q 242

Funding for outward-facing departments

332. In 2017/18 the expenditure of the FCO was £1.95 billion, which included funding for organisations such as the British Council and the BBC World Service. The FCO's expenditure was modest in comparison to many other outward-facing government departments and agencies, whose expenditure is given below:

- The Ministry of Defence (£53.29 billion);
- Department for International Development (£10.98 billion);
- Department for International Trade (£396 million);
- Department for Exiting the European Union (£57 million); and
- the Single Intelligence Account (£2.62 billion).[560]

Total departmental spending in 2017/18 was £812.73 billion.[561]

Defence spending

333. General Sir Adrian Bradshaw told us:

> "If we are to play our role as a P5 nation, with the responsibilities and obligations that go with being a lead global player in economic terms, as well as the responsibilities that a Government have for the defence of their people and for preserving a rules-based global system, then we have an obligation to provide the defensive and deterrent capabilities that go with that."[562]
>
> It was "vital for our national interest" for the UK to maintain a range of capabilities including "independent nuclear deterrence; maritime; land; air; Special Forces; space; and cyber."[563] Lord Hague said it was "important to retain deployable defence capabilities", such as amphibious capabilities, marines and paratroopers.[564]

334. Ms Bronnert said that "defence is part of … our Global Britain posture, and our 2% commitment to defence expenditure is an important part of our narrative around Britain being global and having a wide range of assets and capabilities."[565] General Sir Adrian Bradshaw said the "reality" was "that the figures now clearly do not add up … what we have allocated now is not enough."[566]

335. One reason for the pressure on the defence budget was that the UK was "locked into" some large capital equipment projects. He suggested there might be areas where the UK could "take hits on equipment in order to allow us to retain the quality of our manpower and the numbers of people". In the last defence review the army had been subject to significant cuts, "not

560 The Single Intelligence Account comprises funding from the SIS, GCHQ and MI5.
561 Office for National Statistics and HM Treasury, *Public Spending Statistics July 2018*: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/726663/Public_Spending_Statistics_July_2018.pdf [accessed 4 December 2018]
562 Q 182
563 Q 186
564 Q 14
565 Q 152
566 Q 186

based on our security needs; it was simply on account of having run out of money". This "might be realism, but it is not how we should do business".[567]

336. A second concern was the ability of the UK to "command nationally at the campaign level". This implied "being able to field a corps headquarters, and training people to a corps level, which is the level at which you can run a campaign like Afghanistan, if necessary, with the necessary additions and joint structure." The UK was "right on the edge of losing that vital capability". He said that if the UK lost that capability, then the UK would lose the respect of its partners and the ability to act in its national interest.[568]

337. Sir Peter Westmacott said the US had raised "issues about the credibility of the United Kingdom as the partner of choice in defence". He said that while the UK met the NATO 2% commitment, the issue was "what we did with that money and what capabilities we had".[569]

338. A third issue, identified by General Sir Adrian Bradshaw, was that changes to the nature of security threats—such as "the emergence of cyber, information warfare " (discussed in Chapter 3)—meant the UK had to "admit that it is going to cost more".[570]

339. He said that the defence budget was "a question of addressing our priorities … We can afford it, but it means that we have to make the appropriate cuts in other areas."[571]

FCO funding

340. Lord Ricketts said that the FCO's budget was "far too low",[572] while Sir Simon Fraser described it as having been "hollowed out".[573] Lord Ricketts said the FCO's share of all Government funding for "international work" (the budget for defence, international development, the FCO and the three intelligence services) was 3%. He asked: "Is 3% the right proportion of that overall cake? In my view, no." The FCO was also constrained by ODA rules: "A lot of FCO money at the moment is subject to being spent under the ODA rules—i.e. in poorer countries. It needs to have more flexibility to devote more resource to the faster-growing, richer economies where Britain needs to exert more influence."[574]

341. Lord Hague said that "it would be a good idea to give more resource to the Foreign Office". A global diplomatic presence "is not expensive … Tiny amounts of money were saved when we closed a lot of embassies, but having them makes an enormous difference." The required resources were "small compared to overall budgetary decisions"—"a very small fraction of 1%" of the £3 billion the Government set aside in the autumn 2017 Budget for Brexit contingencies "would boost our diplomatic effort and send the signal that we are global".[575] Ms Bronnert said that diplomacy was "very cheap"

567 Q 186
568 *Ibid.*
569 Q 27
570 Q 182
571 *Ibid.*
572 Q 16
573 Q 192
574 Q 16
575 Q 14

but "not free", and "the changing global context" made "a powerful case for more diplomacy".[576]

342. Some additional funding has been provided to the FCO for Global Britain and EU Exit. At the end of March 2018, the FCO received "£45 million for the next two years for Global Britain broadly, and … just under £30 million for further EU exit work." Ms Bronnert said the FCO was "likely to receive some other funds … although not that much, so I am not getting too excited". This funding was being used "to look at a whole range of our relationships", including new posts in Commonwealth countries, an additional 100 staff overseas, and engagement with the UN, the EU, the US, and the Asia–Pacific region.[577]

343. Professor Clarke and Mr Rogers said that the UK's outward-facing departments should receive a greater portion of government funding.[578] The Government should "shift [funding] towards … defence, foreign affairs and policy, the diplomatic service, the intelligence services and foreign aid … to show the rest of the world that we are not retracting and are not just shrivelling into an obsession with Brexit."[579]

Development funding

344. Lord Hague said the UK had set a "strong example internationally by spending 0.7% of GDP on development". The "strategic need" for this spending was "not going away".[580] Lord Hague and General Sir Adrian Bradshaw said that additional funding for the FCO and the MoD should not come at the expense of the UK's international development budget.[581]

345. **Increased resources for diplomacy are urgently needed. The Government should reverse cuts to the FCO's budget, in recognition that a relatively modest uplift in funding would help to ensure the UK is able to deal with a more fluid and unstable geopolitical environment. The Government's formal spending commitments for development and defence are public statements of the UK's willingness to be present in capability, not just in name, and they should be matched with a commitment on funding for the new and far more intensive type of diplomacy needed worldwide to fulfil the UK's duties.**

346. **We support the Government's commitment to spend 0.7% of Gross National Income on overseas development—which sustains and amplifies the UK's influence in many international organisations, including the UN—and ongoing fulfilment of its commitment to spend 2% of Gross Domestic Product on defence.**

347. **But it is not just quantity that is important: the quality of development and defence spending also matters. The focus of the UK's development spending should now take account of the UK's old friends and new partners. In considering the defence budget, the size of the military does not necessarily determine the effectiveness of its foreign policy.**

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576 Q 150
577 *Ibid.*
578 Q 2 and Written evidence from James Rogers, Director, Global Britain Programme, Henry Jackson Society (FPW0026)
579 Q 2 (Professor Clarke)
580 Q 14
581 Q 14 (Lord Hague) and Q 182 (Sir Adrian Bradshaw)

FCO and wider-Whitehall skills

348. The *Future FCO Report* by Mr Fletcher, a former Ambassador, published by the FCO in 2016, said the "skills mix" needed by the FCO was changing. It said the FCO needed to "retain and bolster" its "traditional strengths", namely:

- "geographical and multilateral expertise";
- "languages";
- "policy-making"; and
- "networking, influencing and negotiating".

By 2020 it would also need to "build or strengthen skills" in:

- "programme" (such as the delivery of cross-government funds like the Conflict, Stability and Security Fund);
- "open source data";
- "digital diplomacy";
- "stabilisation and mediation, particularly in volatile and/or ungoverned space";
- "smarter use of cross-Whitehall resource, including financial, economic, diplomatic, intelligence and legal measures (as pioneered by the 'full spectrum' approach on security issues)"; and
- working with business and non-state actors.[582]

349. The FCO told us the Diplomatic Academy, which was launched in 2015, "underpins the expertise pillar of Diplomacy 2020".[583] The Diplomatic Academy was already open to staff from across Whitehall who were going on overseas postings.[584] Ms Bronnert said that since 2016 the FCO and the DIT had established "a joint trade faculty" within it, to provide training on trade skills for staff from the FCO, DIT, Defra and other departments. She added that, "as part of Global Britain", the Government was developing "a new international skills profession, which would be across Whitehall, to help civil servants across the whole of Whitehall who need to deal with international issues to make sure that they have the right skills to do that, recognising that that will become increasingly important in the years ahead."[585]

350. Mr Fletcher said that the advent of new technologies put "even more emphasis on the need for diplomacy as a craft"—a case made by Sir Simon Fraser earlier in this chapter. The skills of diplomacy were "creativity, curiosity, adaptability, flexibility, critical thinking and emotional intelligence". These were, however, "not easy things to test, assess or measure".[586]

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582 Foreign and Commonwealth Office, *Future FCO Report* (9 May 2016): https://www.gov.uk/government/publications/future-fco-report [accessed 4 December 2018]

583 Written evidence from the Foreign and Commonwealth Office (FPW0027)

584 The FCO's Diplomatic Academy was opened in February 2015 to act as " centre of excellence to help all staff from across government working on international issues to share expertise and learn from one another." FCO, 'Opening of new Diplomatic Academy': https://www.gov.uk/government/publications/opening-of-new-diplomatic-academy [accessed 4 December 2018].

585 Q 156

586 Q 37

351. Language skills are important both for staff in diplomatic posts overseas and for the interpretation of discussions with international partners, including in international organisations. Ms Bronnert said language skills were "an area where we have taken significant strides forward recently".[587] The target-level attainment for the language skills of FCO staff in "speaker roles" had increased from 40% in 2005 to 55% in 2018, with a target of 80% by 2020.[588] Sir Ciarán Devane said the FCO had put "quite a bit of energy behind" improving language skills,[589] and Mr Fletcher said the FCO's Permanent Under-Secretary was "very focused on … improving the cadre of hard-language speakers in particular."[590]

352. In a speech on 31 October, the Foreign Secretary, said that the FCO would increase the number of languages taught in the FCO Language School from 50 to 70, and planned to double the number of UK diplomats who speak the foreign language of the country to which they are posted from 500 to 1,000.[591] Ms Bronnert said the FCO had "no plans for an audit of existing language skills",[592] and the DIT confirmed it also had no audit planned.[593]

353. The DIT has 24 designated language roles overseas. It anticipates that future free-trade agreements will be negotiated in English, using professional interpreters where needed. It will "draw on" the FCO's staff and language expertise.[594]

354. **Language skills are essential for the effective conduct of diplomacy and export growth. We welcome the Government's commitment to increasing the number of languages taught at the Foreign and Commonwealth Office's Language School, but regret that it is unwilling to carry out an audit of language skills across Whitehall, and urge it to reconsider. Moreover, given the importance and interconnectedness of language skills and policy across so many government departments, including the Foreign and Commonwealth Office, the Ministry of Defence, the Department for International Trade, the Department for Business, Energy and Industrial Strategy and the Department for Education, we recommend that the Government act more effectively to co-ordinate language strategy across government.**

355. **The Government should do more to encourage universities to restore modern foreign language degree courses, in order to ensure that the UK is producing a sufficient number of linguists to meet the country's foreign and trade policy needs.**

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587 TLA is achieved if an officer has taken and passed the language exam for their role. Written evidence from Deborah Bronnert (FPW0029).

588 Written evidence from Deborah Bronnert CMG (FPW0029). The House of Commons Foreign Affairs Committee noted in its recent report that TLA in Mandarin is at nearly 70%, TLA for Russian is 53% (but around two thirds of officers expelled by Russia following the Salisbury attack were Russian speakers), and for Arabic, TLA is 30% (which has dropped from 49% in December 2017, due to rotation of officers in posts). House of Commons Foreign Affairs Committee, *Delivering Global Britain: FCO Skills* (Fourteenth Report, Session 2017–19, HC 1254)

589 Q 136

590 Q 37

591 Jeremy Hunt MP, 'An Invisible Chain: speech by the Foreign Secretary' (31 October 2018): https://www.gov.uk/government/speeches/an-invisible-chain-speech-by-the-foreign-secretary [accessed 4 December 2018]

592 Written evidence from Deborah Bronnert CMG (FPW0029)

593 Written Answer HL10139, Session 2017–19

594 *Ibid.*

UK soft power resources

356. Professor Evans said the UK retained "an enormous amount of soft power". It benefited from "the credibility that goes with the whole history and culture of the place and the contribution that it has made to thinking about democracy and human rights, all of which are still held in very high esteem in a great many parts of the world."[595] Sir Ciarán Devane identified "assets in that soft power, cultural relations and public", including the rule of law, education, public services, cultural institutions, the BBC World Service and the British Council.[596] The Science Museum Group said that the UK's museums and galleries were assets in terms of their collections, expertise and the values they represented.[597]

357. Witnesses said the UK's commitment to spend 0.7% of Gross National Income on overseas development was also a factor. The British Council's research on the level of admiration people had for different countries showed that the UK's "aid really does matter" to perception of the UK.[598] The UNA-UK likewise said it "appears increasingly that UK influence stems from its actions, such as its major contribution to international development aid".[599] Save the Children described the UK as "an international development superpower", and said its 0.7% commitment was "vital to its global influence". The UK was able to influence how ODA was spent globally through participation in the OECD's Development Assistance Committee.[600]

358. Soft power is by its nature hard to measure, but the UK has scored highly in the Soft Power 30 report produced by Portland Communications. In 2018 it ranked the UK in first place, followed by France, Germany, the US and Japan. The UK was in second place in 2016 and 2017.[601]

359. Box 8 sets out the benefits of soft power as identified by the House of Lords Committee on Soft Power and the UK's Influence.

595 Q 135
596 Q 136 and Q 144
597 Written evidence from the Science Museum Group (FPW0024)
598 Q 144 (Sir Ciarán Devane)
599 Written evidence from The United Nations Association UK (FPW0010)
600 Written evidence from Save the Children FPW0016
601 Portland Communications, *Soft Power 30: A Global Ranking of Soft Power 2018*, (2018): https://softpower30.com/wp-content/uploads/2018/07/The-Soft-Power-30-Report-2018.pdf [accessed 4 December 2018]

Box 8: Soft power

The House of Lords Committee on Soft Power and the UK's Influence identified the benefits of soft power to be:

- securing greater protection for UK citizens by reducing the likelihood of attack, building alliances and increasing international goodwill;
- reducing hostility towards the UK;
- winning friends and supporters for the UK's values;
- dealing with threats that can be tackled only internationally;
- opening the way for greatly expanded trade in British goods and services and challenging trade barriers, visible and covert;
- promoting large-scale investment flows, both inwards and outwards, and increasing the attractiveness of the UK as a place in which to invest;
- supporting the UK's internal cohesion and social stability; and
- overcoming the shortcomings of what can be achieved by force alone.

Source: Select Committee on Soft Power and the UK's Influence, Persuasion and Power in the Modern World, (Report of Session 2013–14, HL Paper 150)

360. One of the UK's soft power strengths is its universities: overseas students create "a long-term bank of soft power". The British Council said that 55 current world leaders studied at UK universities, "giving the UK a long-term advantage in global diplomacy".[602]

361. Sir Ciarán Devane said scholarship were "one of the most powerful things": "having an education in a different country opens your eyes, and not only to the world and the country you study in; it gives you a perspective on your own country as well." He said the "brand" of the Chevening scholarships and the Commonwealth scholarships was "fantastic", and "increasing them would be a very good thing".[603]

362. However, they were "expensive", and there was "a big debate about them". He saw value in shorter-term opportunities, including placements and digital seminars, which can include more individuals." He thought it useful to "look at increasing the range of scholarships and their flexibility, partly to get reach and partly to access different people. They might be in their 30s and could not take a year away, which may be for family or career reasons, but you could get them for three months." Sir Ciarán Devane also said it was important to keep in touch with the candidates who are "nearly successful". He gave the example of the British Council's Future Leaders Connect programme, to which 11,000 people applied and only 50 were successful in 2017, and said that the British Council was "trying to develop a digital version of the course" so they could have "the experience they would have had if they were one of the 50".[604]

363. Since 2010 the Government has included international students in its migration figures. Sir Ciarán Devane said that the British Council had "a long-held position that student numbers should not be in the net migration numbers. They are a deterrence. It is very bad for the UK brand in places

602 Written evidence from the British Council (FPW0028)
603 Q 137
604 *Ibid.*

such as India, which really matter."[605] The House of Lords Committee on Soft Power and the UK's Influence described this policy to be "not only destructive of the UK's attractiveness and international links, but … disingenuous", and recommended that students should be removed from net migration targets.[606]

364. Sir Ciarán Devane said the Government should be "convening" soft power assets.[607] It could "play a critical role in facilitating and enabling these relationships via increased funding for key soft power organisations, and creating a supporting policy framework".[608] "Creating the environment" for co-operation between institutions was "the biggest contribution" the Government could make.[609] The House of Lords Committee on Soft Power and the UK's Influence, in its report *Persuasion and power in the modern world*, identified the need for:

> "a long-term strategic narrative about the international role of the UK, promulgated from the centre of Government … There must also be greater coherence across Government on issues affecting the UK's standing. We propose that there should be a small unit at the centre of Government specifically to assist the Prime Minister in reinforcing the consistency of the soft power story throughout Whitehall".[610]

365. In the NSCR, published in March 2018, the Government committed to "create a cross-government soft power strategy, while respecting the independence of the BBC World Service, British Council and the many British institutions and brands that contribute to our soft power".[611]

366. Sir Ciarán Devane was "optimistic" about the strategy. For the British Council there was a balance be struck in its engagement with the Government: it did not want to be "instrumentalised" but part of the role was "to help government in the widest sense understand that the principles that make good soft power work—around longevity, mutuality, persistence and being relevant to your partner's agenda as well as your own—are understood".[612]

367. Sir Ciarán Devane noted that soft and hard power are interlinked, and welcomed the Government's use of the concept of a 'fusion doctrine'—to bring together hard and soft power assets—in the NSCR.[613] The House of Lords Committee on Soft Power, in its report *Persuasion and power in the modern world,* noted that hard and soft power are "mutually reinforcing", and when used together form 'smart power', "the use of both traditional

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605 Q 137
606 Select Committee on Soft Power and the UK's Influence, *Persuasion and Power in the Modern World,* (Report of Session 2013–14, HL Paper 150)
607 Q 136
608 Written evidence from the British Council (FPW0021)
609 Q 136
610 Select Committee on Soft Power and the UK's Influence, *Persuasion and Power in the Modern World,* (Report of Session 2013–14, HL Paper 150)
611 HM Government, *The National Security Capability Review* (June 2018) p 3*:* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705347/6.4391_CO_National-Security-Review_web.pdf [accessed 4 December 2018]
612 Q 136
613 Q 136; HM Government, *The National Security Capability Review (June 2018)* p 3*:* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/705347/6.4391_CO_National-Security-Review_web.pdf [accessed 4 December 2018]

and modern instruments of power to project and gain influence in a fast-changing world".[614]

368. The Foreign Secretary said "we need a holistic view of British soft power".[615] He was "definitely not someone who thinks you can have soft power on its own … there are many examples of soft power but, for power to be credible, it has to be backed up by strength. That is why hard power is important." Hard power was "not just military power but economic power. The strength of the British economy over the next 10, 20 and 30 years will be absolutely essential, as will making sure that we have a proper military capacity."[616]

369. **UK universities are a national industry of global importance, and a significant source of soft power. The Government's inclusion of students in its immigration target is wrong and deleterious both to the UK's international image and its ability to build a relationship with future leaders. We urge the Government to remove international students from its migration target, and to cease treating full-time undergraduate and postgraduate students as economic migrants for public policy purposes.**

370. **The UK has strong soft-power assets, but the Government must support and invest in them. This means not only the British Council, the BBC World Service and scholarship programmes but also training, skills, the professions, culture, legal activity and the creative industries. In this regard we welcome the Government's decision to develop a UK soft power strategy and the creation of a clearly identified soft power strategy team in the Foreign and Commonwealth Office.**

371. **We believe the Government should further expand the main overseas scholarship programmes (Chevening, Commonwealth and Marshall) and also the British Council's Future Leaders Connect programme.**

New technologies and UK diplomacy

Digital diplomacy and countering propaganda

372. We considered how digital and communications technology have affected UK diplomacy. Ms Bronnert said that new technologies were "changing the way that we do all sorts of things … In the Foreign Office we have used digital and social media capabilities quite extensively. We have been one of the foreign ministries that have blazed a trail in this area in the creative use of new technologies."[617] Mr Fletcher said that "diplomats around the world" were now "much better equipped with technology that allows them to be fleet-footed, flexible and better at information gathering and sharing than they were two or three years ago."[618]

373. The FCO said it used "our own digital channels and partnerships to state clearly our position, rebut negative perceptions and deliver policy through influencing foreign governments, civil society and/or influencers."[619] Whitehall had "a programme of efforts designed to understand, attribute

614 Select Committee on Soft Power and the UK's Influence, *Persuasion and Power in the Modern World*, (Report of Session 2013–14, HL Paper 150)
615 Q 233
616 Q 231
617 Q 159
618 Q 37
619 Written evidence from the Foreign and Commonwealth Office (FPW0027)

and counter the phenomenon often referred to as 'Fake News'", and was "the lead partner on communications in the Global Coalition against Daesh". The Global Coalition had "been contesting the online space with concerted campaigns to undermine the Daesh message and brand", used "messaging to promote positive narratives", and undertaken "off-line activities to reduce Daesh's ability to spread their activities on social media and websites."[620]

374. Dr Bolt, however, thought the UK "ill-equipped" to deal with the "conversations, discourses, attitudes, ideas or public opinion" that result from digital technologies. He did "not see a strategic understanding of the use of information or how to position that understanding in a very dynamic climate".[621]

375. Mr Wells said that the FCO and DfID had "gone past the stage of seeing digital and data as a way of measuring outcomes and reporting things to seeing how they can use it to shape and create outcomes." For example, DfID was now helping countries to build data infrastructure.[622] Dr Becky Faith, Research Fellow, Institute for Development Studies, praised DfID's recent *Doing development in a digital world* strategy, although it was "important not to exaggerate the possibilities of digital technologies to transform developments".[623]

376. Dr Futter said the speed of crisis decision-making had been accelerated by technological developments, including in the media. Had the Cuban missile crisis happened today, "in a real-time, digital news media frenzy", there was "no way that the President would have time. You would probably have CNN reporting directly." This was "a whole new different way of thinking about a crisis and different capabilities."[624] Ms Thornberry said the world had 'shrunk' and that "people want immediate reactions to what is going on without the chance to think through what is happening in what can be extremely complex situations."[625] Tom Fletcher said that diplomats had to be "careful … not to be buffeted by the latest gadget or the latest tweet from the White House at 3 o'clock in the morning, and to focus instead on the essentials of the craft."

377. Diplomacy mattered "more than ever in the digital age"—it was essential to address "the crisis of trust" and "the gulf between governments and technology leaders when it comes to discussing the challenges and opportunities of technology". Diplomats needed to "master the new tools at our disposal and [try] to get better at connecting with people and reaching out … to … new groups of people who we did not have to engage with previously."[626] Professor Miskimmon and Professor O'Loughlin said digital diplomacy should be used "across all … fields" as "part of a balanced, hybrid communication strategy involving broadcast, radio and face-to-face communication too".[627]

620 Written evidence from the Foreign and Commonwealth Office (FPW0027)
621 Q 2
622 Q 76
623 *Ibid.*
624 Q 166
625 Q 219
626 Q 37
627 Written evidence from Professor Alister Miskimmon, Queen's University Belfast, and Professor Ben O'Loughlin, Royal Holloway, University of London (FPW0015)

378. Dr Duncombe recommended more training for diplomats on using social media and how to recognise propaganda and disinformation.[628] She also proposed the appointment of "an ambassador for digital, tech or cyber affairs to contend with the evolution of online space as another geopolitical area within which the UK can pursue its national interests."[629]

Cyber capabilities, expertise and leadership

379. Ms Bronnert said that the UK had "invested quite significantly in our technology capability" on cyber issues.[630] The UK has committed to spend £1.9 billion on the National Cyber Security Strategy 2016–21, including "defending our systems and infrastructure, deterring our adversaries, and developing a whole society capability—from the biggest companies to the individual citizen".[631]

380. General Sir Adrian Bradshaw said the development of offensive cyber capabilities had long been "a rather taboo thing to discuss", but that the UK was now "building the right sorts of capability, including the vital offensive cyber capability".[632] Sir Peter Westmacott said there was "clearly a school of thought that says that if you are going to fight back and defend yourself against … a cyber assault, probably the most effective way of doing it is to show what you can do in retaliation".[633] Dr Kello said that he would "rank the United States and Britain above Russia in terms of sheer offensive capability".[634] Ms Maigre said the UK had not "shied away from the fact that there are offensive capabilities and has acknowledged possessing them";[635] she said it was "great that the UK is taking a lead in these issues".[636]

381. Many witnesses were positive about the Government's approach to cyber issues. Professor Clarke said the UK was "quite good at cyber understanding" and cybersecurity.[637] Mr Milward said "the way the UK's security services operate and think about the [cyber] threat environment" was "pretty much second to none".[638] Sir Peter Westmacott said the UK was "very good at communications technology, whether it is intercept or monitoring patterns, big data or small data, … and defensive and offensive cyber capability."[639]

382. Professor Clarke added that while it was "an open question" as to whether it was "good enough", the UK was "ahead of a lot of other countries. Our cyber intelligence is quite good, and our central organisation in government

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628 Written evidence from Dr Constance Duncombe, Lecturer in International Relations, Monash University (FPW0011)

629 *Ibid.*

630 Q 159

631 Written evidence from the Foreign and Commonwealth Office (FPW0027) and HM Government, *National Cyber Security Strategy 2016–2020*, (2016) p 6: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/567242/national_cyber_security_strategy_2016.pdf [accessed 4 December 2018]

632 Q 181

633 Q 27

634 Q 6

635 In 2013 the UK became the first state to admit it possessed an offensive cyber capability when then Secretary of State for Defence, the Rt. Hon. Philip Hammond MP, said publicly that the UK was "developing full spectrum military cyber capability, including a strike capability". James Blitz, 'UK becomes first state to admit to offensive cyber attack capability', *Financial Times* (29 September 2013): https://www.ft.com/content/9ac6ede6-28fd-11e3-ab62-00144feab7de [accessed 27 November 2018]

636 Q 70

637 Q 2

638 Q 60

639 Q 27

is quite efficient."[640] Mr Milward too said that the Government was "genuinely progressive in thinking about these issues earlier than most … governments".[641]

383. Dr Kristan Stoddart, Reader, Department of International Politics, University of Aberystwyth, and participants in the early-career experts roundtable welcomed the establishment of the National Cyber Security Centre (NCSC). It brought together "the alphabet soup of organisations with a stake in cyber".[642] Ms Maigre said it was "a good example of interagency co-operation and of understanding how that works—national resilience against cyber threats needs to be built across the board and needs to include civil and military co-operation."[643]

384. Witnesses said that combating cyber threats was an area of UK leadership globally. Ms Maigre said the UK had "taken a central role in advancing the cyber agenda, internationally and within NATO".[644] Ms Bronnert said that this was an "important part of a lot of our key relationships … and we are investing quite significantly in our capabilities. It is definitely a core theme."[645]

385. Participants in the early-career experts roundtable suggested two roles for the UK in this respect. First, it could assist less advanced partners to develop their resilience to cyber-attacks. Second, it should seek to influence the US to engage more in this area.[646] Robert Strayer, Deputy Assistant Secretary of State for Cyber and International Communications and Information Policy, US Department of State, said the US Administration considered the UK and US to be "deeply aligned" in terms of developing international coalitions and agreements to govern behaviour in cyberspace.[647] Dr Haass said that "fashioning approaches to how cyberspace is going to be regulated" could be an area where the UK could demonstrate its capabilities and value as a partner to the US.[648]

386. Ms Bronnert said the Government was considering the gaps in global cyber governance[649] (discussed in Chapter 3). The FCO said the UK recognised "a free, open, peaceful and secure cyberspace as a fundamental element of securing critical national and international infrastructure and as an essential foundation for economic and social activity". The UK had "a leading role in the international debate on cybersecurity", and had provided experts to the five UN Groups of Governmental Experts on Developments in the Field of Information and Telecommunications in the context of International Security (UN GGE). The UK also had "an opportunity to take on a global leadership role in the shaping of a new framework for emerging technologies like Artificial Intelligence, Internet of Things, and blockchain". [650]

640 Q 2
641 Q 60
642 Written evidence from Dr Kristan Stoddart (FPW0017)
643 Q 70
644 *Ibid.*
645 Q 159
646 International Relations Committee, Record of roundtable discussion with early-career experts 27 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Early-career-expert-roundtable-note.pdf
647 International Relations Committee, Washington visit note 11-15 June 2018 (1 October 2018): https://www.parliament.uk/documents/lords-committees/International-Relations-Committee/foreign-policy-in-a-changing-world/Washington-visit-note-181001.pdf
648 Q 54
649 Q 159
650 Written evidence from the Foreign and Commonwealth Office (FPW0027)

387. **The best way for the UK to deter cyber-attacks is to develop its own offensive cyber capabilities, and make clear its ability and willingness to respond. We welcome the Government's relative openness in this area, and encourage it further to clarify its thinking in this respect.**

388. **We recommend that the Government should designate a Minister with responsibility for cyber issues across government, who would attend the National Security Council.**

389. **Countering propaganda is an increasingly important, but challenging, task in an increasingly digital environment where misinformation can be spread widely and instantaneously. In the new digital environment, disinformation campaigns and propaganda have become major instruments of international disruption. The UK has played a leading role in countering these false narratives, but the Government must also accept that there is more to be done to counter these threats.**

390. **Digital tools, such as social media, necessitate a constant upgrading of the techniques of diplomacy, well beyond traditional skills. We are pleased with the FCO's efforts to harness new technologies in its work.**

Domestic narrative on foreign policy

391. Witnesses repeatedly said there was an absence of a domestic UK foreign policy narrative.[651] The UNA-UK said there seemed to have been "a failure of communication and engagement with the public around the positive multilateral role Britain seeks for itself on the world stage". The Government should both "seek to set out its vision for foreign policy" and "engage the public in its development".[652] Questioning whether the public understood what was meant by the 'rules-based international order', Ms Thornberry said "it is important that we talk about it more than we do."[653]

392. In considering military engagement overseas, General Sir Adrian Bradshaw said he had "long advocated" appointing "a Minister, with the clear authority of the Prime Minister, to oversee [the] bringing together of the levers of power for national strategic ends".[654] He said that during the Iraq campaign, "a big strategic change was subcontracted to defence with very little input from the other levers of power". It was necessary to have "strong leadership from above when we face something like Iraq or Afghanistan"—"the responsibility for informing the electorate of the reasons for being involved in warfare … is enormous", and governments had "not been very good at … keeping the public with them and delivering strategic patience."[655]

393. Lord Ricketts said however that it was "right that it is departmental Secretaries of State who retain the responsibility for public presentation and to Parliament."[656] The Foreign Secretary said "the national narrative of our

651 Written evidence from The United Nations Association-UK (FPW0010), Prof Alister Miskimmon, Queen's University Belfast and Prof Ben O'Loughlin, Royal Holloway, University of London (FPW0015)
652 Written evidence from The United Nations Association-UK (FPW0010)
653 Q 222
654 Q 185
655 *Ibid.*
656 Q 16

foreign policy" was "the job of the Foreign Secretary and can only be the job of the Foreign Secretary". He did not think the National Security Council could take this role. He said that "when I articulate our foreign policy, it needs to balance the economic, security, defence and diplomatic interests and bring them all together."[657]

394. **It is critical to ensure that the public understands and is supportive of the UK's foreign policy objectives. A strong domestic foreign policy narrative is needed to deliver this. This narrative needs to be led by Ministers, in particular by the Prime Minister and the Foreign Secretary, and propagated through all departments and agencies. We recommend that the National Security Council should add to its tasks the co-ordination of the Government in shaping this domestic narrative.**

Conclusion

395. **In a world where the UK's influence can no longer be taken for granted and where the shifts in economic and political power relationships are not working to our advantage, our inquiry has brought home to us that we will need a more agile, active and flexible diplomacy to handle our international relationships to ensure that we are in a stronger position to protect and promote our interests.**

396. **We believe that this agenda cannot just be manufactured. It has to be built up layer by layer. There will always be critics of aspects of UK foreign policy. But agreement on broad aims, and on the facts of what is actually happening in a rapidly changing world, is achievable. This should be a sound basis for a constructive debate about which new paths the UK should take, and what assets and experience it should build in a new epoch. We hope our inquiry, with its conclusions, will help in that endeavour.**

657 Q 244

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Disruption and change to the global balance of power

1. The US Administration has taken a number of high-profile unilateral foreign policy decisions that are contrary to the interests of the United Kingdom. In particular, US withdrawal from the Paris Agreement on climate change, the Iran nuclear deal and the UN Human Rights Council, and the imposition of trade tariffs on its allies, undermine efforts to tackle pressing global challenges of critical importance to the UK. The Government's response of maintaining its commitment to these agreements and institutions has been the right one. (Paragraph 37)

2. Below the political level, our witnesses asserted, the UK and US are deeply entwined through defence and intelligence links, and connections between officials, which should withstand political decisions by the Administration. The Government should reach out to those parts of American society which share our views and values; and the Government should increase support for the Marshall Scholarship scheme. (Paragraph 38)

3. However, the difficulty the UK and its allies have faced in trying to influence the US demonstrates the challenge of working with the Administration. How damaging this will be to what has hitherto been the UK's most important international relationship will depend on whether the current approach is an enduring trend. Should President Trump win a second term, or a similar Administration succeed him, the damage to UK–US relations will be longer lasting; and the Government will need to place less reliance on reaching a common US/UK approach to the main issues of the day than has often been the case in the past. (Paragraph 39)

4. Some of the foreign policy decisions of the US Administration do not stem solely from the election of President Trump—they represent a broader shift towards a more inward-looking US, which is less focused on the transatlantic alliance and multilateralism, and the sense of the US losing power to other sources. In its diplomatic relations with the Administration, the UK should distinguish between those aspects of current US foreign policy which are driven by the current President, and those which are part of longer-term trends of divergence from the UK. (Paragraph 40)

5. The Government's response to US foreign policy decisions needs now more than ever to be closely co-ordinated with like-minded countries throughout the world. (Paragraph 41)

6. China's growing economic and political power gives it global influence, and it has become increasingly regionally assertive. We welcome the Government's now long-standing openness to China: it is not in the UK's interest to treat China systematically as an adversary. But the Government must ensure that this relationship does not damage the UK's relations with the US or Japan nor efforts to forge a stronger relationship with countries like India. (Paragraph 67)

7. While there are continuing concerns including China's human rights record and its behaviour in cyberspace, the Government should aim to work closely with China in finding responses to the main international challenges we face, such as climate change and freer and fairer world trade. But it should

do so in a manner which is consistent with the rules-based international order, in particular international humanitarian law. (Paragraph 68)

8. In the longer term, the Government will need to weigh up the strategic challenge posed by China's approach to its international role, and its impact on the rules-based international order, against China's growing economic significance. (Paragraph 69)

9. Russia is a declining power that is increasingly willing and able to use both traditional and new capabilities—such as cyber capabilities—to act as a disrupter in international relations. It is no longer a role model for idealist focus as it was during the Soviet era. We commend the Government for successfully co-ordinating a strong international response to the chemical weapons attack in Salisbury. The UK should continue to work closely with its allies to counter Russian disinformation campaigns and deter its hybrid warfare tactics. (Paragraph 84)

10. The UK must also, nonetheless, remain open to dialogue with Russia on issues of common concern, such as counter-terrorism and nuclear non-proliferation. And it should not allow the inevitable increase in tension following the Salisbury attack to prevent a better understanding of developments in a country which remains important for our foreign policy. (Paragraph 85)

11. The UK has prioritised economic and trade links with India, but the potential security relationship has been under-developed. The Government should seek to reset and elevate its relationship with India by focussing on strategic priorities such as cybersecurity and maritime issues in the Indo-Pacific. (Paragraph 96)

12. The Government must recognise the negative impact of the restrictive UK regime for visas and migration on the UK-India relationship and soft power links between the two countries; and in the forthcoming White Paper and legislation on the UK's post-Brexit immigration policy should reshape policy with the objective of addressing India's concerns. (Paragraph 97)

13. The Government should recognise the increasing regional influence of middle ranking emerging powers in Africa, Asia and Latin America and should work more closely with them in addressing problems and disputes arising in their regions. We welcome the Foreign Secretary's commitment to this objective in his evidence to us. (Paragraph 98)

14. In the context of a strained transatlantic relationship, an increasingly assertive China, a disruptive Russia and broad shifts to the global balance of power, it remains firmly in the UK's national interest to maintain the strongest possible partnership on foreign and security policy with its likeminded European partners, both bilaterally and at an EU level, after Brexit. (Paragraph 103)

15. The Government should place a renewed emphasis on building alliances across the world and engaging with networks of likeminded partners. (Paragraph 104)

The transformative nature of new technologies

16. The relatively low cost of some cyber capabilities is one more technological factor that has created an asymmetrical shift in the balance of power. Russia,

for example, is able to disrupt international affairs despite its declining economic position. (Paragraph 143)

17. Increased connectivity increases the vulnerability of critical national infrastructure to attack. (Paragraph 144)

18. Major developments in emerging technologies, such as artificial intelligence and quantum computing, by China and other rising powers could further alter the balance of power. (Paragraph 145)

19. Digital communications tools have intensified public and lobbying pressure on governments, increased the number of actors involved, and resulted in a much wider audience for foreign policy making. This connectivity has increased the pace at which some events take place and information is disseminated, such as during the Arab Spring, as well as governments' ability to understand events, and the speed at which they have to respond. (Paragraph 154)

20. It will be important for the FCO and the UK's diplomatic missions abroad to capitalise on the usefulness of digital communications and to be proficient in their use. But care will be needed to avoid crossing the line into interference in their host country's internal politics. (Paragraph 155)

21. Cyber security is an increasingly important global challenge. The UK has strong capabilities in this area; this presents the UK with an opportunity to be a world leader on a critical global issue. (Paragraph 167)

22. A problem facing any international agreement on cyber security is that attribution is uncertain and the involvement of private actors extensive. Any new rules pose the question of to whom they should be applied, and whether the source can be located. (Paragraph 168)

23. It is unlikely that there would be agreement on a comprehensive, binding international treaty on cyber security. Instead the Government should convene like-minded countries into a 'coalition of the willing' to establish 'rules of the road' in cyberspace, using Lord Hague of Richmond's seven principles for an international agreement on cyberspace as the starting point. These 'rules of the road' would lay the groundwork for a more binding international agreement in the future. (Paragraph 169)

24. We welcome the Government's work within NATO to develop the Alliance's thinking on cyber issues. It should seek to play a leading role in establishing cyber norms, increasing the Alliance's cyber resilience, and developing a common understanding of the potential impact on security and warfare of emerging technologies such as increased automation. (Paragraph 170)

25. The active engagement of technology companies in establishing behavioural norms in cyberspace, and in any potential enforcement of those norms, will be crucial. The Government should seek better to engage technology companies and international partners in developing rules on cyber security and governance, and solving the challenge of attribution. (Paragraph 171)

Multilateralism and the rules-based international order

26. The Foreign Secretary's view is that the Trump Administration's objective is to reform rather than disrupt and damage the UN. We are more sceptical, having heard evidence of actions it has taken which could undermine the

UN. The Government should continue to resist US challenges to the UN and should work with other like-minded countries to compensate any resulting shortfalls in resources for the UN and its agencies. (Paragraph 204)

27. Reform to the UN Security Council is necessary but difficult to achieve. We regret that efforts by the UK and France to reform the Security Council by expanding its membership have not progressed. The Government should focus on advocating reforms to the UN to overcome fragmentation and incoherence, as set out in our report *The United Nations General Assembly 2018*. (Paragraph 205)

28. The Government should support efforts by the UN to engage with other groups, such as NGOs, to make it a more responsive and modern organisation, more than 70 years after it was founded. (Paragraph 206)

29. We commend the UK's efforts to encourage European Allies to meet their agreed 2% NATO commitment. This is important both to ensure that NATO has the requisite capabilities and to sustain US support for the Alliance. (Paragraph 223)

30. Quality of spending is also important: NATO Allies should spend a substantial proportion of their 2% defence expenditure on major equipment including research and development. (Paragraph 224)

31. The strategic ambiguity of NATO's Article 5 in the context of cyber-attacks provides Allies a degree of flexibility and guards against unwanted escalation. We conclude that amending Article 5 is unnecessary; the Government should oppose any proposals to revise it. (Paragraph 225)

32. Maintaining the World Trade Organisation and the Bretton Woods institutions, and developing the rules of international trade and finance, will become even more important to the UK after it leaves the EU. This will be necessary to prevent trade anarchy, leading to worse things—as was the hideous story of the 1930s. (Paragraph 238)

33. The US Administration's unilateral approach to trade is a major concern. The Government must do all it can to uphold the functioning of the WTO. It should consider with like-minded countries ways of circumventing the US blockage on appointments to the WTO's dispute settlement mechanisms. (Paragraph 239)

34. We welcome the UK's engagement with new international institutions such as the Asian Infrastructure Investment Bank. The UK should use its membership to seek to shape the lending terms and governance of these bodies. (Paragraph 256)

35. The Government should also follow closely the development of other regional groupings—such as the Shanghai Cooperation Organisation. We echo Lord Hague's view that participation in new organisations could be very valuable, and we highlight the potential of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Common Market for Eastern and Southern Africa, the Regional Comprehensive Economic Partnership, and the Pacific Alliance. (Paragraph 257)

36. The Government should be willing to develop and work with appropriate networks (such as the UN Global Compact, which supports the global business community in advancing UN goals and values through responsible

corporate practices) and groups of countries to find solutions to international challenges. (Paragraph 265)

37. Contacts and engagement between civil society groups and individuals have the ability to generate enduring connections and activities across borders. The Commonwealth network, based on increasingly close links at all levels of society, may prove remarkably well adapted to the modern age of connectivity. (Paragraph 266)

38. The rules-based international order in all its manifestations—which is critical to the UK's national interest—is under serious threat from multiple directions. (Paragraph 282)

39. The policies of major powers—Russia, China and increasingly the United States—present considerable challenges to the multilateral institutions that underpin this order. Yet many of the problems facing states, such as climate change, terrorism and migration, are increasingly complex and trans-national. The Government should make the defence of the rules-based international order a central theme of all its bilateral relationships. This is particularly important in the UK's engagement with the US, China, Russia and emerging powers such as India. (Paragraph 283)

40. Pressures on the rules-based international order also come from beyond the state, in the form of technology and protests. The roots of this instability are many, but one is the enormous access to information and spread of opinion caused by communications and connectivity. (Paragraph 284)

41. The Government must not lose sight of its core values—particularly the rule of law and respect for international commitments—which are fundamental to the good functioning of a rules-based system for international trade, economics and security. Tension between the UK's commercial interests and its values is likely to occur more frequently in its relationships with authoritarian countries and its pursuit of new trade deals across the world. (Paragraph 285)

42. In the context of the US Administration's hostility to multilateralism, the UK will need to work with like-minded nations to move ahead on some global issues without US participation or support, or a changed nature of engagement. But it should always leave the door fully open for the US to join at a later stage. (Paragraph 286)

43. The UK should be a vocal champion of reform to international institutions. It should support reforms both to make these institutions more efficient, and to give a greater voice to emerging powers—particularly China and India—to build their support for the rules-based international order. (Paragraph 287)

UK foreign policy—future capabilities

44. The Government's branding of Global Britain lacks clarity, and needs more definition to be an effective tool in the practical promotion of the UK's interests overseas. (Paragraph 311)

45. The establishment of the National Security Council has had a beneficial effect on the coordination of Britain's external policies. But in the modern world economic issues are inextricably linked to those of national security and international relations. We therefore recommend that the Government

should amend the remit of the NSC to include international economic issues. (Paragraph 312)

46. We welcome efforts by the Government to coordinate better the UK's internationally focused departments and break down siloes. The establishment of the Department for International Trade—and in particular the appointment of nine HM Trade Commissioners—has run counter to this initiative: it has further fragmented international policy and undermined the role of the FCO. We are concerned that this restructure may have undermined the support available to UK businesses seeking to trade internationally. A similar concern applies to the Department for International Development and the Home Office both of which need to take account of the Foreign and Commonwealth Office's priorities in their work. (Paragraph 313)

47. In particular, the Government should consider the concerns of its international partners when developing its new immigration policy, and take account of the impact of its approach to visas on the pursuit of its foreign policy goals. (Paragraph 314)

48. The UK should step up its engagement with international organisations of all sizes. It should seek to exercise its membership (and observer status) of global and regional institutions, to demonstrate and reinforce the value of multilateral co-operation between states. This means putting more effort and resources into both existing and new organisations. (Paragraph 321)

49. To maintain its influence and leadership on global issues, the UK needs a more agile, creative and entrepreneurial approach to foreign policy. It has an opportunity to demonstrate its value to old allies—such as the US—and other partners—such as India—by harnessing niche areas of UK expertise, such as cyber security and business and human rights. (Paragraph 322)

50. Witnesses urged, and we agree, that the UK needs to be more active diplomatically to maintain its relevance in a world where power is becoming more diffuse, challenges are increasingly transnational and its longstanding ally—the US—is less aligned with its priorities. (Paragraph 330)

51. The Government must invest more in the UK's global diplomatic presence. To fulfil its responsibilities as a permanent member of the UN Security Council, the UK should have a presence in every country. We therefore welcome the Foreign Secretary's recent commitment to open additional UK missions. (Paragraph 331)

52. Increased resources for diplomacy are urgently needed. The Government should reverse cuts to the FCO's budget, in recognition that a relatively modest uplift in funding would help to ensure the UK is able to deal with a more fluid and unstable geopolitical environment. The Government's formal spending commitments for development and defence are public statements of the UK's willingness to be present in capability, not just in name, and they should be matched with a commitment on funding for the new and far more intensive type of diplomacy needed worldwide to fulfil the UK's duties. (Paragraph 345)

53. We support the Government's commitment to spend 0.7% of Gross National Income on overseas development—which sustains and amplifies the UK's influence in many international organisations, including the UN—and

ongoing fulfilment of its commitment to spend 2% of Gross Domestic Product on defence. (Paragraph 346)

54. But it is not just quantity that is important: the quality of development and defence spending also matters. The focus of the UK's development spending should now take account of the UK's old friends and new partners. In considering the defence budget, the size of the military does not necessarily determine the effectiveness of its foreign policy. (Paragraph 347)

55. Language skills are essential for the effective conduct of diplomacy and export growth. We welcome the Government's commitment to increasing the number of languages taught at the Foreign and Commonwealth Office's Language School, but regret that it is unwilling to carry out an audit of language skills across Whitehall, and urge it to reconsider. Moreover, given the importance and interconnectedness of language skills and policy across so many government departments, including the Foreign and Commonwealth Office, the Ministry of Defence, the Department for International Trade, the Department for Business, Energy and Industrial Strategy and the Department for Education, we recommend that the Government act more effectively to co-ordinate language strategy across government. (Paragraph 354)

56. The Government should do more to encourage universities to restore modern foreign language degree courses, in order to ensure that the UK is producing a sufficient number of linguists to meet the country's foreign and trade policy needs. (Paragraph 355)

57. UK universities are a national industry of global importance, and a significant source of soft power. The Government's inclusion of students in its immigration target is wrong and deleterious both to the UK's international image and its ability to build a relationship with future leaders. We urge the Government to remove international students from its migration target, and to cease treating full-time undergraduate and postgraduate students as economic migrants for public policy purposes. (Paragraph 369)

58. The UK has strong soft-power assets, but the Government must support and invest in them. This means not only the British Council, the BBC World Service and scholarship programmes but also training, skills, the professions, culture, legal activity and the creative industries. In this regard we welcome the Government's decision to develop a UK soft power strategy and the creation of a clearly identified soft power strategy team in the Foreign and Commonwealth Office. (Paragraph 370)

59. We believe the Government should further expand the main overseas scholarship programmes (Chevening, Commonwealth and Marshall) and also the British Council's Future Leaders Connect programme. (Paragraph 371)

60. The best way for the UK to deter cyber-attacks is to develop its own offensive cyber capabilities, and make clear its ability and willingness to respond. We welcome the Government's relative openness in this area, and encourage it further to clarify its thinking in this respect. (Paragraph 387)

61. We recommend that the Government should designate a Minister with responsibility for cyber issues across government, who would attend the National Security Council. (Paragraph 388)

62. Countering propaganda is an increasingly important, but challenging, task in an increasingly digital environment where misinformation can be spread

widely and instantaneously. In the new digital environment, disinformation campaigns and propaganda have become major instruments of international disruption. The UK has played a leading role in countering these false narratives, but the Government must also accept that there is more to be done to counter these threats. (Paragraph 389)

63. Digital tools, such as social media, necessitate a constant upgrading of the techniques of diplomacy, well beyond traditional skills. We are pleased with the FCO's efforts to harness new technologies in its work. (Paragraph 390)

64. It is critical to ensure that the public understands and is supportive of the UK's foreign policy objectives. A strong domestic foreign policy narrative is needed to deliver this. This narrative needs to be led by Ministers, in particular by the Prime Minister and the Foreign Secretary, and propagated through all departments and agencies. We recommend that the National Security Council should add to its tasks the co-ordination of the Government in shaping this domestic narrative. (Paragraph 394)

Conclusion

65. In a world where the UK's influence can no longer be taken for granted and where the shifts in economic and political power relationships are not working to our advantage, our inquiry has brought home to us that we will need a more agile, active and flexible diplomacy to handle our international relationships to ensure that we are in a stronger position to protect and promote our interests. (Paragraph 395)

66. We believe that this agenda cannot just be manufactured. It has to be built up layer by layer. There will always be critics of aspects of UK foreign policy. But agreement on broad aims, and on the facts of what is actually happening in a rapidly changing world, is achievable. This should be a sound basis for a constructive debate about which new paths the UK should take, and what assets and experience it should build in a new epoch. We hope our inquiry, with its conclusions, will help in that endeavour. (Paragraph 396)

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Baroness Anelay of St Johns [joined 12 June 2018]
Lord Balfe [until 12 June 2018]
Baroness Coussins
Lord Grocott
Lord Hannay of Chiswick
Lord Jopling
Baroness Hilton of Eggardon
Lord Howell of Guildford (Chairman)
Baroness Helic
Lord Purvis of Tweed
Lord Reid of Cardowan
Baroness Smith of Newnham
Lord Wood of Anfield

Declarations of interest

Baroness Anelay of St Johns [joined 12 June 2018]
Vice Chair, British-Taiwanese All Party Parliamentary Group
Lord Balfe [until 12 June 2018]
No relevant interests declared
Baroness Coussins
Vice-President of the Chartered Institute of Linguists
Vice Chair, All Party Parliamentary Group on the British Council
Vice Chair, All Party Parliamentary Group on the United Nations
Co-Chair, All Party Parliamentary Group on Modern Languages
Lord Grocott
No relevant interests declared
Lord Hannay of Chiswick
Member of the Advisory Board, Centre for European Reform
Joint Convenor, All Party Parliamentary Group on Global Security and Non-Proliferation
Co-chair, All Party Parliamentary Group on the United Nations
Lord Jopling
Member of the UK Delegation of the NATO Parliamentary Assembly
Baroness Hilton of Eggardon
No relevant interests declared
Lord Howell of Guildford (Chairman)
President, Commonwealth Society
Baroness Helic
No relevant interests declared
Lord Purvis of Tweed
No relevant interests declared
Lord Reid of Cardowan
Chair of the Institute of Strategy, Resilience and Security at University College London
Baroness Smith of Newnham
Reader in European Politics at Cambridge University

Lord Wood of Anfield

No relevant interests declared

A full list of Members interests can be found in the registrar of Lord's interests: https://www.parliament.uk/mps-lords-and-offices/standards-and-interests/register-of-lords-interests/

APPENDIX 2: LIST OF WITNESSES

Evidence is published at https://www.parliament.uk/foreign-policy-changing-world/ and available for inspection at the Parliamentary Archives (020 7219 3074).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with ** gave both oral and written evidence. Those marked with * gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order

*	Dr Neville Bolt, Director of the King's Centre for Strategic Communications, King's College London, University of London	QQ 1–8
*	Professor Michael Clarke, Senior Associate Fellow, Royal United Services Institute (RUSI)	QQ 1–8
*	Dr Lucas Kello, Director of the Centre for Technology and Global Affairs, Oxford University	QQ 1–8
*	Paul Maidment, Director of Analysis, Oxford Analytica	QQ 1–8
*	Lord Hague of Richmond	QQ 9–14
*	Lord Ricketts GCMG GCVO, former UK National Security Adviser	QQ 15–20
*	Xenia Wickett, Head, US and the Americas Programme, Chatham House	QQ 21–26
*	Dr Kori Schake, Deputy Director General, International Institute for Strategic Studies (IISS)	QQ 21–26
*	Sir Peter Westmacott GCMG, former Ambassador to the United States	QQ 27–32
*	Arun Pillai-Essex, Senior Political Risk Analyst, Verisk Maplecroft	QQ 33–36
*	Faraz Nasir, Head of Intelligence and Advisory Services, G4S Risk Consulting	QQ 33–36
*	Jake Stratton Senior Partner, Head of Global Client Services division for Europe and Africa, Control Risks	QQ 33–36
*	Henry Wilkinson, Head of Intelligence and Analysis, Risk Advisory Group plc	QQ 33–36
*	Tom Fletcher CMG, former Ambassador and Visiting Professor in International Relations, New York University	QQ 37–42
*	Dr Andrea Calderaro, Director, Centre for Internet and Global Politics, Cardiff University	QQ 43–49
*	Dr Madeline Carr, Associate Professor of International Relations and Cyber Security, University College London, University of London	QQ 43–49

*	Professor Philip Howard, Professor of Internet Studies and Director of Research, Oxford Internet Institute	QQ 43–49
*	Dr Richard Haass, President, Council on Foreign Relations	QQ 50–55
*	Hugh Milward, Senior Director, Corporate, External and Legal Affairs, Microsoft	QQ 56–60
*	Dr Gianluca Stringhini, Associate Professor in Computer Science and Crime Science, University College London, University of London	QQ 61–64
*	Professor Maura Conway, Professor of International Security, Dublin City University	QQ 61–64
*	Merle Maigre, former Director, North Atlantic Treaty Organisation Cooperative Cyber Defence Centre of Excellence, and former Senior Policy Adviser to the President of Estonia	QQ 65–70
*	Peter Wells, Head of Policy, Open Data Institute	QQ 71–76
*	Dr Becky Faith, Research Fellow, Institute for Development Studies	QQ 71–76
*	Nima Elmi, Head of Policy Initiatives, World Economic Forum	QQ 71–76
*	Carrie Gracie, broadcaster and former China Editor, BBC	QQ 77–84
*	Professor Steve Tsang, Director, China Institute, School of Oriental and African Studies, University of London	QQ 77–84
*	Stephen King, Senior Economic Adviser, HSBC	QQ 85–88
*	George Magnus, Former Chief Economist, UBS	QQ 85–88
*	Stefania Palma, Asia Editor, The Banker	QQ 85–88
*	Dr Monique Chu, Lecturer in Chinese Politics, University of Southampton	QQ 89–94
*	Raffaello Pantucci, Director of International Security Studies, Royal United Services Institute	QQ 89–94
*	Kathryn Rand, Assistant Director, Great Britain China Centre	QQ 89–94
*	Professor Rosemary Foot, Emeritus Fellow, St Antony's College, University of Oxford	QQ 95–100
*	Professor Katherine Morton, Professor of Chinese International Relations, University of Sheffield	QQ 95–100
*	Sir Andrew Wood, former Ambassador to Russia	QQ 101–105
*	Sir Tony Brenton, former Ambassador to Russia	QQ 101–105
*	Dr Oksana Antonenko, Visiting Senior Fellow, Institute of Global Affairs, London School of Economics and Political Science, University of London	QQ 106–111

*	Dr Natasha Kuhrt, Lecturer, Department of War Studies, Kings College London, University of London	QQ 106–111
*	Professor Kate Sullivan de Estrada, Associate Professor in the International Relations of South Asia, University of Oxford	QQ 112–123
*	Rahul Roy-Chaudhury, Senior Fellow for South Asia, International Institute for Strategic Studies	QQ 112–123
*	Professor Gareth Evans, former Foreign Minister of Australia	QQ 124–135
*	Sir Ciarán Devane, Chief Executive, British Council	QQ 136–146
**	Deborah Bronnert, Director-General, Economic and Global Issues, Foreign and Commonwealth Office	QQ 147–162
*	Dr Ulrike Esther Franke, Policy Fellow, European Council on Foreign Relations	QQ 163–170
*	Dr Andrew Futter, Associate Professor in International Politics, University of Leicester	QQ 163–170
*	Baron Jean-Christophe Iseux von Pfetten, former specially invited member, Chinese People's Political Consultative Conference	QQ 171–178
*	Stephen Perry, Managing Director, London Export Corporation Ltd	QQ 171–178
*	General Sir Adrian Bradshaw KCB OBE, former Deputy Supreme Allied Commander Europe, The North Atlantic Treaty Organisation	QQ 179–186
*	Sir Martin Donnelly KCB CMG, former Permanent Secretary to the Department for International Trade,	QQ 187–197
*	Sir Simon Fraser GCMG, former Permanent Under-Secretary of the Foreign and Commonwealth Office and Head of the Diplomatic Service,	QQ 187–197
*	Bronwen Maddox, Director, Institute for Government	QQ 198–203
*	Dr Robin Niblett CMG, Director, Chatham House	QQ 198–203
*	Robert Hannigan CMG, former Director, GCHQ	QQ 204–218
*	Sir Mark Lyall Grant KCMG, former National Security Adviser	QQ 204–218
*	Emily Thornberry MP, Shadow Secretary of State for Foreign and Commonwealth Affairs	QQ 219–230
*	Jeremy Hunt MP, Secretary of State for Foreign and Commonwealth Affairs	QQ 231–244
	Sir Simon McDonald, Permanent Under-Secretary, Foreign and Commonwealth Office	QQ 231–244
	Jill Gallard, Deputy Political Director, Foreign and Commonwealth Office	QQ 231–244

Alphabetical list of all witnesses

	Simon Anholt	FWP0001
*	Dr Oksana Antonenko, Visiting Senior Fellow, Institute of Global Affairs, London School of Economics and Political Science (LSE) University of London (QQ 106–111)	
*	Dr Neville Bolt, Director of the King's Centre for Strategic Communications, King's College London, University of London (QQ 1–8)	
*	General Sir Adrian Bradshaw KCB, OBE, former Deputy Supreme Allied Commander Europe, North Atlantic Treaty Organisation (QQ 179–186)	
*	Sir Tony Brenton, Former British Ambassador to Russia, (QQ 101–105)	
	The British Council	FWP00021 FWP0028
**	Deborah Bronnert, Director-General, Economic and Global Issues, Foreign and Commonwealth Office (QQ 147–162)	FWP0029
*	Dr Andrea Calderaro, Director, Centre for Internet and Global Politics, Cardiff University (QQ 43–49)	
*	Dr Madeline Carr, Associate Professor of International Relations and Cyber Security, University College London, University of London (QQ 43–49)	
	Charities Aid Foundation	FWP0019
	Steve Chisnall, Lecturer in International Security and Strategy, International Security Research Group, University of Southampton	FWP0020
*	Dr Monique Chu, Lecturer in Chinese Politics, University of Southampton (QQ 89–94)	
*	Professor Michael Clarke, Senior Associate Fellow, Royal United Services Institute (QQ 1–8)	
*	Professor Maura Conway, Professor of International Security, Dublin City University (QQ 61–64)	
	Davido Ltd	FWP0002
*	Sir Jon Day KBE, former Second Permanent Secretary, Ministry of Defence, and former Chair of the Joint Intelligence Committee, International Security Research Group, University of Southampton	FWP0020
*	Sir Ciarán Devane, Chief Executive, British Council (QQ 136–146)	
*	Sir Martin Donnelly KCB CMG, Permanent Secretary to the Department for International Trade, (QQ 187–197)	

	Dr Constance Duncombe, Lecturer in International Relations, Monash University	FWP0011
*	Nima Elmi, Head of Policy Initiatives, World Economic Forum (QQ 71–76)	
	Environmental Investigation Agency, UK	FWP0013
	Professor Gareth Evans, Former Foreign Minister of Australia (QQ 124–135)	
*	Dr Becky Faith, Research Fellow, Institute for Development Studies (QQ 71–76)	
*	Tom Fletcher CMG, former Ambassador and Visiting Professor in International Relations, New York University (QQ 37–42)	
*	Professor Rosemary Foot, Emeritus Fellow, St Antony's College, University of Oxford (QQ 95–100)	
	Foreign and Commonwealth Office	FWP0027
	Dr Andrew Foxall, Director, Russia and Eurasia Studies Centre, The Henry Jackson Society	FWP0005
*	Dr Ulrike Esther Franke, Policy Fellow, European Council on Foreign Relations (QQ 163–170)	
*	Sir Simon Fraser GCMG, former Permanent Under-Secretary of the Foreign and Commonwealth Office and Head of the Diplomatic Service (QQ 187–197)	
*	Dr Andrew Futter, Associate Professor in International Politics, University of Leicester (QQ 163–170)	
	Jill Gallard, Deputy Political Director, Foreign and Commonwealth Office (QQ231-244)	
	Nasir Ghalib	FWP0003
*	Carrie Gracie, broadcaster and former China Editor, BBC (QQ 77–84)	
*	Dr Richard Haass, President, Council on Foreign Relations (QQ 50–55)	
*	Lord Hague of Richmond (QQ 9–14)	
*	Robert Hannigan CMG, former Director, GCHQ (QQ 204–218)	
*	Professor Philip Howard, Professor of Internet Studies and Director of Research, Oxford Internet Institute (QQ 43–49)	
*	Jeremy Hunt MP, Secretary of State for Foreign and Commonwealth Affairs (QQ231–244)	
*	Dr Lucas Kello, Director of the Centre for Technology and Global Affairs, Oxford University (QQ 1–8)	
*	Stephen King, Senior Economic Adviser, HSBC (QQ 85–88)	

*	Dr Natasha Kuhrt, Lecturer, Department of War Studies, Kings College London, University of London (QQ 106–111)	
*	Sir Mark Lyall Grant KCMG, former National Security Adviser (QQ 204–218)	
	Dr Tara McCormack, Lecturer in International Relations, University of Leicester	FWP0025
	Sir Simon McDonald, Permanent Under-Secretary, Foreign and Commonwealth Office (QQ231-244)	
*	Bronwen Maddox, Director, Institute for Government (QQ 198–203)	
*	George Magnus, Former Chief Economist, UBS (QQ 85–88)	
*	Paul Maidment, Director of Analysis, Oxford Analytica (QQ 1–8)	
*	Merle Maigre, former Director, North Atlantic Treaty Organisation Cooperative Cyber Defence Centre of Excellence and former Senior Policy Adviser to the President of Estonia (QQ 65–70)	
	Dr Ana Margheritis, Reader in Politics and International Relations, International Security and Research Group, University of Southampton	FWP0020
*	Hugh Milward, Senior Director, Corporate, External and Legal Affairs, Microsoft (QQ 56–60)	
	Professor Alister Miskimmon, Queen's University Belfast	FWP0015
*	Professor Katherine Morton, Professor of Chinese International Relations, University of Sheffield (QQ 95–100)	
*	Faraz Nasir, Head of Intelligence and Advisory Services, G4S Risk Consulting (QQ 33–36)	
	National Museum Directors' Council	FWP0018
*	Dr Robin Niblett CMG, Director, Chatham House (QQ 198–203)	
	Professor Ben O'Loughlin, Royal Holloway, University of London	FWP0015
	Overseas Development Institute	FWP0012
*	Stefania Palma, Asia Editor, *The Banker* (QQ 85–88)	
*	Raffaello Pantucci, Director of International Security Studies, Royal United Services Institute (QQ 89–94)	
*	Stephen Perry, Managing Director of London Export Corporation Ltd (QQ 171–178)	

*	Baron Jean-Christophe Iseux von Pfetten, former specially invited member, Chinese People's Political Consultative Conference (QQ 171–178)	
*	Arun Pillai-Essex, Senior Political Risk Analyst, Verisk Maplecroft (QQ 33–36)	
	Professor Michel Pimbert, Director, Centre for Agroecology, Water and Resilience, Coventry University	FWP0008
*	Kathryn Rand, Assistant Director, Great Britain China Centre (QQ 89–94)	
*	Lord Ricketts GCMG GCVO, former UK National Security Adviser (QQ 15–20)	
	James Rogers, former Director, Global Britain Programme, Henry Jackson Society	FWP0026
*	Rahul Roy-Chaudhury, Senior Fellow for South Asia, International Institute for Strategic Studies (QQ 112–123)	
	Save the Children	FWP0016
*	Dr Kori Schake, Deputy Director General, International Institute for Strategic Studies (QQ 21–26)	
	Science Museum Group	FWP0024
	Dr Kristan Stoddart, Reader, Department of International Politics, University of Aberystwyth	FWP0017
*	Dr Gianluca Stringhini, Associate Professor in Computer Science and Crime Science, University College London, University of London (QQ 61–64)	
*	Jake Stratton Senior Partner, Head of Global Client Services division for Europe and Africa, Control Risks (QQ 33–36)	
	Stonewall UK	FWP009
*	Professor Kate Sullivan de Estrada, Associate Professor in the International Relations of South Asia, University of Oxford (QQ 112–123)	
*	Emily Thornberry MP, Shadow Secretary of State for Foreign and Commonwealth Affairs (QQ 219–230)	
*	Professor Steve Tsang, Director, China Institute, School of Oriental and African Studies, University of London (QQ 77–84)	
	United Nations Association-UK	FWP0010
	Visit Britain	FWP0007
*	Peter Wells, Head of Policy, Open Data Institute (QQ 71–76)	

*	Sir Peter Westmacott GCMG, former Ambassador to the United States (QQ 27–32)	
*	Xenia Wickett, Head, US and the Americas Programme, Chatham House (QQ 21–26)	
*	Henry Wilkinson, Head of Intelligence and Analysis, Risk Advisory Group plc (QQ 33–36)	
*	Sir Andrew Wood, Former British Ambassador to Russia (QQ 101–105)	
	Women's International League for Peace and Freedom UK	FWP0023
	Xiaoyan Zhang	FWP0004

APPENDIX 3: CALL FOR EVIDENCE

A radically changed international landscape is taking shape, posing new issues of global stability and power configurations, and presenting new challenges and opportunities for British foreign policy. The response of the Government to these trends will dictate how the UK fares in this era of new international relations.

The context is one in which digital technologies and new networks have already had a major impact on geopolitics. Emerging global powers are increasingly asserting themselves, while those previously dominating international affairs are reconsidering their global roles; new global power centres have emerged; non-state actors are taking on an ever more significant role; and the multilateral institutions of the post-War period are often struggling to be effective.

Within this broad canvas the House of Lords International Relations Committee is launching an inquiry focussing on the impact of these immense changes on the shape and conduct of Britain's overseas and international policies, alliances and objectives, and the way in which Britain's capabilities, organisation and its balance of soft, hard and smart power deployments now require re-ordering in the new international context.

Our inquiry's concern will be predominantly with UK relations beyond immediate Brexit issues, beyond changes in UK relations with the EU, and outside the European region.

Britain and global diplomacy in the digital age

1. How should the UK develop its portfolio of engagements with global institutions and networks, both new and existing, such as the EU (which it is leaving), the modern Commonwealth, the Pacific Alliance and the new power centres and associations of Asia?

2. What impact have digital technologies and the on-going communications revolution had on global affairs, both economic and political?

    (a) To what extent have they changed how nation states, non-state actors and networks of people interact with one another?

    (b) What new directions and opportunities for UK in particular do they present?

    (c) How should the UK's international policies and policy instruments adapt to the new conditions?

    (d) To what extent have they affected international legal structures, multilateral organisations and notions of national sovereignty?

3. What effect have digital technologies had on the practice of diplomacy? Do we have the diplomatic resource of the right kind and weight to meet the demands of a world of intricate and extensive networks?

4. Are there organisational changes required to ensure Government, its institutions and agencies are able to respond to these challenges and opportunities?

The UK's bilateral relationships

5. In the changing global context, and with a new fluidity in international affairs, who ought to be the UK's closest bilateral partners?

6. How should the UK's relationship with the US be adapted and refreshed to take into account the present US Administration's

   (a) reduced predictability and its apparent retreat from its post-War global role?

   (b) its emphasis on putting US interests, narrowly defined, as an overriding priority?

7. How should UK foreign policy adapt to the rise of China as a global power, particularly in the light of President Xi's ambitions for a new era in Chinese influence and China's extensive "one belt, one road" initiative?

8. What challenges, now and in the longer term, does Russia present for the UK's foreign policy in both the cyber and conventional spheres?

9. How should the UK re-position itself in relation to emerging powers such as India and Brazil, or others in Latin America, Asia and Africa?

10. To what extent does the Government have the skills and capability to build and maintain the bilateral relationships necessary for the UK to thrive in the changed global context?

The Rules-Based International Order

11. What challenges arise from the changing global context to the multilateral institutions that underpin the international rules-based order? What should the UK's role be in responding to those challenges?