Britain in Asia: rediscovery and readjustment for post-imperial times

By David Scott

Japanese troops. This was ironic since Britain's own ending of "splendid isolation" had been the forging of the Anglo-Japanese Alliance of 1902 which ran through to 1921. Although Britain finished World War Two as a notional Great Power victor; in reality it was greatly weakened, facing terminal "imperial overstretch", was overshadowed by the United States and in little position to resist the growing forces of Asian nationalism. India and Pakistan gained independence in 1947 quickly followed by Burma and Ceylon, Malaya followed in 1957. The independence for Aden in 1967, the "East of Suez" announcement in 1968, and independence for Gulf states like Bahrain in 1971 signalled Britain's effective withdrawal from Asia. Britain's position in the Indian Ocean was in effect handed over through giving US basing rights at Diego Garcia in 1971. Hong Kong, the last remnant from Britain's victories in the nineteenth century, was returned to the PRC in 1997.

Where does this now leave Britain in relation to Asia, i.e. Japan, India, Southeast Asia, and China? With regard to Japan, their post-1945 setting has been one of two liberal democracies that were friendly but from afar. Japan's economic miracle resulted in Japanese business models were also seen as a panacea for British managerial styles. However that same Japanese economic miracle resulted in rising Japanese trade surpluses in the 1970s and 1980s, as Japanese exports penetrated the British market but British exports found it difficult to obtain similar entry into the Japanese market. However, the Japanese economic turndown in the 1990s and 2000s (its so-called "lost decades") saw this trade friction diminish. With their geopolitical regions being at opposite ends of Eurasia, their respective common strategic interests are modest. It was typical that their Joint Statement in 2012 A Leading Strategic Partnership for Global Prosperity and Security had economic recovery as their first issue. Wider security convergence is evident on both countries wanting secure Sea Lines of Communications (SLOCs), in particular in the Indian Ocean.

Britain's current role in Asia has been one of post-colonial rediscovery. Two hundred years ago Britain took the lead in occupying India, the so-called "jewel in the crown", from where the Indian Ocean became a "British lake". Britain also launched the first of the foreign wars in China's "century of humiliation", which brought British occupation of Hong Kong in 1842 as a key economic trading port. Finally, Britain also held a central position in Southeast Asia based on its key naval airbase at Singapore and control of various Malay states around the Strait of Malacca and South China Sea. Britain's rivalry with Russia, the notorious "Great Game" than ran during the nineteenth century, was played out across Asia with privileged spheres carved out by Britain in the Gulf, Persia and Tibet. Migration from the Indian subcontinent was an important legacy of that imperial period. The 2001 Census recorded over 1 million people of Indian origin in Britain, 22.7 per cent of Britain's UK's ethnic minority population.

Yet from that position of leading power, Britain's own imperial contractions brought humiliation at the hands of Japanese imperialism. The fall of Singapore was a particularly humiliating debacle for Britain in 1940, as British troops in khaki shorts were led into detention camps by victorious
Britain's relations with India have been modest and a far cry from their previous colonial period levels of significance. In economic terms, trade with India shrank in importance for both countries after independence in 1947. Britain's trade shifted much more towards Europe while India's trade shifted towards the United States, China, Southeast Asia and the Gulf. Politically India's decision to stay within the Commonwealth was seen as important by Britain for its continuance as a significant forum. However, frequent criticisms of British policy over South Africa by India, and other ex-colonial states, were a source of friction in the 1950s through to 1980s. India's was also very critical of Britain's decision to maintain political control of the small islands in the middle of the Indian Ocean, and to allocate significant basing rights on them to the US at Diego Garcia in the 1970s. During the Cold War, British alignment with the United States contrasted with India's non-alignment stance in the 1950s to 1960s and its tilt towards the Soviet Union in the 1970s to 1980s.

India's own economic rise in the post Cold War 1990s, part of the Eastern shift in economic weight, brought greater interest in Britain to access the Indian market. The government White Paper entitled Active Diplomacy for a Changing World: The UK's International Priorities (2006) emphasized the challenges and opportunities presented by the economic rise of India, and China. In March 2008, when Tata, India's biggest vehicle maker, bought the luxury brands Jaguar and Land Rover from British carmaker Ford, the £1.15 billion deal attracted the attention of British and international commentators as a significant illustration of the shifting relationship between a former colonial power and its former colony. Equally symptomatic was India's announcement in 2012 that it neither needed nor wanted any British overseas aid. The aftermath of the global recession saw the British Prime Minister David Cameron making a play for greater access to the Indian market, and indeed Indian foreign direct investment (FDI) in Britain. It was in such a vein that the House of Commons, Business and Enterprise Committee report in April 2008 on the development in UK-India economic relations was titled Waking Up to India. However the level of trade between the two countries has remained relatively modest. For example, in 2011-2012 Belgium ($17.7 billion) conducted more trade with India than did the UK ($16.3 billion).

Certainly the political rhetoric has warmed between Britain and India. A formal "strategic partnership" was announced in September 2004. Cameron's two trips to India in 2010 and 2013 brought further cooperation. The relationship was elevated to "Enhanced Partnership for the Future" in 2010. The 2013 trip saw Cameron's delegation include the largest British trade delegation ever to visit India, leaders of the India-UK CEO Forum, members of Parliament, and University Vice Chancellors. A cyber-security pact was one outcome of the summit, at which it was agreed to have a "stronger, wider, deeper partnership". In strategic terms Britain is happy enough with the growing importance of this fellow liberal democracy India in the Indian Ocean, with joint Konkan naval exercises between the two countries running since 2004. Britain also supports India's case for permanent membership at the United Nations Security Council. However, although Britain's history leaves a powerful bond of English language between the two states, it does not necessarily translate into closer post-imperial relations, as India has looked elsewhere for political support and economic substance. Putting it another way, Britain needs (or wants) India more than India needs (or wants) Britain.

With regard to Southeast Asia, decolonisation was a longer process than in India with independence gained by the Malay states in 1957; followed by Sarawak, Brunei and Sabah in 1963. During the 1950s Britain fought a long-running war against Malay communists. Britain also deployed troops from 1962-66; when the newly formed Malaysian federation between Malaya, Sarawak and Sabah was threatened by Indonesia. Britain remains a signatory to the Five Power Defence Forces Agreement (SPDF) set up in 1974 with Malaysia, Singapore, Australia and New Zealand, although now taking a minor role. A prickly relationship was noticeable during the time of Mahathir Mohammed as Prime Minister 1981-2003, whose Malay nationalism and strong criticism of Western powers in the international system made him an uncomfortable Commonwealth voice for Britain.

With regard to China, the United Kingdom recognised the People's Republic of China in 1950, and was the first major Western country to do so. Although Britain generally aligned with the US in the Cold War, and was ready to fight against Chinese military forces in the Korean War of 1950-1954; nevertheless there was a reluctance to confront Beijing too directly, given that British control of Hong Kong was something only made possible on China's sufferance. Both sides came to benefit from the economic growth of Hong Kong as one of the "Asian Tigers" (alongside South Korea, Taiwan and Singapore) in the 1970s and 1980s.
The most important aspect of their bilateral relationship in the 1949-1989 period was arrangements for the fate of Hong Kong after the 100-year lease on Kowloon came to an end. What was striking was how British attempts to retain a post-1997 role were quickly crushed by China in the negotiations leading to handover in 1997, and how rapidly British influence in Hong Kong dwindled after 1997.

With Hong Kong out of the way, there has developed a broader bilateral relationship with China. Britain and China established a “comprehensive partnership” in 1998. This was upgraded to a “comprehensive strategic partnership” in 2004, which included a mechanism for annual meeting between the Premier and Prime Minister. Humans Rights issues have become marginalised in their relationship, and in 2008 the British Foreign Secretary also dropped reference to “suzerainty” as an appropriate model for Tibet, reversing the position held by Britain since the Simla Convention of 1913.

The reason for this marginalisation of political matters is that economics is the most important aspect of the Britain-China relationship, in which growing volume of trade has gone hand in hand with growing Chinese trade surpluses. The need for Chinese financial stimulation, including foreign direct investment (FDI), to overcome the global recession of 2008-2009 has become an important feature of their relationship. Premier Wen Jiabao’s visit to Britain in 2009 saw the two sides signing a joint statement on Strengthening Cooperation, and Actively Dealing with the International Financial Crisis; with various agreements signed on trade, energy, and culture matters. Britain’s Foreign Secretary William Hague describes the relationship as primarily a “partnership for growth”. Typical of its thrust was the decision in 2013 by their two central banks to sign a currency swap agreement, the first between China and a major developed country.

If Britain’s economic relationship with Asia has been a prominent theme with regard to these various Asian actors, it is an area increasingly affected by Britain’s membership of the European Union (EU). The EU has its own strategic partnerships with China, India and Japan. An important point is that trade matters and negotiations falls under the scope of the EU, whose competency in this area is part of European law and part of the supra-national institutional powers enjoyed by the European Commission. Environmental cooperation also comes under EU-level rather than British/ national level arrangements. Some of the mechanisms for cooperation with Asia work through EU rather than national levels. At the Asia-Europe Meeting (ASEM), though Britain is one of the European members, it is significant that only the European Commission has permanent Coordinator status. It is also significant that it is the EU which is a Dialogue Partner with the Association of South East Asian Nations (ASEAN), not Britain. Similarly, it is the EU not Britain that has observer status with the South Asia Association for Regional Cooperation (SAARC). Consequently, possible moves towards British withdrawal from the EU would probably reduce Britain’s weight and also interactions with those Asian powers.

Nevertheless, growing issues of piracy, terrorism and instability have brought something of a British return to West Asia, with modest British forces re-appearing in the Gulf. Britain also played an important role, alongside the bigger US deployment of troops, in Iraq and Afghanistan during the last decade, prompting some people to talk of a return to “East of Suez” on the part of Britain. The bigger trend facing Britain is how the rise of the East is being better described as a re-rise or a return to the economic predominance that the East, i.e. China and India, enjoyed on the eve of European expansionism.

Britain, like other European countries is having to adjust to that basic fact of economics and of international relations.