Is Great Britain Returning to the Region “East of Suez”?

On September 11th, Japanese Minister for Foreign Affairs Toshimitsu Motegi and UK Secretary of State for International Trade Elizabeth Mary Truss announced during a video conference that they had successfully wrapped up three months of talks on signing a Free Trade Agreement (FTA), which will enter into force in the beginning of next year.

This does not mean an immediate, one-time repeal of tariffs in bilateral trade, although this is stipulated for a number of goods and services. Generally speaking, starting on January 1st, 2021, a procedure will be initiated for the gradual (over a period of up to 6 years, for example, for Japanese cars imported by the UK), abolition of tariff barriers.

This is a landmark event in all respects (and certainly not only in terms of trade and commerce) for how Great Britain itself operates, which continues to be in an extremely uncomfortable, “transitional” state of relations with the EU after it formally terminated its membership in the European Union on January 31st this year.

The deadline for agreeing to new terms of trade with the EU, according to Prime Minister Boris Johnson, falls on October 15th this year and, as of mid-September, there was still no clarity on this issue. Furthermore, by this time the mutual verbal swordplay seems to have reached a boiling point. This increases the likelihood of EU-UK trade
relations transitioning to a state of “normal” starting on January 1st, 2021, meaning subject to WTO rules.

There are different points of view regarding the consequences for the UK under this scenario. There is definitely one thing that comes into mind: the vicissitudes of the current “rapidly transforming” world are much more comfortable to bear in certain (and in some senses) “friendly company”. And it is even better with several such companies at once.

Almost immediately after the referendum on June 23rd, 2016, which marked the beginning of the painful Brexit process for the UK, the government of Theresa May started looking for them (in parallel). For this purpose, a special ministry (“department”) of foreign trade was formed, headed today by Mrs. Elizabeth Mary Truss. The US, Australia, New Zealand, and Japan were chosen as candidates with whom to establish new free trade zones.

The fact that successful negotiations have so far only been achieved with the last of these, in the author’s opinion, is not something that is accidental. This is just more evidence of a general shift in focus toward the Indo-Pacific for all global processes.

The latter, of course, is taken into account by the leadership in one of Europe’s leading powers that, until relatively recently, was the leader of those global processes, and which extended its influence to this region and designated it with the political and geographic meme "East of Suez". NEO has drawn attention repeatedly to different signs of attempts to “bring UK back” to this region, after it was “abandoned” at the end of the 1960s for completely understandable, objective reasons.

And Japan, we repeat, becomes one of the main participants in the processes taking place in the Indo-Pacific (that is, "to the East of Suez"), and a year after the referendum mentioned above, a representative British delegation headed by Theresa May went to this country. During talks with their Japanese colleagues, headed by Prime Minister Shinzo Abe, a wide range of issues of mutual interest that arose in terms of comprehensively developing bilateral relations, including in the areas of politics, economics, and defense, were discussed.

It is important to highlight that one month earlier, in Brussels, that same Shinzo Abe had been in agreement with the then leadership of the European Union (Donald Tusk and J.C. Juncker) on the “principles” for how economic partnership should develop between Japan and the EU. This means that three years ago the EU and the UK began a kind of race (also “along parallel courses”) to foster cooperation with one of Asia’s leading powers. And during the course of this race Brussels clearly let London have a head start while the latter was splitting from the EU.

Based on the above “principles”, a year later (June 17th, 2018) during the 25th Japan-EU summit held in Tokyo, a bilateral Free Trade Agreement was signed, which then entered into force on February 1st, 2019.

And, two years later, a similar agreement will come into effect between the UK and Japan. In May this year, before negotiations with its Japanese counterparts, the UK Foreign Trade Ministry issued a lengthy document which, among other things, outlined the motives undergirding London’s interest in holding talks with Tokyo on this issue.

Even the heading above the first section in the first chapter (“Strategic Case”) is noteworthy: “The FTA (with Japan - auth.) reinforces the United Kingdom’s strategy in the Asia-Pacific region.” The first paragraph in that section states that the Agreement, which is important in and of itself, represents a “logical stepping stone (for the UK - auth.) to joining the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.” This kind of message is by no means a new one, since two years earlier L. Fox, the predecessor for Elizabeth Mary Truss in the post of Minister of Foreign Trade, had already spoken out on that topic.

We should recall that this means a regional association (Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP) comprised of 11 countries (5 Asian ones and 4 in the Americas, along with Australia and New Zealand); it is a document whose operating format was signed in March 2018 in Santiago, the capital of Chile, and entered into force on January 1st, 2019.

The very fact that this authoritative (and by no means only in the area of economics) international organization has emerged is almost entirely due to the efforts put forth by Japan and its outgoing Prime Minister, Shinzo Abe. This is because the project, originally called the “Trans-Pacific Partnership”, was on the verge of collapse after the US withdrew from it under President Donald Trump, who aimed primarily to resolve the country’s internal problems. Incidentally, at the same time a similar “Transatlantic” project fell into oblivion, and also largely due to “efforts” by the United States.

In addition to the undoubted political, reputational, and economic dividends that the potential accession of London to
the CPTPP promises - an association that accounts for 13% of world GDP - the participation of Australia and New Zealand in this organization is extremely important. In other words, these are the two countries mentioned above with which the UK is holding talks about creating bilateral FTAs.

As far as the United States is concerned, it is attaching political conditions for it to sign this kind of agreement that would be fairly taxing for London to satisfy. One example of this is that the UK would have to terminate a quite lucrative contract with the Chinese IT giant, Huawei, which is supposed to play a substantial role in creating the country’s national 5G telecommunications network.

Tokyo is not putting forth any of these kinds of conditions for London, and for its part there are statements about how the UK’s desire to join the CPTPP is welcomed in every possible way, with the total GDP rising to 16 percent of the world GDP under that scenario. And this is already a figure that is comparable to the GDP of each of the two world giants, meaning the United States and China. Moreover, the procedure itself for the UK to accede to the CPTPP will most likely take place in a “fast-track” mode, since there are already several other applicants lined up.

We should pay attention again to the fact that one important component in London’s renewed interest in the region to the “East of Suez” could be a military one. The potential significance of that is evidenced by a campaign that is being set up for the area “to the southeast of the PRC” by a British naval “armada” that is not small in size.

It comes as no surprise that China is also displaying an interest in the attempts to revive the “Frankenstein of the 19th century”, which wreaked a good deal of mischief around Chinese territory back then. However, there is the belief in this case that these attempts are more symbolic than of any practical value.

However, the political and strategic background against which these attempts are being made to return the UK to the region "East of Suez" should not be lost sight of. Perhaps the main plot this background contains stems from the prospect of a sort of "Asian NATO" taking shape here, and comprising the United States, Japan, India, and Australia. It is not yet clear how trying to invigorate the region “East of Suez” on the part of the world’s former hegemon, the UK, will affect that process. And this goes for France, its competitor during the “colonial past”.

The prospect mentioned above will become quite genuine if it is not possible to stop the negative trends occurring in the triangle that consists of the three leading Asian powers, namely China, India, and Japan.

By virtue of this, we can take note of the positive role played by Moscow, which recently provided a platform (in the form of a scheduled ministerial-level meeting between SCO member states) for a dialogue between China and India aimed toward resolving the dangerous conflict in Ladakh. The Russian Federation has the potential to mediate to help move past the "misunderstandings" in Sino-Japanese relations as well.

Generally speaking, Russia should remain focused on the Asia-Pacific region (and above all else on the part that it occupies). And it should not become involved in verbal spats with our “West European partners” regarding not only the fates of various political confidence artists, but even certain “streams”. On the double-sided chess clock, the button on their side remains in the raised position.

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