

How Should We Respond to the Anglo-Chinese “Golden Era”?

By KAWAMURA Hiroshi

Britain hosted Chinese President Xi Jinping last October to hail the dawn of the “Golden Era” between both countries. Meanwhile, human rights activists denounced Chinese oppression in Tibet, and the Royal Family treated Xi sarcastically. But from a policy perspective, the most critical concern is the security implication of nuclear plant construction in Bradwell and Hinkley Point. Before exploring our response to the Anglo-Chinese nuclear deal, I would like to narrate the background of British foreign and domestic policy. To begin with, we have to understand Britain’s foreign policy rebalance. Currently, British media talk about “Brexit” as Prime Minister David Cameron suggests a national referendum to question EU membership. Britain has been frustrated with immigration problems within the Union, and explores more market opportunities in the emerging economies, particularly in Asia, rather than in the Eurozone. This is nothing strange in view of Britain’s traditional ties with Commonwealth nations, and some of them are leading emerging markets, including India, Malaysia, Singapore, South Africa, and Nigeria. While the United States talks about the "pivot" or the "rebalance" to Asia, Britain is initiating the "reprioritisation" to Asia.

This is the change of Britain today, which is typically seen in Cameron’s salesman diplomacy when he visited India in February 2013 to accompany a huge business delegation. Despite notorious handling of Muslims in the Gujarat riot in 2002 as the Chief Minister, Cameron courted Indian Prime Minister Narendra Modi for investment on his visit to the United Kingdom this July. Human rights activists may blame Cameron, but his diplomacy was already “market-oriented”, before Xi’s visit to London, and a foreign policy direction like this is loyal to Britain’s historical instinct.

In order to assess the controversial business deal with China, we need to understand how Britain sees her global position, particularly between Europe and Asia. This October, Chatham House released a policy paper, “Britain, Europe and the World: Rethinking the UK’s Circles of Influence”, and mentions three challenges to British foreign policy. The first challenge is globalization and intensified economic competition. The second one is diversified threats from geopolitical tension with Russia and China to the rise of Islamic extremism in the Middle East and around the world. The last one is structural reform of aging multinational organization from the United Nations, international financial institutions, NATO, and the EU. In view of these challenges, this paper says that Britain must adapt to the trend of the US-China power balance. Then, we need to explore how Britain is making an

adjustment.

As the Cameron administration sees the Bretton Woods system needs to be revised to live up to the changes of power balance in this century, Britain advises China how to internationalize the renminbi. Quite importantly, Britain's export to BRIC and MINT (Mexico, Indonesia, Nigeria, and Turkey) countries grow stagnantly, but only that with China surges twofold from 2011 to 2014. Though the US-Chinese clash in the East and South China seas is a security concern, Robin Niblett, Director of Chatham House, points out that Britain has different interest and capability over China from those of the United States at the event on October 19. The focal point of his argument is to keep Britain influential. In postwar British foreign policy, the United Kingdom assumes itself a hub to connect three circles of the United States; Europe; and the rest of the world such as the Commonwealth, the Middle East, China, and Japan. However, Niblett says that Britain's role as the transatlantic connecting bridge is fading, as America keeps more eyes on the Baltic states to contain Russia, and Britain is out of the Eurozone. In addition, Niblett comments that erosion of international organizations like the United Nations, Bretton Woods banks, and the G7, poses critical constraints to British influence in the world as she is a key stakeholder of these organizations. Therefore, he argues that Britain needs to deepen relations with China to rebalance foreign policy priority and rebuild international organizations. Niblett's view is founded on sober realism, but still, Britain's excessive engagement with China is questionable. Historically, Britain failed to embrace rising Germany. The security risk of the nuclear deal is far greater than that of controversial AIIB (Asian Infrastructure Investment Bank) membership.

In view of these problems, we should appeal our views to British people who share common anxieties like the environment and security. Nuclear safety is a global problem after the Fukushima shock. British environmentalists and local residents worry whether Chinese companies abide by Western standards to preserve the ecology of the Bradwell estuary. More critically, the bid winner called CGN (China General Nuclear) is closely tied with the People's Liberation Army as many other Chinese companies are. Chinese engineers can steal sensitive advanced technology through hacking or traditional styled espionage. Remember, Putin's secret agent lurked in Russian communities in London to kill Alexander Litvinienko. Bradwell and Hinkley Point plants can become Trojan horses to accommodate Chinese spies for another Litvinienko poisoning. It is too well known that China stole F-35 information from BAE Systems. It may be a tip of the iceberg, and China could have hacked furthermore information from BAE Systems, like the Queen Elizabeth class aircraft carrier and numerous missiles. It is Chancellor of the Exchequer George Osborne who endorses such a close relation with China, despite security and environmental concerns, while former MI6 Director of Operations and Intelligence Nigel Inkster points out that China will take advantage if they find weakness on the British side, as they are so hard power oriented and self-interested. Chancellor Osborne and Foreign Secretary Phillip Hammond argue that Britain will exert influence on China behind the closed door, but things will not go so easily as they say.

In addition, this nuclear deal is contradictory to Britain's recent action with the United States, NATO allies, and Japan, to persuade Turkey and South Korea not to buy HQ-9 anti-air missiles from China for fear of security information divulgence. Also, why does the United Kingdom have to solicit China to build controversial nuclear plants? Britain is a world leader in science and technology, and the public takes pride in it even during the British disease era. As proven in the Astute class submarine, Britain has advanced nuclear industry. Why doesn't the government sign up with home companies to employ British engineers? This is more logical to create jobs and stimulate the economy through public investment.

We have to raise these environmental and security concerns with the nuclear deal to Cameron and Osborne, in resonance with domestic opponents in the United Kingdom. Particularly, Osborne is the front runner to succeed Cameron's premiership, and he drove Britain to turn the China policy from Cameron's meeting with Dalai Lama in May 2012. Both the United States and Japan must send a strong reminder message to Osborne, as all Western allies did to Turkey and South Korea over the Chinese air defense system. Though Labour leader Jeremy Corbyn denounced China for human rights violation, his party was critically damaged in the general election in May this year, to lose their traditional electoral bases in Scotland to the SNP (Scottish National Party). It is quite unlikely that they will replace Cameron. Chinese influence on Britain can grow furthermore, if we do nothing.

Therefore, we must ask Osborne to explain his vision of British and global security. Also, we need to notice French involvement behind the curtain, as EDF (Électricité de France) helps CGN (China General Nuclear) win the bid to build Bradwell and Hinkley Point nuclear plants. China's penetration in Europe is quite deep, and PLA influence on nuclear security must be removed or minimized before it gets too serious. Finally, I would raise a question whether Japan can replace China to represent the rest of the world, if British policymakers conceive their transatlantic position is eroding so seriously. Ultimately, it is Japan that can share security burdens with Britain, not China. In science and technology, the Anglo-Japanese partnership will bear more fruit than the Anglo-Chinese one. We should be much more alert to this dangerous nuclear deal.

(This is the English translation of an article written by KAWAMURA Hiroshi, Foreign Policy Watcher, which originally appeared on the e-forum "Hyakka-Seiho" of JFIR on November 25, 2015.)