



House of Commons
Foreign Affairs Committee

**Global Security: UK-US
Relations: Government
Response to the
Committee's Sixth
Report of Session
2009–10**

**Third Special Report of Session
2009–10**

*Ordered by the House of Commons
to be printed 6 April 2010*

HC 537
Published on 9 April 2010
by authority of the House of Commons
London: The Stationery Office Limited
£0.00

The Foreign Affairs Committee

The Foreign Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Foreign and Commonwealth Office and its associated agencies.

Current membership

Mike Gapes (*Labour, Ilford South*), Chair
Rt Hon Sir Menzies Campbell (*Liberal Democrat, North East Fife*)
Mr Fabian Hamilton (*Labour, Leeds North East*)
Rt Hon David Heathcoat-Amory (*Conservative, Wells*)
Mr John Horam (*Conservative, Orpington*)
Mr Eric Illsley (*Labour, Barnsley Central*)
Mr Paul Keetch (*Liberal Democrat, Hereford*)
Andrew Mackinlay (*Labour, Thurrock*)
Mr Malcolm Moss (*Conservative, North East Cambridgeshire*)
Sandra Osborne (*Labour, Ayr, Carrick and Cumnock*)
Mr Greg Pope (*Labour, Hyndburn*)
Mr Ken Purchase (*Labour, Wolverhampton North East*)
Rt Hon Sir John Stanley (*Conservative, Tonbridge and Malling*)
Ms Gisela Stuart (*Labour, Birmingham Edgbaston*)

Powers

The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the Internet via www.parliament.uk.

Publication

The Reports and evidence of the Committee are published by The Stationery Office by Order of the House. All publications of the Committee (including press notices) are on the Internet at www.parliament.uk/parliamentary_committees/foreign_affairs_committee.cfm.

Committee staff

The current staff of the Committee are Dr Robin James (Clerk), Dr Rebecca Davies (Second Clerk), Ms Adèle Brown (Committee Specialist), Dr Brigid Fowler (Committee Specialist), Mr John-Paul Flaherty (Senior Committee Assistant), Miss Jennifer Kelly (Committee Assistant), Mrs Catherine Close (Committee Assistant) and Mr Alex Paterson (Media Officer).

Contacts

All correspondence should be addressed to the Clerks of the Foreign Affairs Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 6394; the Committee's email address is foraffcom@parliament.uk

Special Report

The Foreign Affairs Committee published its Sixth Report of Session 2009–10, *Global Security: UK-US Relations*, on 28 March 2010, as House of Commons Paper HC 114. The Government's response to this Report was supplied to us in the form of a letter from the Secretary of State for Foreign and Commonwealth Affairs, Rt Hon David Miliband MP, dated 6 April 2010. This letter is appended below.

Government response

Letter to the Chair of the Committee from the Secretary of State for Foreign and Commonwealth Affairs, dated 6 April 2010

I would like to thank the Committee for its Report into UK-US Relations. The Committee has rightly captured the very broad and deep nature of this relationship and recognises the good work being carried out by our network of posts in the US.

I have followed the structure of your Report in framing my answer below.

The basis and nature of the UK-US Relationship

There is of course a lot of shared history in our relationship. But the special relationship has changed with the times and will keep changing. Today's relationship is not the relationship of wartime allies against Nazism in the 1940s, nor should it be. It is a partnership of two 21st-century and rapidly-changing powers.

Alongside the core of intelligence and defence—the shared mission in Afghanistan, the co-operation on terrorism, the work together on Iran and so on—is a profound set of links in other areas. We are each other's biggest investment partner with almost a million jobs in each country created by investment from the other; our cultures and societies are transparent to each other; our educational links are profound with between us every one of the world's top ten universities and in each direction more student exchanges than with anyone else; we are the top two countries for Nobel prizes. So our scientists and educators are shaping the future together.

We share both a set of values about the world and a commitment to engagement and leadership—on foreign policy issues like Afghanistan and Iran, on climate and non-proliferation, on the G20 where the PM and the President led the world's response to the financial crisis.

So the “special relationship” is not some historical artefact but the sum of countless collaborations between our governments, our institutions and our people on the key issues that confront the world. Our relationship is not based on sentiment but is about pursuing our own shared national self interests and our shared values and ideals.

The Report recommends that the use of the phrase should be avoided. It certainly should not be over-used; but as Ivan Lewis said in his evidence session on 16 December, the reality is that we have had for a very long time, and continue to have, a special relationship with the US. The last two US Secretaries of State have in my presence used it naturally and convincingly. Often our foreign policy interests and objectives, and the national interest, are best pursued by our engagement with the US. It clearly is not to the exclusion of other relationships; the Government believes, on the basis of experience, that in fact one of the key elements of our relationship is Britain's strength in Europe, where UK leadership and engagement is important. The US has important relationships with many other countries, and so do we; but it is our most important bilateral relationship, and there is no other country with which the US has such wide and deep co-operation in some of the most sensitive areas of national security.

UK-US military and defence cooperation

I am glad that the Committee concludes that reports of dissatisfaction with the capabilities of the British Military appear to be exaggerated. We work very closely with the US on military and defence issues and our senior military are in regular and close contact: these concerns are not raised at these levels and do not tally with what senior commanders have said in public.

I am confident that the contribution of British forces is recognised, admired and valued by US officers. But I share the Committee's concerns that such rumours exist at all, especially when the senior NATO and US commander on the ground, General McChrystal said, "I am in awe of the performance of the British brothers whom I have been honoured to work with for a number of years now", and when the Commander of US Central Command, General Petraeus said "I have always been impressed by the courage, capacity for independent action, skill and exceptional will of your soldiers"; "British troops have been in a very tough place and they have done exceedingly well".

The Report recommends that the Government should establish a comprehensive review of the current arrangements governing US military use of facilities within the UK and in British Overseas Territories. I note this recommendation and will explore it with the MOD and other stakeholders.

The future defence relationship

I disagree with the Committee that the UK's influence with the US will necessarily diminish. Our Defence relationship is strong and, like the wider relationship, continues to develop over time as we both adapt to the changing threats in the world. We are working closely with the US in new and emerging areas like cyber and nuclear security, building on years of extraordinarily close co-operation across a full range of military capabilities.

I agree that the UK's foreign and security policy interests should be driven by our interests—that is why we work so closely with the US in places like Afghanistan and in other areas of Defence co-operation, like the nuclear relationship. As set out in the recent Green Paper, this will be something that will be addressed in the forthcoming Defence Review.

The Defence Trade Cooperation Treaty

I agree that quick ratification of the Defence Trade Cooperation Treaty will improve interoperability between US and UK Armed Forces. Her Majesty's Government will continue to work with the US Administration to make this happen as quickly as possible. I raised this issue with Secretary of State Clinton and Senator Kerry (Chairman of the Senate Foreign Relations Committee) during my visit to Washington on 21 January.

The US Administration fully supports the Treaty. Ratification requires the agreement of the US Senate who are currently addressing the arrangements required to implement the Treaty. Senator Kerry said publicly on 21 January that he recognised that the Treaty was of "great concern" to the UK and that he and Senator Lugar (the Ranking Republican Member of the Committee) were "determined to move forward". The Treaty will represent a significant change in how exports for UK and US government end-use are managed, and the Senate is understandably giving it thorough consideration.

UK-US intelligence co-operation

The Report highlights correctly the importance of UK-US intelligence co-operation. The Government is still considering the full implications of the Court of Appeal's judgement for that co-operation. Like the Committee, I welcome the Court's reaffirmation of the importance of the principle that intelligence material provided by one country to another should not be released without the originating country's consent.

The FCO's US Network

The Report highlights the financial pressure that the FCO has been operating under. The US network, like the majority of our overseas posts, has had to cope with the impact of exchange rate movements on the FCO's purchasing power overseas. The network took a series of tough measures to manage the impact in financial year 2009–10, including some redundancies, a freeze on new recruitment and non-core training. Locally-engaged staff were also asked to take one week's unpaid leave (not uncommon in the US). Some employer pension payments (401k) were temporarily suspended, but restored and back-dated later in the Financial Year. For the year ahead, however, the freeze on new recruitment has been lifted, and there is sufficient funding for training and pay increases. The package of measures that I presented to Parliament in my written statement of 10 February have ensured that we can continue to manage the impact of exchange rate movements in 2010/11.

The Committee also requests the FCO to provide a view about the minimum funding it considers necessary for our work in the US. The US network's initial budget allocation for financial year 2010/11 is \$38.3 million USD, which will be sufficient for it to discharge effectively its functions and obligations. Future allocations will depend on the shape and size of the US network and what it is tasked to do.

The British political approach to UK-US relations

Partnership

The nature of the UK's relationship with the US is one of partnership. We each pursue our national self-interests but in the pursuit of shared goals and values. Because of its size the US is able to bring in many areas more resources to bear than the UK, though this does not mean that the relationship is a subservient one.

Ministerial time and focus

I disagree that there is a lack of Ministerial focus on the US in the FCO. I devote a significant amount of my time to issues that involve the US as does Ivan Lewis. This goes beyond the simply bilateral and covers the broad range of interests that we share. It is important to understand as well the very broad nature of the relationship and the engagement of many Ministers in many Departments across the range of UK interests.

The future of the relationship

I agree that structural shifts produced by globalisation pose new challenges, but the FCO is already adapting to them. Our strategic framework, adopted in 2008, gives priority to tackling global issues such as Climate Change and Conflict Prevention. New challenges do not make the transatlantic partnership marginal; areas such as Counter Terrorism and Counter Proliferation bring our common long-term interests into sharp relief, putting a premium on increased co-operation with the US, and we have worked effectively together to meet them. The transatlantic economic relationship remains the biggest in the world economy and is a source of long-term strength for both the US and the UK because, in contrast to those with some emerging economies, it is balanced on both trade and investment.

The Report is right to recognise that both the UK and US are changing. That's why the UK's diplomatic network in North America is investing in building relationships with new generations of Americans, business and political leaders, through our work with US universities and think tanks and with our programme of education scholarships. We are confident that the people to people links between our two countries will continue to provide a solid foundation for the political relationship between our two governments.

Our foreign policy will continue to be based on our pragmatic pursuit of our national self-interest and our partnerships with other countries will reflect this. The US is our most important bilateral ally and as the Prime Minister said, during his address to the Joint Session of the US Congress, this is 'a partnership of purpose' based on our evaluation of our current interests, not just the depth of our shared culture and history.

David Miliband MP