China and Russia’s Involvement in the Arctic

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Preface

This report creates a catalog of resources for use on the topic “China and Russia’s Involvement in the Arctic.” This catalog of resources is in response to a request by the U.S. Air Force (USAF) Air University (AU) Academic Centers, USAF Culture and Language Center (AFCLC) at Maxwell Air Force Base (AFB), Alabama and is in support of the AFCLC mission.

The mission of the AFCLC is to serve as the USAF focal point for creating and executing programs that sustain career-long development of Linguistically, Regionally, and Culturally competent Total Force Airmen to meet the Service’s global mission. In addition to providing subject matter expertise and support for Air Force Language, Regional Expertise, and Culture (LREC) governance, the AFCLC accomplishes this mission by designing, developing and delivering: 1) LREC familiarization education to AU officer, enlisted, and accessions programs; and 2) pre-deployment training and training products.

As a Research Analyst for Metro Accounting and Professional Services, the researcher has identified open source material on China and Russia’s Involvement in the Arctic by using multiple sources during his research. This catalog includes academic journal articles, books and other legitimate peer-reviewed, academic resources. Sources are categorized by topic and broken down into relevant sub-topics based on the request of the AFCLC representative or on the discernment of the researcher. Catalog entries include Title, Author, Source, Date and Content Abstract, Summary or Overview that gives the end user a sense of what the author has to say about the selected topic and sub-topic. The text used in this compilation is taken verbatim from the source, and none of this information is intended to be viewed as a product of AFCLC or Metro Accounting and Professional Services. Inclusion in this compilation does not constitute endorsement of the source by AFCLC.
China’s Involvement in the Arctic:

“China and its Arctic Trajectories: The Arctic Institute’s China Series 2020,”

Abstract:

China’s Arctic engagement has increased considerably during the past decade, which has not only offered plentiful economic opportunities but also created new risks and concerns among the eight Arctic states, non-state actors, and peoples. To increase understanding of dimensions of Beijing’s Arctic activities, The Arctic Institute’s new China series probes into China’s evolving Arctic interests, policies, and strategies, and analyses their ramifications for the region (and beyond). Over the coming weeks, we will publish numerous articles and commentaries elaborating on the political, economic, environmental, and social dimensions of China’s Arctic involvement.

Current & Relevant Information:

China’s Arctic policy in brief

China’s Arctic involvement began in the field of science. China signed the Svalbard Treaty in 1925, and since the early 1990s, Chinese scholars have conducted Arctic and Antarctic expeditions aboard research icebreaker Xue Long. Today, China has research stations on Svalbard (Yellow River Station, est. 2004) and Iceland (the China-Iceland Arctic Science Observatory, est. 2018). In Sweden, China has its first overseas land satellite receiving station (the China Remote Sensing Satellite North Polar Ground Station, est. 2016), and with Finland, it has agreed to establish a joint research center for Arctic space observation and data sharing services. China’s first home-built icebreaker, Xue Long II, was finished in 2019, and plans for building a nuclear-powered icebreaker have been unveiled.

In January 2018, China published its first-ever official Arctic White Paper, which defines China’s policy goals in the region as follows: “To understand, protect, develop and participate in the governance of the Arctic, so as to safeguard the common interests of all countries and the international community in the Arctic, and promote sustainable development of the Arctic”. The White Paper underlines that the Chinese government respects the sovereign rights of the eight Arctic states in the region. At the same time, it portrays the Arctic as a globally shared space, a “community with a shared future for mankind”. Notably, the White Paper defines China as a “near-Arctic state” which has legitimate rights in the region – and argues that Arctic states should respect these rights, including the right to conduct scientific research, navigate, perform flyovers, fish, lay submarine cables and pipelines, and even explore and exploit natural resources in the Arctic high seas.
In geographic terms, of course, China is located far from the Arctic region: its northernmost tip is located almost 1500 kilometers south from the Arctic Circle. As China has no history of extensive Arctic scientific expeditions either, it had to undertake serious efforts over the past decade to convince the eight Arctic states of its status as a legitimate stakeholder in the region – without such recognition, they would not have granted China an observer status in the key regional intergovernmental organization, the Arctic Council, in 2013. In other words, as Marc Lanteigne’s article explains, China had to build a “robust Arctic identity”. Labelling itself a “near-Arctic state” plays an important role in those efforts even though the conception has also faced criticism among the Arctic states and stakeholders. What is more, China has developed bilateral ties and engaged in multidimensional Arctic diplomacy in order to build relationships with various state and non-state actors in the region. According to Lanteigne, relational theory, a recent addition to International Relations theory drawing from Chinese cultural and philosophical traditions, can help us understand China’s activities and identity-building process in the Arctic.

When it comes to regional governance in the Arctic, China’s role remains rather limited. Since 2007, it has taken part in the work of the Arctic Council, and in 2013, it was accepted as a formal observer to the Council. China is also a member of the International Maritime Organization (IMO) and supports the IMO’s International Code for Ships Operating in Polar Waters (Polar Code). Although China did not play a very influential role drafting the Code, Trym Eiterjord’s article finds that Chinese experts welcome the Polar Code as a binding international law instrument that, in many ways, supports Beijing’s globalist vision of the Arctic. In 2018, China also joined the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean.

**China’s economic activities in the Arctic**

In June 2017, the Arctic was incorporated into President Xi Jinping’s flagship Belt and Road Initiative as one of the “blue economic passages”. China has also renamed Arctic shipping lanes as the “Polar Silk Road”. As the Northern Sea Route along the Russian Arctic coast constitutes the most viable alternative of these lanes, Chinese investors have begun to cooperate with Russian companies. In addition to shipping, Sino-Russian cooperation on energy has increased significantly, especially in the aftermath of the Ukraine crisis, despite their historic mistrust. In particular, the Chinese involvement in the LNG project in Yamal has been decisive. As Christopher Weidacher Hsiung’s commentary points out, this remarkable change in the Sino-Russian economic relations raises a question: Are we witnessing an emerging Arctic economic partnership between the two countries? Despite their growing cooperation, however, Sino-Russian relations remain very complicated. Maria Kobzeva’s commentary scrutinizes this complexity from various angles: historic, bilateral, and territorial.
Greenland, an autonomous territory within the Kingdom of Denmark, constitutes another Arctic region where China’s economic involvement has significantly increased. Marco Volpe’s article elaborates the role of Chinese investments in two mining projects in Greenland. As he demonstrates, there have been impediments in the process despite mutual interest in developing the mine sector. In addition to economic, social, and environmental impacts locally, China’s growing engagement with Greenland may have broader political ramifications given Greenland’s relevance for the United States’ global policy. Moreover, Chinese investments may also give boost to Greenland’s independence movement.

In other Arctic states and regions, Chinese investors are involved in many energy and infrastructure projects, among other economic activities. Chinese investors are also contributing to plans to construct the Arctic Corridor, a new railway link between Kirkenes, Norway, and Rovaniemi, Finland, as well as a tunnel under the Baltic Sea between Helsinki and Tallinn. If realized, these infrastructure projects would link China’s Polar Silk Road to Eastern and Central European markets.

**China and Arctic climate change**

As China is the biggest carbon dioxide emitter in the world, its success (or failure) to reduce emissions is a critical factor determining the future of the Arctic. For the time being, regrettably, China’s 2030 Paris Agreement Nationally Determined Contribution is rated “highly insufficient” to prevent dangerous climate change from happening. China’s Arctic strategy does not introduce additional measures to reduce greenhouse gas emissions, nor has the state assessed its broader environmental footprint on the Arctic region.

What has drawn less attention in the Arctic policy debates is that China is also a large source of black carbon (soot) and other short-lived climate pollutants. Yet China has not taken an active part in international cooperation on black carbon. An important reason for this is, as Yulia Yamineva’s commentary illustrates, is the lack of knowledge of sources, impacts, and potential mitigation measures of black carbon in China. As black carbon contributes to air pollution, which is a huge problem in China, there are undoubtedly domestic incentives to reduce it there. Since the global community also benefits from China’s efforts to reduce black carbon, global cooperation should be increased in this field. According to Yamineva, there is plenty of room for international cooperation in science, such as black carbon emissions monitoring and inventories, as well as knowledge sharing about possible solutions.

**Risks and the future prospects of China’s Arctic engagement**

It seems that traditional security issues are making a comeback in Arctic affairs, especially due to the intensifying great power competition between the United States and Russia as well as the ongoing power transition between the United States and China. From the perspective of the United States, as Yun Sun’s commentary and Jacquelyn Chorush’s article make clear, China’s growing Arctic role is largely
perceived as a military threat. In May 2019, the US Secretary of State Mike Pompeo explicitly challenged the regional role and intentions of China and Russia in the Arctic, and the Department of Defense warned about potential dual use of Chinese facilities in the region. US Senate bill 1790 also clearly reflects these threat perceptions about China. Chorush’s article reviews the historic origins of US Monroe Doctrine and analyses the ways in which it continues to shape the contemporary narrative of the Arctic among US leadership – a narrative that anticipates a military conflict in any arena in which China is involved.

Due to the above-mentioned economic possibilities that China’s growing Arctic interest offers to Arctic states and regions, Sun points out in her commentary that many Arctic states do not share the same threat perceptions about China’s growing regional influence with the United States. That said, there are signs that many Arctic states are increasingly concerned about security implications of China’s growing Arctic engagement. For example, the Swedish Defense Agency, the Finnish Security Intelligence Service, and the Norwegian Foreign Intelligence Services, among others, have expressed concerns regarding potential dual-use of Chinese Arctic facilities and the party-state’s growing influence in those countries. In contrast to the US, which according to Chorush’s article fears a “fully kinetic” Chinese threat in the Arctic, other Arctic states seem to be more worried about political and economic risks that may accompany Chinese investments in the region.

As Sun notes, it is not “legal, sensible or feasible” to prevent China from taking part in Arctic affairs. Undoubtedly, China has come to the Arctic to stay, like it or not. At present, China’s influence in the region is largely based on its economic prowess. Yet it is likely that China wants its voice to be better heard in Arctic policy debates as well. If it is not accepted in international meetings discussing the Arctic, there is a risk that China will establish its own Arctic club – a fact that motivated Norway to accept China’s application for Arctic Council observer status some years ago. What’s more, some of the pressing problems in the Arctic – especially climate change – cannot be solved without China’s contribution. That is why it is easy to agree with Chorush’s point that the contemporary US threat narrative based on the centuries-old Monroe Doctrine fails to grasp multiple dimensions of China’s Arctic engagement, including its true security implications. To mitigate those risks, international cooperation is an absolute necessity.

The forthcoming articles of The Arctic Institute’s new China series do their bit in facilitating such cooperation by increasing understanding of the political, economic, and environmental dimensions of China’s Arctic engagement. Together, the articles will offer a comprehensive account of China’s policies and interests in the Arctic – highly recommended reading if we are to enhance international cooperation and secure a resilient future in the region.

“China in the Arctic: Policies, Strategies, and Opportunities for Alaska,” Liz Bowman and Dr. Qingchao Xu, University of Alaska Fairbanks: Center for Arctic
Overview:

The objective of this report is to describe China’s policy and positionality in the Arctic and, more specifically, to discuss the bilateral relationship between Alaska and China. As a non-Arctic state, China has limited capacity to impact regional decision making directly. Consequently, China has engaged Arctic stakeholders in order to increase its participation and influence within northern regional affairs. For public and private sectors in Alaska and the U.S. more broadly, it is critical to understand the role that China plays in the Arctic region already, as well as its plans for the future. An accurate and unbiased analysis of the significant Arctic interests of China, as well as other nations with whom the U.S. may currently have strained relations, is vital to the security of the region. Understanding how other countries, in particular non-Arctic nations, perceive and operate in the High North allows Alaska and the U.S. to create stronger and more beneficial partnerships in business and other endeavors such as scientific discovery and search and rescue. Consequently, our report is jointly written by scholars from both Alaska and China with expertise in their home countries’ northern interests and policies. To frame this paper, the following two areas of inquiry are considered. Firstly, how is China already working in the Arctic? More narrowly, what has shaped the nation’s interest in the North from its internal political development and how does it view its presence in the Arctic currently and into the future? Secondly, how should the state of Alaska interpret this engagement and what role does the state play within the complex national relationship the U.S. has with China?

The Arctic has a long-standing operational history of joint initiatives, primarily based on the region’s inherent remoteness, environmental conditions, and lack of infrastructure. In particular, bi- and multinational cooperation is strong in scientific endeavors. Areas of research that are already flourishing include those related to climate and weather, where China is engaged heavily because of known impacts of Arctic regional climate change on its domestic climate. For example, in 2018, China and Iceland inaugurated a joint Arctic science observatory outside of Akureyri, Iceland. In an effort to strengthen its Arctic science, China often draws comparisons between the Arctic and the “Third Pole” region, high mountain and frozen sections of the Himalayas, in order to provide expertise and support its justification for inclusion in Arctic research. This is because China has a long history of cryospheric research in the Himalayan region, and it can use this expertise to its advantage in the Arctic setting.

In order to better understand China’s role and address the questions noted above, this paper discusses the following topics: China’s interests and concerns in the Arctic, China’s Arctic identity, policy and strategies, as well as China’s engagement
with climate change, economic and social development. It concludes with a section specific to the China-Alaska relationship and where there are opportunities for China and Alaska to expand collaboration.

Current & Relevant Information:

Conclusion

China is extensively involved in the Arctic. It continues to maintain a strong position in various economic ventures despite a lack of physical territory in the Arctic. It has found success in pursuing projects and initiatives of mutual interest between itself and Arctic partners. As with any significant global power, China’s interests are many and varied, so it shares some interests with Arctic states. As such, China has found success in partnering with Arctic states and institutions for activities of mutual interest, including natural resource extraction, climate research, and infrastructure development. At the same time, China also suffers from failures in investment on infrastructure in the name of the Polar Silk Road and negative impacts imposed by the ongoing trade war. These are emerging tendencies, deserving more attention from the industrial arena and academic realm in particular.

Scholars continue to debate whether the international community should view China’s increased engagement with the Arctic as an opportunity for collaboration or a challenge to cooperation. This is because it is not clear if China is motivated by national interests, such as energy security and food security, or for the betterment of the global community, as in global climate research, or both. Undoubtedly, frequent and in-depth communications at a variety of levels between Alaska and China will give insight into answering this question. Therefore, in the case of Alaska, working with China on Arctic initiatives should be considered, but with great awareness of the potential geopolitical and economic risks.


Summary:

America’s interests in the Arctic region will only increase in the coming years. As other nations devote resources and assets in the region to secure their national interests, America cannot afford to fall behind. The U.S. must champion an agenda that advances its national interest and devotes the required national resources to the Arctic region. With the focus on China’s dubious and aggressive claims of sovereignty in the South China Sea, massive infrastructure investments in Central Asia and Africa, and trade war with the U.S., it is easy to overlook another aspect of Beijing’s activities in the Arctic. The Administration must continue to monitor China’s activity in the region, promote economic freedom in the Arctic, and refuse to recognize China’s self-proclaimed status as a “near Arctic-State.”
Key Takeaways:

1. The U.S. cannot afford to fall behind in the Arctic and should pursue an Arctic agenda that advances growing U.S. national interests and thwarts Chinese aims.
2. China seeks to be an Arctic actor for many reasons: to access new shipping routes, increase economic influence, and lay the groundwork for future military activity.
3. The Trump Administration should continue to raise awareness of China’s questionable ambitions in the region and check Beijing’s efforts to increase its regional influence.

Current & Relevant Information:

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“Near Arctic State”

In the simplest terms, China sees the Arctic region as another place in which to advance its economic interests and expand its diplomatic influence. As a non-Arctic country, China is mindful that its ambitions in international Arctic institutions are naturally limited, but this has not stopped Beijing from increasing its economic presence in the region.

China’s Arctic strategy published in 2018 offers a useful glimpse into how Beijing views its role in the region. Running 5,500 words in its English translation, the strategy is littered with all the Arctic-related buzzwords, such as “common interests of all countries,” “law-based governance,” “climate change,” and “sustainable development.” The irony is not lost on observers of the South China Sea, where China has shunned international norms to claim sovereignty, or the fact that China is the world’s largest emitter of greenhouse gases.

Even though China’s closest point to the Arctic Circle is more than 800 nautical miles away, Beijing refers to itself as a “near Arctic State”—a term made up by Beijing and not found in the lexicon of Arctic discourse. In fact, extending Beijing’s logic to other countries would mean that Belarus, Estonia, Germany, Ireland, Kazakhstan, Latvia, Lithuania, the Netherlands, Poland, and the United Kingdom are also “near Arctic” states. These are hardly the countries that one imagines when
thinking about the Arctic. As Secretary of State Mike Pompeo has said: “There are Arctic states, and non-Arctic states. No third category exists. China claiming otherwise entitles them to exactly nothing.”

**China’s Dubious “Near Arctic State” Claim**

But even with its self-professed and exaggerated role in the Arctic, China does have legitimate interests in the region. After all, China is a global trading nation with the world’s second-largest economy. It holds a permanent seat on the U.N. Security Council. China is motivated to be an Arctic actor for five primary reasons:

1. **New Shipping Routes.** China is unique in modern times in being a continental power that is almost entirely dependent on the sea for food and energy. New sea-lanes in the Arctic have the potential to play an important role when it comes to diversifying China’s import dependencies.

2. **Economic Influence.** China sees itself as a global power, and the Arctic is just another region in which to engage. China hopes to complement its Belt and Road Initiative (BRI)—a vast trading network being constructed by China on the Eurasian landmass and beyond—by investing in and constructing major infrastructure projects along the emerging sea-lanes in the Arctic.

3. **Scientific Research.** Whether it is for China’s sea-based nuclear deterrent, natural resource extraction, or commercial shipping, research on polar high-altitude atmospheric physics, glacial oceans, bioecology, and meteorological geology is important for China’s strategic interests. As a signatory of the Svalbard Treaty, China is allowed to conduct scientific research on Svalbard and
has done so since 2004 at its Arctic Yellow River Station located in Ny Ålesund. China has a total of eight scientific research stations in the Arctic.

4. Laying the Groundwork for Future Military Activity in the Region. Currently, China’s military involvement in the Arctic is limited. The People’s Liberation Army Navy has never sailed into Arctic waters. However, the director of the Norwegian Intelligence Service, Lieutenant General Morten Haga Lunde, stated recently that “in the long term, we must be prepared for a clearer Chinese presence also in our neighboring areas.” The Pentagon recently warned “that China could use its civilian research presence in the Arctic to strengthen its military presence, including by deploying submarines to the region as a deterrent against nuclear attacks.”

5. Access to Minerals, Fishing, and Other Natural Resources. China also sees the Arctic region as a way to satisfy its growing demands for energy and food. China is a significant investor in Russia’s Yamal liquefied natural gas (LNG) project. Beijing received the first shipment of Yamal LNG in July 2018 and will import 3 million tons of Yamal LNG every year beginning in 2019. The dietary needs of China’s growing population can be met partly by increased fishing in the Arctic region.

For now, however, China’s primary motivation in the Arctic is economic. In its Arctic strategy, China also coined the term “polar silk road.” The goal of the Polar Silk Road is to compliment China’s BRI by investing in and constructing major infrastructure projects along the emerging sea-lanes in the Arctic.

America’s Backyard

China is also becoming more involved in America’s backyard with an eye to investing in Greenland and Iceland, although it must be pointed out that in the case of Greenland, China’s role is often greatly exaggerated. For example, China has a license for only one mine in Greenland.

The Chinese embassy in Reykjavik can accommodate a staff of up to 500 people, underscoring the importance that China places on its presence in Iceland. The U.S. embassy in Reykjavik has about 70 people. In 2013, tiny Iceland, with a population of slightly more than 330,000 people (the population size of a small Chinese town), became the first European country to sign a free trade agreement (FTA) with China. However, Iceland has so far refused formal membership in China’s BRI.

Raising Awareness

The Trump Administration has used every available opportunity on the international stage to raise awareness of Chinese ambition in the Arctic. During a recent trip to Iceland, Vice President Mike Pence made Chinese economic activity in the Arctic one of the focal points of his visit. During the 2019 Arctic Council Ministerial meeting, Secretary Pompeo devoted a sizable amount of his speech to highlighting the threat
that China poses to U.S. interests in the region, saying that “the United States and Arctic nations welcome transparent Chinese investment that reflect economic interests, not national security ambitions.” To build on this awareness, the U.S. should:

- **Continue to raise awareness of China’s questionable ambitions.** China has declared itself a “near Arctic state”—a made-up term that previously did not exist in Arctic discourse. The U.S. should work with like-minded partners in the Arctic Council to raise legitimate concerns about China’s so-called Polar Silk Road ambitions.

- **Check China’s desire to influence the Arctic Council.** The U.S. should make sure that China does not try to exceed what it is allowed to do under its status as an observer in the Arctic Council.

- **Keep an eye on China’s activities in America’s backyard.** So far, China’s motivation in Greenland and Iceland seems to be more about economics and less about security, but considering the massive debt that China has left in Sri Lanka, Djibouti, and elsewhere, it is only reasonable to question China’s motivations in the Arctic.

- **Promote economic freedom in the Arctic.** Economic freedom spurs prosperity, respect for the rule of law, jobs, innovation, and economic sustainability in the Arctic region. Most important, economic freedom can help to keep the Arctic stable and secure. It should be the focal point of broader U.S. engagement in the region.

**Preparing for Peace**

The U.S. needs to champion an agenda that advances the U.S. national interest and devotes the required national resources to the region. These measures are not preparations for armed conflict. They are preparations for a peaceful future. With the Arctic becoming increasingly important for economic and geopolitical reasons, now is not the time for the U.S. to turn away from its own backyard.

https://news.usni.org/2022/10/11/china-russia-quietly-expanding-arctic-partnership-says-panel

Overview:

China is subtly installing a larger presence in the Arctic through an extensive partnership with Russia in areas ranging from multi-use ports and airfields to energy extraction, Arctic security experts said Tuesday.
The partnership also includes scientific research and sharing intelligence, surveillance and reconnaissance data. However, this increased interest and activity has not yet led to China establishing a base in Russia.

Current & Relevant Information:

Beijing’s attention remains focused on Taiwan and the South China Sea, said Liselotte Odgaard, a professor at the Norwegian Institute for Defense Studies. China has “little interest in establishing a military presence” in the Arctic, at least for now, she said.

Marc Lanteigne, an associate professor at UiT the Arctic University of Norway, said China still is a newcomer to the Arctic and is learning by joining other nations in many activities in the region. Beijing “wants very much an open Arctic” where it can seek out business for the Polar Silk Road that goes beyond Russia and ensure a supply of liquified natural gas.

But the effects of the pandemic and economic headwinds that Beijing is facing have caused a slowdown in basic operations in the region, he added.

“The Arctic is not the South China Sea,” where China has historic ties and bases, and where Beijing’s territorial claims have been more aggressive, Lanteigne said at the Hudson Institute event.

“China would be more than willing to help” Russia in developing a region that it sees as its top economic and security priority by building deep water ports and rail hubs and digitizing the waters for commerce and defense, Odgaard said.

But when China looks at the Northern Sea route now, Beijing sees “too much sea ice” to make it immediately valuable for commercial use, she said. To date, China has not scheduled any transits using the route for the coming year.

The panelists compared an open Northern Sea route to the Suez or Panama canals – if free of ice that would cut weeks off shipping times from Asia to Europe.

Odgaard said the two nations have “taken the first step in integrating satellite navigation systems” that have great value militarily. The sharing of intelligence is important for Russia to get better control of entry to the Barents Sea and for Moscow’s Northern Fleet submarine movements to and from the Atlantic.

However, even in an era of closer cooperation between the two powers, Lanteigne doubted Moscow would allow China to base submarines in Russia’s Arctic.

“I don’t think you’ll find a Chinese military base” in the Russian Arctic, Mike Pompeo, former secretary of state, said during the question and answer session following his keynote remarks. But Pompeo didn’t rule out a shared presence with the Kremlin in the future.
Kay Bailey Hutchison, former United States permanent representative to NATO during the Trump administration, said China is “quietly” establishing itself as a “near-Arctic state” and wants a seat at the table in deciding the region’s future. “This is part of a strategy,” similar to one Beijing employed in the South China Sea, to advance territorial ambitions far from the mainland.

The panelists noted there are other nations – Japan, South Korea, Singapore, France and the United Kingdom – that have similar long-term economic and military interests in the Arctic but do not fall within its geographic boundaries.

None of those countries are members of the Arctic Council. Eight nations, including the United States and Russia, make up the council. When Sweden and Finland are admitted to NATO, all but Russia will belong to the security alliance.

The panelists agreed that this changes the security situation in the Arctic, particularly in light of Russia’s invasion of Ukraine in February and China’s increasingly bellicose actions threatening Taiwan. The region is also the subject of a newly-released American strategy to complement NATO’s. The strategy calls for an increased U.S. military presence in Alaska and in NATO nations, expanded military exercises and a commitment to rebuilding its icebreaking fleet.

But how quickly NATO nations can respond with equipment needed to operate in the Arctic is an open question.

“We need Arctic frigates; we need submarines; we need aircraft” to demonstrate NATO’s commitment, Odgaard said.

“We need rules of law in the region” that apply to Russia and China as well as democratic nations, Pompeo said. The rules emphasize respect for other nations’ sovereignty and transparency. “We can lead in the Arctic; we have done it before.”

1. Military and Security:


Abstract:

This article argues that, since 2013, China’s involvement in Arctic affairs has accelerated, and Beijing has begun to assert its political and economic ambitions more formally in its white papers, Vision for Maritime Cooperation Under the Belt and Road Initiative, China’s Arctic Policy, and China’s National Defense in the New Era. Simultaneously, China has been conducting influence operations targeting Arctic governance regimes, scientific research, and economic investment in pursuit of long-term strategic objectives. These Chinese influence operations utilize the strategy of the “three warfares”—public opinion warfare, psychological warfare, and
legal warfare—to set the conditions such that the consequences, the attainment of long-term strategic objectives, are a natural outcome from its engagement. China’s three warfares strategy is designed to cultivate influence through governance, scientific, and economic vectors to construct, support, and set the conditions for the emergence of political power and lay the groundwork for future operations in the Arctic.

Current & Relevant Information:

In 2005, the People’s Republic of China (PRC) first released public statements indicating its aspiration to become a polar great power with the ability to project influence and power globally from the Arctic to Antarctica. In 2013, Chinese president Xi Jinping announced the One Belt, One Road initiative, an ambitious transnational infrastructure investment and construction program that has since become known as the Belt and Road Initiative (BRI). In 2017, the PRC published Vision for Maritime Cooperation Under the Belt and Road Initiative, laying out Beijing’s intention to establish a maritime economic passage to link mainland China to Europe via the Arctic Ocean. In 2018, the PRC announced its ambition to establish a trans-Arctic shipping route, called the Polar Silk Road (PSR), as part of the BRI. In 2020, Beijing assessed the Arctic region as a “global strategic commanding heights” and an important passage of “geostrategic value.” The PRC utilizes the “three warfares” strategy—public opinion warfare, psychological warfare, and legal warfare—to conduct influence operations in the Arctic. For the North, the Chinese enterprise of influence operations focuses on three overlapping Arctic areas of interest: the participation in Arctic affairs and governance, scientific research activities and expeditions, and economic investment in critical infrastructure along the PSR. The purpose of these influence operations is to promote narratives of China as an important stakeholder in Arctic affairs, committed to scientific collaboration, research and exploration in the Arctic, and investment in the economic development and prosperity of all Arctic states and that China should be considered an equal partner as a near-Arctic state. These international and domestic narratives, propagated through repetition and presence, aim to secure Beijing a greater political economic advantage, to secure and maintain access to Arctic natural resources, and to shape and align Arctic states to China’s interests. The purpose of this article is to frame Chinese influence operations in the Arctic through the concept of the three warfares strategy and understand how these operations serve China’s Arctic narratives, support wider political and economic interests, and further advance long-term security and development strategic objectives. To that goal, the article will provide essential context involving official positions and policies, followed by an introduction of how China employs the three warfares into its priority Arctic national interests.

Key Policies and Positions

China’s Defense Strategy
In 2019, the PRC published the China’s National Defense in the New Era white paper, outlining defensive national security policies and key objectives in order to safeguard China’s sovereignty, security, and development interests. Three key national defensive aims in the white paper are of particular importance for understanding Chinese influence operations in the Arctic: (1) the safeguarding of maritime rights and interests, (2) safeguarding overseas interests, and (3) supporting economic and sustainable development. According to the white paper, the Chinese Communist Party (CCP) established development milestones for People’s Liberation Army (PLA) to achieve that involve requirements to improve strategic capabilities by 2020, complete modernization by 2035, and transform into a “world-class” military by the centennial founding of the PRC in 2049.

The PLA is not an institution outside of the CCP, such as the military in the United States system is, rather the PLA an extension of the Party. The PLA function is to protect and preserve the dominance of the CCP inside China, to pursue the Party’s directives and interests, and to achieve the CCP’s strategic objectives. In the white paper, the CCP has identified overseas interests as a crucial part of China’s national interests. The mission of the PLA is to effectively protect the security, rights, and interests of overseas Chinese citizens, organizations, and institutions by addressing deficiencies in overseas operations and support, build maritime forces, develop overseas logistical facilities, and enhance capabilities to accomplish CCP strategic objectives. According to the PRC, the PLA also conducts overseas support operations focused on vessel protection, maintains the security of strategic sea lines of communication, provides overseas noncombatant evacuation operations, and protects maritime rights throughout the globe.

**China’s Arctic Strategy**

In 2018, the PRC published China’s Arctic Policy white paper, outlining China’s policy goals, principles, policies, and positions on Arctic affairs, governance and international cooperation, scientific exploration, and exploitation of resources. The white paper describes China as an important stakeholder in Arctic affairs; committed to scientific collaboration, research, and exploration in the Arctic; and invested in the economic development in all Arctic states and asserting China should be considered an equal partner as a near-Arctic state. Changing conditions in the Arctic, claims the white paper, have a direct impact on China’s climate, ecological environment, and economic interests; thus, Beijing proposes China should have rights and privileges in the Arctic analogous to those nations having territories within the Arctic Circle. The PRC assessed the current situation in the Arctic “goes beyond its original inter-Arctic States or regional nature, having a vital bearing on the interests of States outside the region and the interests of the international community as a whole, as well as on the survival, the development, and the shared future for mankind.”

According the Arctic Narratives and Political Values: Arctic States, China, and NATO report, the PRC assesses Arctic issues have global implications and international
impacts, and “States from outside the Arctic region do not have territorial sovereignty in the Arctic, but they do have rights in respect of scientific research, navigation, overflight, fishing, laying of submarine cables and pipelines in the high seas and other relevant sea areas in the Arctic Ocean, and rights to resource exploration and exploitation in the Area, pursuant to treaties such as UNCLOS [United Nations Convention of the Law of the Sea] and general international law.” Thus, Beijing holds Arctic exploration, exploitation, and development of Arctic natural resources as key strategic objectives for China’s future energy, economic, and development needs, while portraying China as having “shared interests with Arctic States and a shared future with the rest of the world in the Arctic.”

**Polar Silk Road**

In 2013, President Xi announced the ambitious and global initiative currently referred to as the BRI. The PRC stated goal of the BRI is to promote policy coordination, the connectivity of infrastructure and facilities, “unimpeded” trade, financial integration, and “people-to-people bonds.” China encourages countries along the BRI routes to “align their strategies,” to further “pragmatic cooperation”, and to build “unobstructed, safe and efficient maritime transport channels.” The BRI promotes cross-border marine spatial planning to establish common principles, implement technical standards, and for the PRC to provide technical assistance to partner countries.

In 2013, China was approved for observer status by the Arctic Council. Since 2013, China’s involvement in Arctic affairs has accelerated, and Beijing has begun to assert its political and economic ambitions more formally in published government documents. In 2017, the PRC published Vision for Maritime Cooperation Under the Belt and Road Initiative, which stated Beijing’s priority to establish a maritime economic passage to link China to Europe via the Arctic Ocean. In 2018, the China’s Arctic Policy white paper announced the establishment of the PSR as part of the BRI. The PSR focuses on the development of two Arctic shipping routes: the Transpolar Sea Route (TSR), bisecting the Arctic Ocean from the Chukchi Sea to the Greenland Sea, and, most predominately, the Northern Sea Route (NSR) along the northern coast of Russia from the Chukchi Sea to the Barents Sea. Three strategic objectives for the PSR aim to achieve, to include “sustaining economic development,” “[d]efending national sovereignty, security, and development interests,” and “[r]eforming the global system to align with PRC interests.”

**Sino-Arctic Shaping Efforts**

**China’s Influence Operations in the Arctic**

According to the Army Techniques Publication 7-100.3: Chinese Tactics, the PRC strategic objectives can be understood in two basic categories: security and development. The PLA’s security objectives include protecting the CCP, defending China’s territorial sovereignty, and deterring attacks against China, Chinese peoples, and Chinese interests by state and nonstate actors. The PLA development
objectives include the protection of PRC economic interests, ensuring freedom of navigation for Chinese military and civilian vessels, procuring natural resources, and establishing new markets. The PRC influence operations in the Arctic are best understood through the three warfares strategy to support, reinforce, and achieve the PRC strategic objectives.

According to Stephan Halper in China: The Three Warfares, a report to the Office of the Secretary of Defense, these warfares are three mutually reinforcing strategies focused on public opinion warfare, psychological warfare, and legal warfare. Public opinion warfare represents information operations designed to support PRC interests and operations by shaping public discourse, influencing political positions, and building international sympathy. Psychological warfare is defined as information operations targeting a specific audience intended to influence that audience’s behavior and are integrated deception operations into conventional and unconventional warfare. Legal warfare comprises information operations using domestic and international laws, rules, and norms designed to support PRC political and economic interests through valid legal frameworks and unbalance potential opponents. These Three Warfare strategies are indirect methods are designed to influence a targeted population’s perceptions, assessments, and decision making, to facilitate actions by the targeted population that are favorable to China’s long-term strategic objectives.

In 2005, the PRC first released public statements indicating its aspiration to become a polar great power with the ability to globally project influence and power from the Arctic to Antarctica. According to leading China polar expert Anne-Marie Brady, “China’s thinking on the polar regions and global oceans demonstrates a level of ambition and forward planning that few, if any, modern industrial states can achieve.” In 2020, the PRC published Science of Military Strategy, identifying the two polar regions as belonging to the “global strategic commanding heights” and as passages of important geostrategic value. In the Arctic, establishing the presence of the PRC and maintaining access to the region are key political and economic goals Beijing aspires to reach as long-term strategic objectives by 2049.

The Three Warfares in the Arctic

Since the introduction of the three warfares into the PLA lexicon in 2003, this strategy has advanced considerably and a useful theoretical framework for analyzing China influence operations in the Arctic. According to a recent report by the China Aerospace Studies Institute, Propensity, Conditions, and Consequences: Effective Coercion Through Understanding Chinese Thinking, the Chinese strategic approach to strategy is to set the conditions such that the consequences, the attainment of long-term strategic objectives, are a natural outcome from the inherent potential of the situation. China’s engagement in the Arctic is designed to cultivate influence through governance, scientific, and economic vectors, in order to build political power and lay the groundwork for future operations in the region. The three warfares
are intended to construct, support, and set the conditions for the emergence of political power. This slowly emerging political power allows for the long-term development of forms of control—coercive capability, consensual inducements, and pursuit of legitimacy—in the Arctic.

**Geopolitical**

China’s three warfares strategy represents a tool meant to facilitate global Sino ambitions through specialized regional application, including the Arctic. Beijing’s fundamental position on its need to be an equal governance actor in the Arctic exists through its global equities (great-power access) and concerns (climate-change impacts). Chinese global and Arctic legitimacy cannot be separated according to the regime, which presents advantageous geopolitical circumstances for China. China’s ability to effectively compete in various sectors throughout the world allows Beijing to set conditions for additional influence that is often difficult to contest. For example, the PSR policy involving the Arctic is largely an extension of the multiregional BRI.

The three warfares strategy is most pronounced in the geopolitical arena, by penetrating bilateral and multilateral institutions, governance regimes, and decision making to facilitate positive legal, psychological, and public opinion effects to set conditions for China’s long-term strategic objectives in the Arctic. Since 2013, Beijing has increased China’s participation in Arctic affairs and governance as an observer to the Arctic Council; as a partner in the Arctic Circle Forum, hosting the organization’s annual assembly in Shanghai in 2019; as a member of the Arctic Economic Council; as chair of the Pacific Arctic Group, organized under the International Arctic Science Committee; as a full member of the North Pacific Coast Guard Forum; and through China’s permanent seat on the UN Security Council. China’s engagement in organizations, inside and outside the Arctic region, facilitates the building of bilateral and multilateral relationships that provide opportunities for generating influence and political power. In 2018, the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean (the CAO agreement) was negotiated and implemented among the Arctic coastal states of Canada, Denmark, Norway, Russia, and the United States and non-Arctic states with distant-water fishing capacity, China, the European Union, Iceland, Japan, and South Korea, aligning with Chinese policy positions and preferences outlined in China’s Arctic Policy white paper. The CAO agreement is an example of legal warfare setting conditions for future operations in the Arctic with psychological and public opinion effects enabling those future operations. China’s participation and ratification of the CAO agreement consolidated Beijing’s long-term position in Arctic fisheries regimes and prevented restrictions on Chinese marine scientific research, while nurturing its environmental profile and strengthening perceptions of China as a power that can legitimately pursue scientific advance in the Arctic.

Additionally, China gains leverage as a responsible fisheries actor in the Arctic for the purposes of offsetting and/or distracting from other contested regions. At the
very least, China establishes the official position of the state, which allows Beijing to maintain a position that Chinese-involved illegal, unreported, and unregulated (IUU) fishing violations are a substate actor issue. China’s membership to the agreement yields other three warfares benefits, too. Through a multitude of working groups, task forces, and expert groups, Beijing is able to conduct influence operations targeting the bilateral and multilateral decision-making regimes that have positive psychological and public opinion effects that promote China’s near-Arctic state narrative, legitimize the PRC’s participation in Arctic affairs as an important stakeholder, and shape the policy discussions to achieve Chinese interests. As far as Chinese society is concerned (public opinion), the regime is successfully fulling its duties as required by the self-proclaimed Middle Kingdom. Contrary to popular (Western) belief, most Chinese are generally satisfied with the geopolitical performance of Beijing. The Arctic regional pursuits of China—geopolitically—continue to fit within the larger national sentiment also. Lastly, China’s strongest psychological warfare component geopolitically manifests through its consistent use of “peace” overtones involving its interests. Such a premise presents difficulties for competitors to respond with counternarratives—by design. For the Arctic and its notable characteristic of cooperation, China’s “peaceful” pursuits could be particularly problematic for the West.

Scientific Research

The three warfares strategies are the most subtle in the realm of scientific research, by maintaining China’s presence in the Arctic region through expeditions, facilities, and collaboration with Arctic states, Beijing slowly develops positive psychological and public opinion effects inside and outside the region to set the conditions for legal participation in the geopolitical arena and support China’s long-term strategic objectives in the Arctic. Public opinion, legal, and psychological aspects of the three warfares strategy have been shaped by mostly contemporary Arctic-related developments. In 1993, China purchased an icebreaker from Ukraine, upgraded the vessel for polar conditions, and named it the Xue Long, translated as the Snow Dragon. In 1999, China launched its first national scientific research expedition to the Arctic into the Bering and Chukchi Seas. In 2019, a second polar-capable icebreaker, the domestically built Xue Long 2, entered into service, and China is reportedly planning to build a third polar-capable icebreaker. Since 1999, the Chinese National Arctic Research Expeditions (CHINARE) have conducted 12 expeditions into the Arctic, with the Xue Long and Xue Long 2 as the primary research vessels. In 2004, China built its first Arctic research center, the Yellow River Station, in Ny-Ålesund, Norway. Since 2004, China has built a satellite ground receiving station in Kiruna, Sweden, in 2010; a second remote-sensing satellite ground station near Kiruna in 2016; and the China–Iceland Arctic Science Observatory station in Kárhóll, Iceland, in 2018. Additionally, China unsuccessfully pursued scientific research stations in Canada and Greenland.
China’s scientific development interests invest heavily in bilateral and multilateral cooperation, focusing significantly in forums that allow for non-Arctic state participation, that can bolster China’s image as an extra-regional Arctic power protecting the common interest, raise its environmental profile, and legitimatize its participation in the Arctic governance regimes. Public sentiment and academic commentary within the PRC highlights the importance of China as a scientific and technological power that must play an active, preemptive, and vigilant role in exploration, exploitation, development, and governance in Arctic affairs. China’s science diplomacy is an example of psychological and public opinion warfare setting conditions for future operations in the Arctic with legal effects enabling legitimization for those future operations. Through scientific exploration and cooperation, Beijing can conduct influence operations utilizing its scientific expedition platforms and research facilities to normalize China’s presence in the Arctic, to gain acceptance or indifference from Arctic states to its presence in the region, and to solidify the PRC’s self-narratives as an important stakeholder and near-Arctic state.

Gaining increased access into the Arctic for scientific purposes remains an important regime endeavor and facilitates other access goals. However, China also knows how to establish its own access and influence. The opening of the China–Nordic Arctic Research Center (CNARC) in Shanghai is an excellent example. This institute allows China to attract international participation while having significant control over agendas and interests. The organization also helps to strategically improve China’s legitimacy and need to be an Arctic governance actor.

Public opinion warfare is relatively straightforward. Negative climate-change impacts on China allow Beijing to pursue scientific access with almost default Chinese social acceptance and support as a natural expectation. As a result, psychological and legal warfare are areas where China might maintain more focus and resourcing.

**Economic**

Through the BRI, specifically the PSR policy in the Arctic, China’s three warfares strategy represents a complex challenge to Arctic states with significant investment needs relative to their development strategies and the most direct tool for China to set conditions for influence and build political power. Beijing advocates for the exploration, extraction, and exploitation of Arctic resources by Arctic and non-Arctic, and China is best situated to leverage its advantages of capital, technology, and domestic market to develop these resources.

The three warfares strategies are the most acute in China’s investments in critical infrastructure and resource extraction industries, by providing well needed capital to Arctic state development, incentivizing and solidifying cooperation, maintaining access to resources and routes along the PSR, and facilitating the emergence of
Arctic state asymmetric dependency on China in support of Beijing’s long-term strategic objectives in the Arctic.

Since establishing the PSR in 2018, Beijing has increased its utilization of a multitude of economic tools, most particularly foreign direct investment, to advance China’s interests and influence in the Arctic region. In the CNA report, Exploring the Relationship between China’s Investment in the Arctic and Its National Strategy, such investments have concentrated heavily in resource extraction industries of oil, natural gas, minerals, and rare earth elements and critical transportation infrastructure—namely tunnels, bridges, rail, and port and airport facilities. Through private PRC-based companies and state-owned enterprises, China can provide guidance and regulations to encourage, restrict, or prohibit particular investments and to ensure consistency with Chinese national interests and long-term strategic objectives. These investment projects have either been completed or attempted in multiple Arctic states, particularly Norway, Iceland, and Greenland, but most predominately in Russia. China has made significate investments in Russia’s oil and gas industry, such as Yamal LNG, a liquified natural gas facility along the NSR, and China continues to be Russia’s primary foreign investor following Russia’s invasion of Ukraine in early 2022. Aside from Russia, China has concentrated its influence operations efforts on the smaller Arctic states of Iceland and Greenland. Since 2008, both countries were particularly politically and economically vulnerable to foreign investment: the Icelandic economy fell into deep economic depression following the global financial crisis, and Greenland adopted the Self-Government Act, allowing for greater autonomy to negotiate agreements with foreign states, independent of the Kingdom of Denmark. China has been developing bilateral commercial and economic relations within Iceland and Greenland, investing in joint energy and minerals exploitation and taking advantage of Iceland’s bankrupt finances and Greenland’s ambitions to gain independence from Denmark.

China’s economic investments in Arctic state’s critical infrastructure and resource extraction industries are examples of psychological and legal warfare setting conditions for the emergence of asymmetric dependency between underdeveloped Arctic states and China with positive public opinion effects by advancing the image of China as important stakeholder, invested in the common good, and reliable partner in the Arctic. China’s economic investments allow Beijing to conduct influence operations that have long-lasting structural impact by leveraging economic investment power to cultivate dependency on China for Arctic states’ future development strategies, to secure and maintain access to Arctic resources along the PSR, to promote China as a trusted partner and its near-Arctic state narratives, and to legitimize China’s participation in Arctic affairs and governance.

**Conclusion**

Since 2005, China has aspired to become a polar great power and has proven its ambition to project influence and power globally from the Arctic to Antarctica.
Through the BRI and the PSR, Beijing has utilized elements of the three warfares strategy to conduct influence operations in the Arctic region, focusing on three overlapping Arctic areas of interest to promote China’s increasing role and participation in Arctic affairs and governance, its leadership in scientific research activities and expeditions, and its economic investment in critical infrastructure along the PSR. The goals of Chinese influence operations are to propagate and promote China as an important stakeholder, scientific expert, trusted partner, and near-Arctic state; to shape Arctic states’ perceptions of China’s intentions; and to secure greater political and economic position to meet long-term strategic objectives by 2049.

The use and effectiveness of the three warfares strategy, as applied to the Arctic region, remain uncertain given these remain relatively early in their development. Given emergent globalization circumstances, the pace of China’s interests pursued through influence strategies seems nominal perhaps. At the same time, Chinese state-related behavior in the Arctic remains under close scrutiny from the West. This consideration to the Three Warfares in the Arctic hopefully provokes interest to follow the topic and maybe even continue studies and research on ways in which to understand Chinese Arctic influence methods and goals.


Abstract:

The U.S., Russia and China are all assigning higher strategic priority to the Arctic and are strengthening their diplomatic and military presence and activities in the region. For the U.S. and Russia, it links up with the growing security tension in the surrounding regions, e.g. the North Atlantic Ocean and the Baltic Sea region. However, the deepening great power competition with China also increasingly drives Washington’s diplomatic and military offensive in the region. For China, it is a question about ensuring access to Arctic sea routes and resources, e.g. energy, minerals and fisheries, and making sure that China gets a say in Arctic governance. The so-called “Arctic exceptionalism” – i.e. the Arctic as a low-tension region, where the great powers, despite conflicts in other regions, continue to cooperate and refrain from political and military coercion to get their way – is under pressure. This article analyzes how Arctic politics and security are increasingly intertwined with global security developments that are dominated by intensifying U.S.-China security dilemma dynamics. It further discusses the implications for China’s Arctic strategy pointing to how recent developments make it even more difficult for China as the only great power without Arctic territory to ensure its access to and influence in the region. Seen from the perspective of numerous Chinese Arctic scholars, this underlines the growing importance of strengthening China’s economic and strategic cooperation with Russia in the region.
Current & Relevant Information:

**Introduction: Arctic politics and security through a prism of “great power competition”**

The above excerpts from the U.S. Secretary of State Pompeo’s speech to the Arctic Council Ministerial Meeting in Finland in early May of 2019 give a clear indication of how the Trump Administration increasingly views the Arctic as yet another arena for great power rivalry outlined as the overall frame for U.S. security policies in the National Security Strategy from December, 2017 (White House, 2017). In recent months, the U.S. has strengthened its focus on the Arctic, both diplomatically and militarily. The June 2019 updated Arctic strategy from the U.S. Department of Defense is presented as a strategy for the Arctic region “in an era of strategic competition” (DoD, 2019b: 2). That is, Washington increasingly sees Arctic politics and security through a prism of “great power competition,” and it is China, in particular, that Washington points to as the main great power competitor. The strategy warns about creeping Chinese attempts to use investments and other economic leverage points to gradually increase China’s role and influence in the Arctic, which is threatening regional stability. As stated in the strategy “China is attempting to gain a role in the Arctic in ways that may undermine international rules and norms, and there is a risk that its predatory economic behavior globally may be repeated in the Arctic” (DoD, 2019b: 6). The annual report on China’s military power from the U.S. Department of Defense to Congress, published in early 2019, also for the first time includes a special section on “China in the Arctic” which warns “Civilian research could support a strengthened Chinese military presence in the Arctic Ocean, which could include deploying submarines to the region as a deterrent against nuclear attacks (DoD, 2019a: 114).

These recent official U.S. statements and documents combined with the ongoing “securitization” in Washington of almost all dimensions of the bilateral U.S.-China relationship, from student exchanges and cultural programs to trade and joint business and research projects, decrease the room of maneuver for China in the Arctic. The U.S. is concerned about the Russian military build-up in the Arctic, which in itself arguably would have led to an increasing U.S. military presence in the region. However, it is the growing Chinese presence and interests in the region that have led to the comprehensive upgrading of the U.S. diplomatic approach to the Arctic, which is illustrated by the significant increase of high-level visits to the region in recent months and the reopening of a permanent U.S. diplomatic presence in Greenland, announced in early June 2019 (GoG, 2019).

The rising U.S. worries come on the background of the development of a more confident, proactive and sophisticated Chinese diplomacy in the Arctic over the recent decade. The region has moved up the Chinese leaders’ foreign and security policy agenda and is assigned increasing strategic importance. The key here is that
in Beijing’s perspective, the Arctic has become more closely linked with its ability to realize China’s economic reform agenda and great power ambitions.

This article analyzes how Arctic politics and security are increasingly intertwined with global security developments that are dominated by intensifying U.S.-China security dilemma dynamics. It further discusses the implications for China’s Arctic strategy, pointing to how recent developments make it even more difficult for China as the only great power without Arctic territory to ensure its access to and influence in the region.

In terms of theory and analytical approach, the analysis draws on defensive neorealism with its focus on states as the main actors in an anarchic international system (Waltz, 1979). The structure of the international system, i.e. the distribution of relative power capabilities among the great powers, combined with geopolitical conditions, set the overall room of maneuver for states. All states seek to maximize their security by strengthening their relative economic and military power and enter alliances. The security dilemma as coined by John Herz (1951: 3-4) is the central analytical concept. It captures a situation, where a state’s attempt to increase its own security has the effect of decreasing the security of other states. More specifically, the security dilemma refers to vigorous action-reaction dynamics between two states, where the steps by one state to increase its security, e.g. by building up its military, creates similar responses by another state, setting off another response by the first state, and then again by the second and so on. This stimulates a “negative spiral” of deteriorating relations with growing security tension, power competition, escalating arms races, and potentially conflict and war (e.g. Jervis, 1976). The ultimate sources of the security dilemma are anarchy – i.e. the lack of a higher authority in international politics – and states’ uncertainty and fears about each other’s intentions under anarchy.

The key is that such security dilemma dynamics are playing out in the Arctic. They are visible in all bilateral relations among the three great powers, but with the most consequential dynamics being found in relations between the U.S. and China, which strongly link up with the deepening great power competition between the two states. Russia is increasingly positioning itself with Beijing even though Moscow still has strong concerns about the implications of a stronger and more ambitious China. As argued below, this is a result of not only the Western sanctions against Russia since the Russian annexation of the Crimea in 2014, but also an awareness among Chinese leaders of the potential for adverse security dilemma dynamics and the need for countering “China threat” perceptions and reassuring Russia and other Arctic states (Hsiung, 2018). It reflects how Beijing continuously seeks to strike a balance between assertiveness and reassurance in its Arctic diplomacy. Thus, there are multifaceted and crosscutting security dilemma dynamics currently at play in the Arctic, where some are linked to the deepening U.S.-China great power competition and others have certain regional origins. The other Arctic states are to different
degrees and in different ways caught between the U.S. as a close ally and traditional security guarantor, China as prospective economic partner, and Russia as an important Arctic neighbor that they need to cooperate with to address the many complex challenges evolving in the region as the ice melts.

The article presents its analysis in three steps. The first section analyzes China’s Arctic strategy, the drivers behind and how Beijing seeks to implement the strategy (i.e. China’s evolving Arctic diplomacy). Seen from Washington, China’s entrance into the Arctic and the development of a more confident, proactive and sophisticated Chinese diplomacy in the region has begun to threaten regional stability. This activates and further fuels the U.S.-China security dilemma dynamics in an Arctic political and security context. Specifying such dynamics, the second section takes a closer look at the U.S. response and what it prescribes regarding how the Arctic states should deal with China in the Arctic. The third and last section discusses the implications for China’s Arctic strategy, also including analyses and debates on this from Chinese Arctic scholars. Several of these Chinese Arctic scholars underline the growing importance of strengthening China’s economic and strategic cooperation with Russia in the region as a way for Beijing to respond to what they increasingly assess as a more threatening U.S.


Abstract:

China, South Korea and Japan are actively pursuing scientific, economic and political activities for the development of the Arctic, the Arctic resources, ensure security in it, seeking to increase its role in the Arctic Council, cooperating and competing-Rui with other countries. The paper stresses that China is in the final stage of preparation of its Arctic strategy, however, it is noted that the Arctic is important for China, but not a top priority of its foreign policy. The priorities of the Republic of Korea in the development and exploration of the Arctic, as shown by the analysis conducted by, yavlyutsya: research, the use of the Northern Sea Route for the transportation, receipt of orders from Arctic countries for Korean shipyards for the construction of offshore oil platforms, special vessels and icebreakers; development of relations with Russia. Japan is a growing interest in the Northern Sea Route, scientific research in the Arctic. We consider Japan's attempts to resolve the territorial issue with Russia. Japan’s Ministry of Foreign Affairs supports the establishment of a new international structure in the Arctic, which was formed not on a geographical basis, and by the presence of economic interests in the region. Seoul supports the establishment, together with Russia a regional mechanism of multilateral cooperation in the Arctic, with the code name “Asia-Pacific Arctic Council”.

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Introduction

China, Korea and Japan as the Asian Arctic Council observer countries are most actively pursuing the Arctic policy. The research of the interests, various aspects of their work reveals the features of the Arctic policy of every of these three countries. The comparative analysis shows that in addition to political, economic issues of cooperation, these countries have started to pay more attention to the issues of countering new challenges and security threats (terrorism and illegal migration), development of constructive and business cooperation in prevention of emergency situations, the tasks of search and rescue in the Arctic.

Interests and policy of China in the Arctic

China has the most powerful potential of all Asian countries to participate in the Arctic policy. Today it has the second economy in the world, so is looking for all possible ways for further development. China's interests in the Arctic form a complex which consists of, first, economic, including natural resource- and transportation and logistics interests, and secondly, ecological and climatic and other research interests as fundamental theoretical and various scientific applications, thirdly, geopolitical and closely related military-strategic.

China is actively promoting a full series of scientific, economic and political initiatives to secure its strategic interests in the Arctic. The country is actively engaged in polar research. The start of this research was initiated in 1981, China held the first expedition to the Arctic in 1995, when researchers reached the North Pole on foot. And the first marine expedition to the North Pole took place in 1999. Since 1994 China holds polar research aboard the only China research icebreaker "Syuelun" ("Snow Dragon"), which was purchased from Ukraine in 1993. In August 2013 "Syuelun" was the first of the Chinese ships which passed along the Northern Sea route (NSR) in the Barents Sea, and on the way back from Iceland to the Bering Straits — went on high-latitude route, bypassing the Northern sea route. The voyage of "Syueluna", as director of the Polar Research Institute of China (PRIC) Hueygen Yang noted in interview with South China Morning Post, "strongly encouraged" Chinese shipping companies. For the first time a Chinese ship skirted almost all the northern coast of Russia. The Japanese believe that the polar ambitions of Russia were hurt by this case. Commercial use of the NSR is to use (of course, be-paid for) Russian icebreakers, as well as fees for passage along this way.

At the international level, the question of dividing of the Arctic has not been settled yet, and China benefits from it, seeking to prove that no one has exclusive rights to the development of the region. Presence in China’s structure of authorities of special Arctic and Antarctic Administration proves China's serious intentions. It is responsible for the implementation of research programs and stepping up activity in these areas. China is going to create the first ever permanent drifting station in the
Arctic Ocean. In autumn 2013 two container vessels belonging to COSCO, passed along the Northern Sea Route from Dalal to Rotterdam. The company received from the Administration of the NSR the permit for three trips, giving the right for independent sailing along the route in light ice conditions, as well as sailing with ice-breaker assistance. China announced the construction of a new icebreaker with a range of 20,000 nautical miles, able to pass the ice with thickness of up to 1.5 meters, with acceptance of which in 2014. Recently significant investments in the expansion and modernization of production capacities of the Arctic shipbuilding industry are arranged in the country, building of entire fleet of modern icebreakers is planned.

China is gradually increasing its influence on decision-making process related to the Arctic. Beijing has already been steadily integrated into the system of the Arctic problem solutions: ranging from the environment and ending with the economy. Expanding investment projects in the Arctic states, China lays the foundation for increasing its influence in the region. With a number of major projects, it has formed the basis for building the mechanisms of economic pressure on these countries to implement their own interests in the Arctic. So far Beijing does not show clearly its explicit claims to the Arctic by means of authorities. Excessive activity in the region can only lead to what is now observed in the South China Sea. China’s position on the disputed territories in this sea has led to the fact that countries in the region have united to stand against China. India, Japan, Vietnam, Korea, the Philippines, Malaysia and Indonesia actively prevent attempts of Beijing to seize control in the South China Sea.

Subarctic countries are also displeased with China’s activity in the Arctic and, considering it a dangerous competitor. Ignoring the discontent of these countries, China calls itself "the Arctic country" by means of experts. But nevertheless, Beijing rarely crosses the "red line" and does not give grounds to consider its intentions aggressive. Now China prefers not to get involved in the diplomatic conflicts and work through joint ventures. But in the wake of rising of the economic power and military potential, Beijing can become less "polite". It is no coincidence that China closely monitors all actions of Russia in the Arctic. For example, if repeated updated application of Russian Federation to the United Nations, sent in August 2015 on the extension of the continental shelf, proving that the underwater Lomonosov and Mendeleyev ridges are a continuation of its continental shelf, will be satisfied, China, as some scholars note, finds itself in disadvantage regarding the development of resources in the Arctic. If application response will be successful for Russia, the Arctic area of the country may increase by 1.2 million sq. km. it is also possible that with the increasing of China and a possible weakening of Russia due to the sanctions of the West, Beijing can decide to declare the "Marine Silk Road" as international water area. But then other countries may require recognition of Hainan Strait between the island and mainland China as a neutral area. The beginning of
the serious dispute between Russia and China regarding the NSR would be in the interests of the West oriented to raw containment of China.

Many experts agree that China will acquire much more from cooperation with the Arctic countries, than from an aggressive policy to extend its influence in the region. At the same time, China is interested in blocking all the attempts of Russia to maintain, and if possible, to expand its special status in the Arctic. On a number of important aspects China's ambitions in the region are close to the US approach: both countries want the principle of "free hand", though in different ways. However, our countries have much more common interests. Russia and China are interested in the development of transit along the NSR, the creation of joint centers of ecological tourism. Russia is ready to involve the Chinese mining companies to the development of hydrocarbon resources on the shelf, as well as their investments for the development of coastal infrastructure. We are interested in developing and exporting of scarce ore mineral resources located in the Arctic zone of Russia to the markets in the Asia-Pacific region. In turn, as already noted, China is interested in access to the hydrocarbon resource base of the Arctic, including the rich fisheries in the Arctic Ocean.

Based on the above, it should be noted that China will continue to hardly strengthen its policy in the north, but will do it gradually, using soft power and trying to find the approval of the other parties. According to Ambassador Extraordinary and Plenipotentiary of the People's Republic of China in the Russian Federation Li Hui, the Chinese party in the development and exploration of the Arctic pays attention to intensification of cooperation and exchange of Arctic experience, improvement of practical cooperation on a multilateral and bilateral basis, as well as expansion of opportunities for public participation, scientific research Institutes, enterprises in the Arctic cooperation. At the same time, it is important to consider that the Arctic for China is important, but not the top priority in the foreign policy of the country.

**Conclusion**

China, South Korea and Japan at all sites put forward the idea that the Arctic is a "province of all mankind", and its development should be arranged by efforts of all the countries that have this urgent need, the relevant financial, economic and technological opportunities. Thy try to revise in their favor the legal status of the Arctic, non-admission of registration of the applications for the extension of the continental shelf in the region by the coastal states. They seek to transfer northern sea routes under international control (the Northern Sea Route in Russia and the Northwest Passage in Canada).

China, South Korea and Japan are seeking to ensure a permanent, or at least seasonal presence in the Arctic in the form of scientific expeditions, cargo transportation, fisheries, mining, education, settlements, they try to get information about the deposits of strategic natural resources in the Arctic and their development,
prospects of operation of the Northern Sea Route, Russian technologies of ice-breaker constructions, the situation in the areas inhabited by indigenous peoples of the North. In this regard, Russia faces extremely difficult tasks in the issue of the protection of this region as a national resource base and transport route. Russia’s relations with China, the Republic of Korea and Japan on the issue of economic development of the Arctic should combine elements of both cooperation and competition. Russia’s task is to find a reasonable balance in this area.


Overview:

Estimated to possess some 30 percent of the world’s untapped natural gas, 13 percent of its undiscovered oil, 40 percent of its natural minerals and sea-based resources, and one of the world’s most promising fishing grounds, the Arctic region has become a strategic prize in China’s global quest for resources and Asia-Pacific hegemony. Indeed, Beijing is willing to “buy” territories or governments with an Arctic presence to advance its standing and influence in this rising theatre of operations.

Part of China’s strategy is based on a term of art used in the confidence racket – the “long con.” This term is used when a “con man” (or entity) makes a sizeable investment of capital, time, and energy over an extended period to engage his victim’s (the “mark’s”) trust in order to achieve a far more valuable “score” at the end of the scheme.

In China’s case, being granted observer status at the May 2013 Arctic Council meeting in Kiruna, Sweden – after having been deferred twice – represented an important milestone in slipping into the tent of the leading governing body of one of the largest strategic resource and transportation “finds” of our time. Beijing’s state-owned enterprises (SOEs) are more than willing to play along with the Council’s focus on the environment and sustainable economic development – for now.

Security-minded analysts should be concerned that China’s true intention is to position itself to influence heavily, if not outright control, the awarding of select Arctic energy and fishing-related concessions as well as the rules and political arrangements governing the use of strategic waterways now gradually opening due to melting ice. In order to preclude this possibility, member states engaged in discussions regarding Arctic development ought to conduct discreet counter diplomacy, ensure competitive bidding and good governance, insist on commercial fairness, demand “know your customer” diligence, and conduct appropriate military planning.

Current & Relevant Information:
China’s Soft and Hard Arctic Power

Beijing’s Arctic strategy is underpinned by the initial use of soft power to attain its regional objectives. Science and resource diplomacy and active engagement in multilateral institutions are already playing a large role in this “long con” in the so-called High North. The Chinese navy (PLA Navy or PLAN) is at the helm of several of the country’s seemingly benign Arctic initiatives. It is hastily constructing the capability to operate in the harsh polar environment. This includes a fleet of dual-use icebreakers (with both civilian and military applications), aircraft equipped to fly in inhospitable weather, and reinforced bulk carriers and tankers that can navigate dangerous Arctic waters (Rainwater 2013).

Although environmental research, especially climate change, will be the primary public face of China’s deepening commitment to the Arctic, this soft power strategy is being shadowed step by step by a military build-up specifically designed to engage in Arctic operations, particularly with respect to Russia’s North Sea Route, Canada’s Northwest Passage, and the Bering Strait.

One military expert from the US National War College suspects, for example, that the 1999 expedition to the Arctic by China’s huge Xuelong ice-breaker to conduct oceanographic and benthic studies helped advance PLAN’s antisubmarine warfare capability (Cole 2010, 24). It is almost certain that China will eventually deploy submarine patrols and surface warships in Arctic waterways for surveillance and peaceful “exercises” (such as search and rescue). Using its icebreakers as a soft power calling card, Beijing will be actively looking for one or more friendly ports on the Arctic perimeter. China’s unsuccessful gambit to purchase some 300 square kilometers of Iceland’s northern coast – ostensibly for a golf resort – may have represented such a foray. An Arctic naval presence would protect Beijing’s “regional interests” and multiply its options should it need to confront Canada or the US in the region.

When – as it undoubtedly will – China turns the dial to its hard strategy, it may be fortunate for Canada and the US that China’s only current point of entry to the Arctic is through the Bering Strait. This choke point – with only some 85 kilometers separating Russia and Alaska, and a similar configuration as the Malacca Strait or Strait of Hormuz – will surely be contested at some point and, at minimum, prove to be an abiding threat to vital Chinese strategic interests because of its proximity to the US. This is just one reason that several Chinese scholars have challenged (probably with government encouragement) the rules and norms governing the sovereign claims of the circumpolar states (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the US). Initially, it has selected so-called “lawfare” to rewrite the statutes presently in force that favor these nations and affect future governance issues.

Conclusion
China’s original idea was to promote the notion that the Arctic was a global common, open for exploitation by any and all nations. This was when Beijing used to state that the Arctic is the inherited wealth of all mankind. That line simply did not sell internationally, estranged the very Arctic states that it is assiduously courting today, and even complicated its own rigid demands concerning the East and South China Seas. The propaganda narrative was promptly retooled to emphasize China’s determination to help protect against environmental spoilage of this pristine frontier and join the rule-making of Arctic states to help ensure fair and common benefit for all mankind.

Although this retooled narrative is highly suspect, the recommendations outlined above are not designed to suggest that business cannot be sensibly or safely done with Chinese entities in, or near, the Arctic. They are rather intended to point out the special risks that accompany doing business with SOEs that are often tasked with performing multiple functions, including establishing strategic beachheads, gathering intelligence, and serving as forward-deployed assets of the PLA and the security services. In this connection, it is also useful to keep in mind that the political disconnect between the PLA and Chinese civilian leadership is clearly widening, with less predictable consequences for the country’s Arctic soft and hard power architecture.

Although the SOEs, particularly those in the energy sector, advertise themselves as benign commercial entities with no hidden government agendas, this is regrettably not the case. The complacency and compliance of several Arctic Council member and observer states that are the objective of China’s long con need to be replaced with healthy doses of vigilance, security-minded due diligence, and hard-headed realism concerning the Chinese purveyors of seemingly richly rewarding resource development and transportation opportunities.

Perhaps the risks described in this Commentary will, for the most part, not materialize into full-blown disputes and/or security threats. Perhaps we should take China at its word through its state-controlled news agency Xinhua, that “China’s activities are for the purposes of regular environmental investigation and investment and have nothing to do with resource plundering and strategic control.” Perhaps Malte Humpert, Executive Director of the Arctic Institute, is right when he observed in an interview, “I don’t think there’s any more reason to be concerned about China’s ambitions than there is about anyone else’s ambitions in the Arctic.” That is certainly the most desirable calculus and outcome.

The question is: given the evidence, would you, as a policy maker or business executive, wish to stake your country or firm’s strategic interests in the Arctic on that sunny proposition?

“China as an Arctic Great Power: Potential Implications for Greenland and the Danish Realm,” Camilla T.N. Sørensen, Danish Defence Policy Brief, February
Abstract:

In late January 2018, China released its long-awaited White Paper on China’s Arctic Policy. It represents the culmination of the development of a more confident, proactive and sophisticated Chinese diplomacy in the Arctic. Beijing has intensified its efforts in establishing substantial and extensive relations with all Arctic actors and has gradually increased the presence and influence of China in the Arctic institutions. An increasing number of Chinese investments and infrastructure projects take place in the Arctic, propelled primarily by a growing Chinese interest in Arctic resources and Arctic sea routes, which are now officially included in the maritime part of President Xi Jinping’s prestige project, the Belt and Road Initiative (BRI). The policy brief analyses China’s Arctic White Paper focusing on the potential implications for Greenland and the Danish Realm. The policy brief concludes that China’s increasing presence in the Arctic constitutes a challenge as well as an opportunity depending on whether Copenhagen and Nuuk succeed in establishing open, respectful and constructive dialogue and cooperation.

Current & Relevant Information:

These years, China appears on the international scene as an ever more confident great power. President Xi Jinping speaks of a ‘new era’ for China as a great power marking the end of the traditional ‘keeping a low profile’ guideline for Chinese foreign and security policy. China pursues great power responsibility and seeks to play a more active role in addressing and solving international conflicts and global challenges. However, the expectation on the part of China is that China in return attains great power influence and respect.

Domestic Driving Forces and a Visionary Chinese Leader

China’s development is driven by strong domestic concerns and considerations. China’s increasing dependence on imports of energy and natural resources has been the main factor causing China to enter into economic agreements and strategic partnerships to an unprecedented degree with countries in e.g. Africa, Latin and South America, Central Asia and the Middle East. The current restructuring of the Chinese economy, where Chinese-driven innovation and technological development are at the top of the agenda, also drives the expansion of Chinese investments in and acquisition of foreign companies. The new tendencies in Chinese foreign and security policy are also to be traced back to President Xi Jinping, who as an unusual proactive and visionary Chinese leader is more willing than his predecessors to use economic and military tools to demonstrate and secure what Beijing considers legitimate Chinese spheres of interest. With President Xi Jinping, China has begun to present Chinese ideas and solutions and to launch new comprehensive Chinese initiatives. The most ambitious of these initiatives is the Belt and Road Initiative.
(BRI). With this initiative, China positions itself in the lead of efforts to generate regional and global economic growth and development by funding and establishing large-scale infrastructure projects such as high-speed train connections, modern roads and ports, oil and gas pipes as well as communication networks and cables. The BRI specifically aims to secure better and faster transport and communication connections between China and Europe, but also to the Middle East and Africa.

**Increasing Strategic Significance of the Arctic**

This ‘new era’ for China as a great power is also evident from the country’s ambitions and diplomatic behavior in the Arctic. China’s first Arctic White Paper released in late January 2018 states that China, due to its status, size and proximity to the Arctic, has legitimate interests in the region and should therefore be respected and included as an important stakeholder. Furthermore, it emphasizes that the Arctic should not be regarded as a demarcated region but has global implications and international impacts, and therefore it is not up to the Arctic states solely to establish the rules and norms for the future development of and access to the region and its resources. Non-Arctic states like China also have a legitimate role to play and a right to engage in Arctic research, navigation, overflight and a series of economic activities such as resource extraction, fishery, cabling and piping. These are new directions. Previous Chinese official speeches and documents on the Arctic have taken a more modest and reluctant stance and underplayed China’s ambitions in the region. This played an important role in reducing the concern among the Arctic states and in 2013 paving the way for China’s membership of the Arctic Council as an observer state. However, among Chinese Arctic scholars and in internal Chinese documents characterizing the Arctic as a ‘common good’ has long been prevalent. November 2014 saw the first indications of how China’s more confident and ambitious foreign and security policy also included the Arctic. For the first time, President Xi Jinping characterized China as a ‘polar great power’ and directly linked the country’s ambitions in the polar regions, i.e. Arctic and Antarctica, to China’s goal of becoming a maritime great power. In his speech at the 19th Party Congress in October 2017, President Xi Jinping further underlined Beijing’s goal to obtain world-class military might by 2050 including a Chinese navy capable of operating globally. With the opening of China’s first overseas military naval base in the East African country of Djibouti in August 2017, this is gradually beginning to materialize. The release of China’s first Arctic White Paper should be seen in light of these developments. It shows how the Arctic has moved up the Chinese leaders’ foreign and security policy agenda and is assigned increasing strategic significance.

https://arcticyearbook.com/images/yearbook/2013/Scholarly_Papers/2.LIBERTLES0N.pdf
Abstract:
China’s interest in the Arctic is not usually discussed thoroughly in its context of the core interests of the Chinese Communist Party: political stability, territorial integrity and economic growth. This article discusses the role of the Arctic in light of the crucial importance of energy and transportation security for continued political stability and economic growth in China. China has a global view of pursuing this security sourcing energy globally and developing its navy to ensure strategic capabilities to protect sea-lanes against state and non-state challenges. Political stability in China is believed by the Communist Party to rest on continued economic growth. China is deeply dependent on energy imports and expected to become more dependent in the future. For its energy, China is dependent on the Persian Gulf plagued by instability and militarily dominated by the USA. Equally the Chinese economy is dependent on exports, which makes China dependent on secure and preferably short sea-lanes to major markets. The strategic competitor, the USA, controls the sea lanes and choke points as the Strait of Malacca; in the Gulf of Aden, piracy is a threat; while the Suez and Panama Canals are bottlenecks. Arctic energy and the Northern Sea Route offer some opportunities for diversification of sources and supply lines.

Current & Relevant Information:
Introduction
China has a population of 1.3 billion people and an economy that has been growing at an average of 10% per year for three decades since the 1980s. In order to maintain the current economic growth rate, China has to make access to adequate energy supplies a national priority, and to a great extent a national security priority. China’s energy consumption has grown by leaps and bounds, and by 2006, it could be stated that China was “the world’s second largest consumer and third largest producer of primary energy. From 2000 to 2005, China’s energy consumption rose by 60 percent, accounting for almost half of the growth in world energy consumption” (Downs, 2006: 1). There is no sign that China’s energy consumption will slow down; on the contrary, it is expected to steadily increase. Modeling and scenario building for China looking all the way to 2100 forecast more than a doubling of China’s energy consumption, despite great gains in energy efficiency (Shan et al., 2012; Liu, Chen & Liu, 2011; Rout et al., 2011). What is of particular importance for discussing China and the Arctic is the much-expanded role of oil in the energy mix of China in the future, where China will steadily become more and more dependent on imported oil with consequences for China’s energy security. To reach its aim of a “harmonious society” and “the Chinese dream” of President Xi Jinping of doubling the 2010 GDP per capita by 2020 (the 100th anniversary of the Communist Party) and being a fully developed country by 2049 (the centennial of the People’s Republic of China) (Kuhn, 2013), China will have to utilize every fuel source available including investment on renewable energy and expansion of nuclear power. It is expected that China’s import
of oil and natural gas will increase at a steady rate. In connection with its rising energy import, especially of oil, the issue of energy security becomes very important for China (Xu, 2006; Erickson & Collins, 2007; Leung, 2011; Zhang, 2011, 2012; Cao & Bluth, 2013; Rainwater, 2013).

The objective of this article is to discuss China’s nascent Arctic interests and strategy within the context of the core interests of the Chinese leadership and thus provide a framework for understanding its Arctic interests and strategy. In recent years China’s possible interests and strategy in the Arctic have received much initial media and policy interest with Jakobson (2010) as the landmark study and subsequently academic interest in the West and in China as referenced in this article. We seek to place Chinese Arctic interest and possible strategy in the broader context of Chinese leadership core interests.

It is therefore the argument of this article that China’s Arctic interests and possible strategy must be seen within the context of China’s phenomenal economic and political rise, how the Chinese leadership manages this rise as a “Peaceful Rise”, and how the existing dominant Western and other powers in the international system respond to this rise. China sees itself as a rising power with a legitimate role in the governance of regions around the world, including the Arctic, which leads China to pursue, for instance, a science agenda worthy of a great power (Jakobson, 2010; Lasserre, 2010; Blunden, 2012; Jakobson & Peng, 2012; Jakobson, & Lee 2013). Science is the first step and bridgehead for China into the Arctic to pursue interests defined by the core interests of the Chinese leadership: political stability, territorial integrity and economic growth. Therefore, China’s scientific involvement in the Arctic and other Arctic activities should be seen in the context of these core interests (Jakobson & Peng, 2012; Jakobson & Lee, 2013).

China defines itself as a “socialist market economy” (People’ Daily, 2007) and is governed by a Communist Party, whose legitimacy is based on economic and nationalist performance. This leadership sees its survival based on delivering economic growth, which is where the Arctic comes in in a number of ways. Much of Chinese science focuses on climate change, and Arctic climate change is of importance for Chinese climate and therefore agriculture and food security, which translates into social stability and legitimacy for the Communist Party. Secondly, as pointed out, the phenomenal Chinese growth has made China into a major importer of sea-borne energy and raw materials. The sea-lanes of the world are dominated completely by the United States Navy and occasionally troubled by piracy, which both raises important energy and transportation security issues for China – perhaps in strategic competition with the USA, and certainly not allied with them. Diversifying and eventually protecting sources and supply routes of energy and raw materials therefore becomes a strategic objective for China, which brings the Arctic into the picture (Laliberté & Lanteigne, 2008; Pan & Zhou, 2010; Blunden, 2012; Hong,
Chinese Energy and Maritime Transportation Security and the Arctic

China is facing energy and maritime transportation security challenges from state and non-state actors; and will be increasingly dependent on oil and natural gas imports to continue its path of growth, which is the basis for the core interests of the Chinese leadership and perceived to be the basis of its political survival. These security challenges and their effect on core interests are the context of China’s interests and possible strategy in the Arctic.

Conclusion

China has experienced phenomenal growth since the open-door policy of Deng Xiaoping in the late 1970s. This growth has made China into an emerging super power and strategic competitor of the USA. It has also made China into one of the world’s major importers of energy (especially oil) and raw materials. China’s growth has been based on manufacturing for export, real-estate and infrastructure, which has been highly energy and raw material intensive, while energy, raw materials and exports overwhelmingly travel by sea. China describes itself as a socialist market economy and is governed by a Communist Party, which bases its legitimacy on economic and nationalist performance. The interlinked core interests of the national leadership are, therefore, political stability, territorial integrity and economic growth. The international systemic framework for China’s development is US hegemony and global naval domination, while China is a rising continental power but a historically weak sea power. This complex raises a number of energy and maritime transportation security issues for China. For energy, China is much dependent on the Persian Gulf, which is unstable and militarily dominated by the USA. The energy, raw materials and exports which are crucial for the core interests of the Chinese leadership travel on sea lanes dominated by strategic competitors such as the USA or India or are threatened by piracy. These energy and maritime transport security challenges are the framework for China’s nascent Arctic interests and possible strategy.

China’s soaring demand for energy in connection with its export-oriented economy poses a variety of new challenges for its foreign policy: the country will become more and more dependent on the purchase of natural resources abroad for sustaining its economic development. Any crisis to its access to overseas resource and maritime shipping routes will have a negative impact on China’s growth and trade-dependent economy. China will endeavor to protect the strategic areas concerning its national interest. In recent years China’s energy diplomacy in the context of the political economy of global energy developments has drawn the attention of the West especially in connection with the sensitive regions, such as the Middle East and Africa. As one Chinese scholar bluntly states, “the determining factor shaping the
rise and fall of a country ultimately is not just the size of its total economic volume but also the strategic ability of the country; that is, the ability to use national forces to achieve political goals” (Zhang, 2006: 22).

Perhaps the greatest change to the international system of the 21st century will be the rise of China. As a rising power on a global scale, China sees itself as a legitimate stakeholder and participant in the governance of regions around the world, including the Arctic. China is therefore availing itself of Arctic science commensurate with its global role and pursuing a role in Arctic governance both through permanent observership in the Arctic Council and diplomatic engagement of smaller Arctic nations. However, China is a global power with global interests, and the Arctic is one of many regions of importance to energy and shipping (Lasserre 2010; Alexeeva & Lasserre 2012a, 2012b; Blunden 2012; Jakobson & Lee 2013; Stensdal 2013; Stokke 2013).


Abstract:
The security dynamics in the Arctic since the Cold War has transitioned from militarization, to de-militarization, and to re-militarization. Under the circumstances of ongoing globalization and climate change, the Arctic states have accorded priority to the enhancement of military capacities in the region, with a view to safeguarding sovereign rights, ensuring navigation security of Arctic waterways, responding to contingencies and guaranteeing civil security. Such military capacity-building measures are otherwise interpreted as initiatives to resume arms race in the Arctic, which would be contributive to the security dilemma. Subject to the structural competition of the U.S. – Russia rivalry, there has long been an absence of a security regime in the Arctic. Nevertheless, the build-up of security regimes in the Arctic constitutes a major concern for the Arctic states, as well as for some extra-regional stakeholders. In the Arctic regional context, the ever-intensifying institutional cooperation in the domains of nontraditional and civil security lays the cornerstone for establishing confidence-building measures, and gives rise to the consensus that maintaining cooperation in the Arctic will be mutually rewarding for all.

Current & Relevant Information:

Implications of Arctic security for China
China, as an Arctic extra-regional state, has no conflicts of interest with the Arctic states in terms of sovereignty, sovereign rights and jurisdictions in the Arctic region. However, this does not mean that the security situation in the Arctic is unrelated to China. On one hand, as a potential user of Arctic resources and sea routes, China is seeking regional peace and stability for its engagement in Arctic development cooperation. On the other hand, with China being a state situated in the mid-latitudes of Northern Hemisphere, the weaponry (e.g. missile defense systems and nuclear submarines) and military installations that both Russia and the U.S. have deployed in the Arctic impose deterrence against China. The absolute advantages of Russia and the U.S. in terms of Arctic air supremacy and mastery of the strategic channels (e.g. the Bering Strait) pose challenges as well to China’s potential commercial use of Arctic sea routes. In addition, as an official statement of China’s Arctic policy still appears to be vague, China’s engagement in Arctic issues tends to be labeled as “China’s emerging threat” or “China’s hunger for Arctic resources” with the hypothesis that China is unsatisfied with its observer status within the Arctic Council, and China is therefore thought likely to become a revisionist power attempting to transform the current Arctic order and to re-allocate rights and the interests in the Arctic. Accordingly, while paying close attention to the development of Arctic security dynamics, China should wisely participate in the multilateral cooperation in low politics and non-traditional security such as SAR, and prevention of marine oil pollution in the Arctic. In doing so China can build mutual trust with the Arctic states and contribute to shaping a stable political environment favorable to China’s engagement in sustainable and cooperative Arctic development.


Summary:
The geopolitical landscape of the Arctic today is a significant departure from the great power politics of the Cold War. Apart from traditional Arctic states, far more international organizations and non-Arctic states are showing an increased interest in the Arctic. This report explores the growing interests of China in the Arctic and examines the motivations behind its involvement in the region. China’s interests range from participating in Arctic governance, promoting bilateral diplomacy in the Arctic area, accessing potential resources, exploiting shipping opportunities and undertaking polar research. Thus far, China’s involvement in the Arctic has been fairly low-profile. Since obtaining observer status on the Arctic Council in 2013, China has modestly bolstered its bilateral relations with Arctic states and participated in the development of resources in the region.

The State Council Information Office of China published a white paper titled “China’s Arctic Policy” on January 26, 2018. China’s policy goals in the Arctic are shaped by
four key principles—to understand, protect, develop and participate in the governance of the Arctic. In order to realize these policy goals, the white paper emphasizes the need for “respect, cooperation, win-win result and sustainability.” These policy goals and principles are reflected in the respective areas that China has shown interest in, which are analyzed in this report.

China’s Arctic white paper is the result of policymakers’ careful deliberation. It also reflects the longstanding expectations of researchers, countries and international organizations involved in Arctic governance. The recent expansion of China’s role has invited international suspicion of its intentions in the Arctic, especially from council member states. China’s new white paper spells out its intentions for the Arctic and should relieve some concerns over its transparency and commitment to international law.

China’s Arctic strategy is only just beginning to unfold and still faces many challenges, including the Arctic states’ disputes over territorial sovereignty, vigilance among certain countries, the natural environment in the Arctic region and China’s technological constraints. Nevertheless, with China’s newly released Arctic policy white paper, China has emphasized a key theme—cooperation.

**Current & Relevant Information:**

**Introduction**

The geopolitical landscape of the Arctic today is a significant departure from the great power politics that existed in the region during the Cold War. The supremacy of the military presence and security interests of the two superpowers during that time have now been replaced by the multiple political interests of the eight North Pole states, dominated mainly by the military and security interests and naval capacity of Russia, Canada, the United States, Norway and Denmark. Through the Ilulissat Declaration in 2008, these five Arctic coastal states (the Arctic Five) have asserted the predominant role in addressing both territorial issues and emerging issues related to resource development in the Arctic region (Yeager, 2008).

The exclusivity of Arctic governance has been challenged by the activities of states from outside the region, such as the United Kingdom, France, Germany, China, Japan, South Korea and India; these states are taking a special interest in many aspects of the Arctic that focus on scientific research, shipping and resource development. Estimated oil and gas reserves in the continental shelves of the northern seas and visions of new trans-Arctic sea routes are also attractive to transnational corporations that are increasingly interested in the potential commercial value of Arctic energy resources (Robinson 2007: 21). This report explores the growing interests of China in the Arctic and examines the nature of its interests and motivations in wanting to maintain its involvement and presence in the region. China’s interests range from participating in Arctic governance and
accessing potential resources to exploiting shipping opportunities and undertaking polar research.

**Vigilance among Arctic states**

China has actively sought to have a say in Arctic affairs through multilateral and bilateral means. Unfortunately, China’s intentions have been met with suspicion by Arctic states. China’s application to become a permanent observer of the Arctic Council was rejected three times before being approved, which demonstrates the vigilance of the Arctic states, especially the five coastal states bordering the Arctic Sea.

Of the five coastal states, the most vigilant are Russia and Canada. These two states seek to control the northern and north-western sea lanes respectively, but China has yet to recognize their rights over these two lanes (Jakobson 2013). Russia in particular has shown serious bias against China’s attempts to join the Arctic Council. Ever since Russia planted its flag on the Arctic seabed in 2007, China has paid a great deal of attention to the region. In 2012, after China’s icebreaker Xue Long (Snow Dragon) finished its fifth scientific survey in the Arctic region, it returned to Shanghai through the northern sea lane of the Arctic, which runs along the Russian coast. Because this sea lane has been emblematic of Russian influence, it is natural that the expansion of China’s influence would invite vigilance from Russia.

China’s growing interest in the Arctic has enhanced the vigilance of the Russian military, which is highly sensitive to security issues. In a rare public warning to China in 2010, Russian Navy Commander Admiral Vladimir Vysotsky said “We are observing the penetration of a host of states which...are advancing their interests very intensively, in every possible way, in particular China,” and stressed that Russia would increase its military presence in the Arctic to defend Russia’s interests (Reuters 2010). In 2012, Russia resumed its live-fire drills in Arctic waters. In February 2013, Russian President Vladimir Putin remarked in a conversation that Russia’s interests in the Arctic were under threat and necessitated enhanced military actions. In September 2013, Russia announced that it would reopen a military base in the New Siberian Islands and resume its former permanent military presence there.

Canada also harbors suspicions against China, which are equal to if not greater than those of Russia. In 2012, an opinion poll conducted by the Asia Pacific Foundation of Canada showed that only 12 percent of Canadians had a favorable impression of China, and 29 percent had an unfavorable impression. Although Canadian officials do not show vigilance against China, the Canadian academic community has shown suspicion. Professors David Wright and Rob Huebert from University of Calgary and Victor Suthren from the Canadian War Museum are concerned about China’s stance on Arctic affairs. For example, they assume that China believes the Arctic is open to
the international community and does not acknowledge Canadian sovereignty over northwestern sea lanes. Canada is also suspicious of China's desire for resources, sea lanes and strategic positions in the Arctic region; China's accelerated pace of military modernization suggests the possibility that China might enhance its military presence in the region. Commodore Tyrone Pile, Commander of the Canadian Fleet Atlantic, was quoted by the Calgary Herald as saying that the Chinese Navy would soon have twice as many submarines as the U.S. Navy, leading the newspaper to ask whether Canada was prepared to defend its Arctic sovereignty (Lackenbauer and Manicom 2013: 3-5).

Interestingly, Canada is the Arctic state that seems the most concerned about what China’s Arctic policy white paper will mean for them. Canadian experts say that China’s Arctic policy is attempting to tread a line between respecting the sovereignty of Arctic nations like Canada and the United States, and leaving room to benefit from disputes under international law. Language used in the white paper—such as “respect for international law”—is viewed by scholars like Robert Huebert and professor Frédéric Lasserre of Université Laval to be an attempt to articulate limits on member states’ sovereignty.

Even non-coastal states in the Arctic are suspicious of China. Iceland has rejected a Chinese businessman’s attempts to buy its land twice, suspecting that he might build a harbor there even though Iceland was assured that the land would be used to build a golf course (The Disaffected Lib 2013). The attitudes of Iceland and Russia signal that China will encounter many challenges in future efforts to take part in Arctic affairs.

Still, the white paper sends a positive signal to Chinese researchers and policy practitioners who now have clear strategic guidance. The international community, including Arctic Council member states, have welcomed the transparency and increased confidence China shows in participating in Arctic governance. As China experiences rapid military and economic growth, suspicions regarding its global strategic intentions as it moves towards the Arctic are unavoidable. The white paper integrates the Chinese narrative into Western discourse, defining itself as an important stakeholder. This narrative has won recognition and respect from the international community and serves to reduce concerns from the Arctic Council member states (Hong 2018).

**Conclusion**

China’s interests range from participating in Arctic governance affairs, promoting bilateral diplomacy in the Arctic area and accessing potential resources to exploiting shipping opportunities and undertaking polar research. Thus far, China’s involvement in the Arctic has been fairly low-profile. Since obtaining observer status on the Arctic Council in 2013, China has modestly bolstered its bilateral relations with Arctic states and participated in the development of resources in the region.
The recently published white paper titled "China's Arctic Policy" implies that the policy goals on the Arctic are shaped by four key principles—to understand, protect, develop and participate in the governance of the Arctic. In order to realize these policy goals, the white paper emphasizes the need for “respect, cooperation, win-win result and sustainability.”

China's Arctic strategy is only just beginning to unfold and still faces many challenges, including the Arctic states' disputes over territorial sovereignty, vigilance among certain countries, the natural environment in the Arctic region and China’s technological constraints. Nevertheless, with China’s newly released Arctic policy white paper, China has emphasized a key theme—cooperation.

2. Geopolitical Environment:


https://www.rand.org/content/dam/rand/pubs/testimonies/CT500/CT500/RAND_CT500.pdf

Overview:

Chairperson Levitt, Deputy Chairperson O'Toole, Deputy Chairperson Laverdière, and other distinguished members of the committee, thank you very much for the opportunity to appear before you this afternoon. I am a Senior Political Scientist at the RAND Corporation, where I have conducted research and authored several publications on the Arctic, with a focus on the geopolitical implications of the region’s changing physical environment. While RAND’s research does not address specific policy recommendations for the Canadian government, my goal for today is to provide the committee with information to support its decision-making.

My contribution today will focus on two changes that have altered the geopolitical environment in the Arctic over the past five to ten years. One change is the increased assertiveness of one Arctic nation, Russia, in the region. The second change is the rising presence of non-Arctic states—including, but not limited to, China—in a part of the world that used to be almost exclusively of interest to Arctic states. I will examine the origins and implications of both developments, focusing on the challenges—and, at times, opportunities—that they pose to Arctic states and to Canada in particular.

Current & Relevant Information:

China’s Role in the Arctic: What Impact Can So-Called “Near-Arctic States” Have on the Region?

NATO’s renewed, albeit still cautious, interest in the Arctic is yet another example of what Arctic states might see as a growing trend in the region—the increased interest
of non-Arctic states in Arctic issues. The most powerful and significant of these newcomers is China.

To be fair, China's interest in polar issues is not new. China has a strong track record of research and scientific expeditions in Antarctica since the 1980s, and in the Arctic since the 1990s. Its range of interests in the Arctic has since widened and is becoming more focused on extractive, commercial, and shipping domains. In 2017, 11 of the 27 vessels that transited through the NSR originated from or were going to a Chinese port. In January 2018, China issued its first Arctic policy, which highlights in its very first paragraph China's most fundamental belief when it comes to the region: The Arctic is a global issue that cannot be left to Arctic states alone. China describes itself as a “Near Arctic State,” a term that it defines as “one of the continental States that are closest to the Arctic Circle.” China also makes clear that it sees the Arctic as an area of economic and investment potential, envisioning a “Polar Silk Road” integrated to its larger Belt and Road Initiative.

So far, China has remained within the boundaries of existing treaties and principles regulating Arctic affairs, and its Arctic Strategy reaffirms the authority of these rules. Increased Chinese interest also presents precious opportunities for Arctic communities, many of which are in dire need of investment and infrastructure. Yet this interest also raises various concerns. Based on China's aggressive behavior in the South China Sea, China might similarly try to impose its own interpretation of maritime international law in other regions, if the stakes are high enough. In addition, China's large investments need to be secured, and economic involvement might eventually lead to some form of military presence. China's political leverage through economic investments might have destabilizing consequences, for instance on the delicate Greenland-Mainland Denmark relationship—last March, Greenland shortlisted a Chinese company to develop three of its airports, to the dismay of the Danish government—or in relation to environmental or labor regulations. Chinese investments in certain areas, such as communications, media, and new technologies, potentially create opportunities for undue political influence or uncontrolled transfers of sensitive data or technologies. For example, China's construction of an observatory for northern lights in Iceland has raised concerns that the facility might be used for surveillance, rather than research.

So far, Arctic nations have cautiously welcomed China's willingness to play a larger role in the Arctic. China has been an observer state to the Arctic Council since 2013, and it has joint projects with several Arctic nations—particularly Russia, Canada, Greenland, Norway, and Iceland—some of which are at the exploration or prospecting stages. Chinese investments are so far relatively modest, with the exception of the Yamal LNG project with Russia.

Arctic nations are also setting limits. In 2011, Iceland blocked the sale of a large plot of land to a Chinese investor; in 2016, Denmark declined to sell a vacant naval base in Greenland to a Chinese mining company; and in that same year, a projected
Chinese resort in Svalbard, under Norwegian sovereignty, was canceled. Each Arctic state—often under public pressure—is setting its own limits when it comes to welcoming Chinese presence.

Russia’s approach toward China shows a similar mix of interest and caution. China is a key investor in Russia’s Yamal LNG project, and Chinese funds are particularly welcome, as Russia has been shunned by some of its more traditional investors since its annexation of Crimea. Russia also welcomes Chinese interest in developing port infrastructure along the NSR. Yet Russia is also very much intent on keeping the NSR under its control. This may eventually create tensions with China, as China sees the NSR as one element of the Belt and Road Initiative and will resent obstacles to its free use of the route (the alternative route, the Northwestern Passage along the northern shore of Canada, is not considered a viable replacement because of poor navigation conditions and a lack of infrastructure). While Russia and China are formally allies through the Shanghai Cooperation Organization, Russia remains wary of China’s military power on its southern border and, as an Arctic nation, is irritated by the intrusion in Arctic affairs of non-Arctic states, as evidenced by its long-standing reluctance to grant observer status to these countries in the Arctic Council.

Because of the economic and military power that China commands, the level of concern triggered by its interest in the Arctic is without equivalent. However, it is not the only non-Arctic state to develop an Arctic policy and look for a deeper commitment to the region. Most other observer states to the Arctic Council have an Arctic strategy, a polar strategy, or at least some official guidelines regarding their Arctic policy. Most recently, in September 2018, the United Kingdom released a Defense Arctic strategy that highlights a closer training relationship with Norway and intensified surveillance of submarine activity in the Arctic. India is now investing in Russia’s extractive industry in the Arctic. It remains to be seen whether, like China, these non-Arctic nations see themselves as “near Arctic states” that cannot leave the leadership of a strategic region to eight nations only; and whether they might find it advantageous to coalesce as a group of like-minded countries to seek more political and decisional weight both within the Arctic Council and in other international fora.

So far, the approach of Arctic states has been to coopt non-Arctic states rather than exclude them. Most have been eventually accepted as observer states in the Arctic Council, and they are participating in the development of new rules for the Arctic. For instance, China—along with Japan and South Korea, as well as the European Union—has participated in the discussions that eventually led to prohibiting commercial fishing in the Central Arctic Ocean. Yet Arctic nations have made clear that the broader legal background for such development should remain the United Nations Convention on the Law of the Sea and other existing principles of international law. As stated in the 2008 Ilulissat Declaration, they reject the
development of new international rules specifically for the Arctic—an equivalent of the Antarctica Treaty—as such a treaty would require painful negotiations and would likely be less advantageous for them than the current system.

To conclude, I would highlight what I see as perhaps the biggest change occurring in the Arctic, and the one that is of most significance for Canada and other Arctic states: The Arctic, which used to be the ultimate periphery, is slowly but surely turning into a center—a center of economic activity and investment, a shipping hub, a transit point between areas of strategic interest, and a military chokepoint. The Arctic connects Russia’s oil and gas industries to Asian markets; China’s manufactured goods to European markets; and Russia’s Northern Fleet to the Atlantic sea lanes and, further south, the Mediterranean. This is not a projection but the current situation, and these trends will only become more pronounced over time, as the NSR becomes more routinely navigable; communications and maritime awareness improve; and, eventually, a brand-new Transpolar Route opens. Canada and other Arctic states face the key challenge of balancing their sovereign interests against the ever-growing interest of non-Arctic nations.

“The New Geopolitics of the Arctic: Russia, China and the EU,” Andreas Østhagen, Wilfried Martens Centre for European Studies, April 2019 [14]

Abstract:

The Arctic is changing. Facing challenges driven by resource demands, changing power relations and climate change, the top of the world demands the attention of European states and EU officials. This paper examines the main geopolitical issues in the Arctic, such as the development of the region’s energy resources, the underlying potential for conflict and the increasing presence of China in the region. It argues that to unpack the region’s complexities, we need to recognize the diversity within the Arctic across a range of issues and to differentiate different levels of analysis: the international and the regional. Furthermore, this paper argues that the EU’s approach to the north suffers as a result of a general deficiency in EU external policies, namely incoherence and a multitude of voices and opinions. To have a more effective Arctic policy, the EU needs to distinguish between the different levels outlined here, raise awareness of the issues facing the Arctic among its member states and politicians, and better communicate the relevance of the Union to Arctic states. The EU must view the Arctic primarily as a long-term strategic priority and as an area of growing geopolitical importance.

Current & Relevant Information:

Introduction

In 2006–7, researchers, policymakers and the media alike began making a range of claims about the future of the Arctic. Climate change is accelerating the melting of
the ice in the north. Coupled with high oil prices and positive estimates of the region’s hydrocarbon resources, this led to the Arctic being portrayed as both the world’s new energy frontier and the northern ‘shortcut’ to Asia. As the Arctic littoral states—Denmark (Greenland), the US, Russia, Norway and Canada—placed the north on their domestic and foreign policy agendas, and non-Arctic states such as Japan, France, Germany and China expressed interest in the region, predictions were made that the Arctic would become the next arena for geopolitical conflict.

Since then world events have taken a turn. The fall in the price of oil and gas transformed hopeful Arctic resource projects into unprofitable ventures. Russian ice-breaker levies and high operating costs turned trans-Arctic shipping into a long-term prospect. The focus shifted to northern industries that were already profitable, such as mining, tourism and fisheries. Simplistic predictions about an Arctic ‘boom’ turned into equally simplistic forecasts of an Arctic ‘bust’. However, as Russia’s relationship with the ‘West’ deteriorated in 2014 over Ukraine and later Syria, headlines warning of an imminent confrontation in the Arctic reappeared. This time it was not the region’s resources that were fueling a scramble: it was the region’s growing strategic importance for NATO, Russia and even China. The result of these predictions, however, turned out to be the same: Arctic states have been, and still are, placing pieces on the chessboard in advance of an imminent geopolitical conflict in the north.

However, studies were quick to point out that many of the Arctic predictions were largely inaccurate, whether they had been made before or after Russia’s annexation of Ukraine’s Crimea region in 2014. Over the past decade scholars have produced more balanced depictions of the dynamics both within the region as a whole and among the various actors with a stake in the Arctic. Moreover, foreign ministries in Arctic states have been particularly active in emphasizing the ‘peaceful’ and ‘cooperative’ traits of the region. Even China—an actor prompting a sense of skepticism and uncertainty in northern countries—has played according to the Arctic ‘rule book’. It has reiterated the primacy of the United Nations Convention on the Law of the Sea (UNCLOS); and in its White Paper on the Arctic, it emphasizes the importance of cooperation. Finally, those inhabiting the Arctic region—indigenous as well as non-indigenous peoples—have been demanding the right to partake in decision-making forums concerned with Arctic development and have been insisting that there should be less talk about geopolitics and quick business opportunities.

There thus seems to be a multitude of actors, layers and levels at play—the situation warrants further unpacking. The main question this paper asks is, what are the geopolitical characteristics of the Arctic region? By extension, how accurate are the predictions of conflict in and over the Arctic? What is the role of China in all this? And what do these developments entail for the EU and for its ambitions to be an Arctic actor? To answer these relatively large questions in a limited amount of space, a few key points will be made. First, we need to divide the analysis into
different levels. This means that, instead of treating all issues as interrelated and part of one picture, we have to differentiate the systemic (international) level from its regional (Arctic) counterpart. In this way we will be able to disentangle some of the arguments already mentioned. Second, when examining issues within each level, we need to recognize the inherent diversity of the region. The paper will show that when we think of Arctic security, it makes more sense to divide the area into subregions: The North American Arctic, on the one hand, and the Eurasian Arctic, on the other. Finally, it is not possible to boil down the dynamics of the Arctic to an antithesis between conflict and non-conflict.

What about China?

There have been a great many reactions from Arctic states and Arctic actors to China’s involvement in the top of the world since 2007–8. How can we explain China’s involvement in the north, and what are its interests in the Arctic?

These questions have three dimensions: two are region-specific and one is connected to the systemic level described in the previous section. First, China has a considerable research presence in the Arctic, particularly on Svalbard; moreover, it is investing in research equipment and infrastructure destined for the Arctic. This research is mainly focused on natural science and utilizing the Arctic—as many scientists are—as a testing ground for climate predictions and for examining the effects of human activities further south. In a country with ambitious research agendas, a wide range of scholars and researchers are pushing for China to become involved in the Arctic for such purposes.

Second, China has stated economic interests in the north. These range from ensuring it has an advantageous position in the development of the Northern Sea Route, to investing in infrastructure projects and extractive industries. China’s One Belt One Road initiative has an Arctic dimension known as the ‘Ice Silk Road’. It entails exploring how northern sea-lanes, in tandem with rail capacity, can add to the country’s world trade links. The Chinese ‘Silk Road Fund’ and the China National Petroleum Corporation have 9.9% and 20% stakes, respectively, in the large-scale Yamal Liquefied Natural Gas project in Arctic Russia. This ties Russia and China closer together in the development of Arctic gas resources. As well as long-term prospects and strategic investments, immediate economic prospects are undoubtedly of relevance to China’s Arctic endeavor.

Finally, China’s involvement in the Arctic also concerns its position as an emerging superpower. As China continues to assert its influence on the world stage, the Arctic will be only one of many regions where presence and interaction are components of an expansion of power in both soft and hard terms. Ensuring Chinese interests, ranging from businesses to opinions on developments related to the Law of the Sea, is a natural part of this expansion, just as it has been for the US over the last half-century. Limited tension between Arctic actors and China might arise, but the Arctic
is still predominantly a harsh and challenging domain where the Arctic states will retain their primacy. What is more likely is that the impact of conflicts elsewhere, including those involving China, would spill over into the Arctic. This would be due, not to the Arctic’s resources or to internal power struggles, but to the strategic importance of the Arctic and the importance it holds for some NATO countries and for Russia.

However, Chinese officials have made few comments on the importance of the Arctic to China. References have been made to China as a 'near Arctic state', a situation which demands involvement. At the same time, China is not accepted as an Arctic state and has largely been excluded from regional politics. It has pursued a low-profile approach to the region focused on cooperation—often bilateral—with the Arctic states. In tune with policy documents in all circumpolar states, Beijing has emphasized principles such as cooperation, win–win results and sustainability. In late 2016, Norway and China resumed normal diplomatic relations, which had been in limbo since the Nobel Peace Prize Committee awarded the prize to Chinese dissident Liu Xiaobo in 2010. China has also taken steps to strengthen relations with all Nordic countries over the last decade. The Arctic has similarly been a component in Beijing’s efforts to expand relations with both Russia and Canada in recent years.

With the White Paper launched in the spring of 2018, China signaled its desire to be taken seriously as an Arctic actor, even though it is not an Arctic state in geographical terms. China is now entering a new phase of its northern endeavor, emboldened by its international stature and relationship with Russia. It remains to be seen exactly how this will translate into concrete policies or actions, such as those connected to One Belt One Road. Relations between Arctic countries and those non-Arctic countries that are present in the region are thus likely to be significantly affected by the broader ongoing power shift in the international system, that is, the rise of China. In the short-to-medium term, relations between the two sets of countries are likely to be shaped more by developments outside the region than by those within it. And in the Arctic, Russia and—increasingly—China hold central positions.

Especially relevant are the questions of China’s adherence to UNCLOS and how it views the role of this international regime in relation to its own Arctic interests. So far UNCLOS has been the strongest guarantee of mutual interests in a cooperative region, supporting the interests of the Arctic states themselves. Challenges to this regime could arise from developments in high-seas fisheries and/or protected marine areas, overlapping continental seabed claims or the increasingly common discussions on the status of Arctic sea-lanes. Such challenges could spur questions about the flexibility and adaptability of UNCLOS in a context characterized by changing power dynamics and climatic change. Here China plays a key role.

**Conclusion**
The Arctic will keep growing in importance to northern states and the international community for two intertwined reasons: (1) the unremitting disappearance of the Arctic sea ice will allow for more activity, and (2) some of the world’s greatest powers are investing in, and focusing on, the region. However, the dynamics of this region cannot be boiled down to the mutually exclusive options of conflict or no conflict. A race for Arctic resources or territory is highly unlikely in the foreseeable future, despite the territorial land grabs that have been occurring in other parts of the world. Thus, it is not the influence of geography on politics that has the potential to cause conflict in the Arctic.

At the same time, the region’s growing importance within the international system is becoming increasingly apparent. In this regard the Arctic stands as an arena where the US, Russia and China interact with the EU. Here the EU has several roles to play. It can ensure that its member states and institutions are aware of the complexities of the region, whether these relate to the livelihoods of indigenous peoples or to Russia’s (and other Arctic states’) military investments. The EU should only involve itself in the Arctic in a regional (and non-threatening) manner. Beyond this, the EU needs to recognize the increasing importance of the Arctic within the international system and the role the Union plays in shaping the region. This it can do by setting clear visionary goals in line with its own interests as the world’s second largest economy, after China.

https://lauda.ulapland.fi/bitstream/handle/10024/63191/Hossain.Kamrul.pdf?sequence=1

Overview:

The Arctic region consists of both the terrestrial landmasses of the eight circumpolar states and the approximately 14 million square kilometer marine area of the Arctic Ocean. The vast landscape of the entire Arctic is the size of the African continent. Much of the region, particularly the marine area, is ice covered throughout most of the year. Ice never melts in the central Arctic Ocean, but during the summer months, many parts of the regional seas around the ocean open up to maritime access. The ice thickness throughout the Arctic Ocean, including the central ocean, however, is shrinking at an accelerating rate. Climate change is suggested to contribute to increasing global temperatures, and in the Arctic, temperatures are rising two to three times more quickly than the global average, resulting in much faster melting of ice sheets. Ice melting, while creating challenges for the Arctic environment, also presents new opportunities as access to the Arctic Ocean gradually becomes feasible. The Arctic is known to be a resource-rich region with potential reserves of offshore oil and gas and other terrestrial mineral resources. Moreover, navigation through the newly emerging Arctic sea routes is gradually gaining in popularity despite the challenges to develop these routes as alternatives to traditional routes.
Against this background, this brief paper emphasizes that despite challenges, particularly environmental and human security threats, emerging global geopolitical interests related to resource potential and maritime transportation of resources make the Arctic a focal point of global attention.

Current & Relevant Information:

**Global Geopolitical Interests in the Arctic**

The region’s resource potential, along with the increase in marine navigation through the new Arctic routes, has allowed a broad expansion of trade and investment that increasingly connects the Arctic with rest of the world, including the emerging economies of Asian nations. It is claimed that the Arctic is gradually becoming an important region, offering new economic frontiers for global actors and stakeholders. Access to ice-free Arctic Ocean, as discussed, not only leads to intensified extraction of its living and non-living resources but also offers maritime access for international navigation, which global actors see as beneficial for increasing potential trade and investment in the region. Emerging Asian nations, including China, India, Japan, South Korea, and Singapore—which in 2013 became official observers to the Arctic Council, a high-level intergovernmental forum of the eight Arctic states—are exploring opportunities to build business relationships with the Arctic nations.

China—often labeled an energy-hungry nation—is on the frontlines of these developments. As its economy grows rapidly, China seeks to diversify its energy imports and sees Arctic resources, particularly Russian oil and gas resources, as potential targets to meet its growing energy demands. As bilateral relations with Russia improve, China is expected to double its oil imports from Russia by 2020 and has agreed to cooperate in building gas pipelines starting in 2018. China also meets its needs by investing in the energy sector elsewhere in the Arctic. For example, in 2013, China bought Nexen, a Canadian oil and gas company, for $15 billion. Chinese investment in the Arctic countries extend to the development of other mineral and mining resources, particularly rare-earth elements, in which China has a 95% ownership share today. Five Chinese mining companies hold licenses to explore and develop rare earth elements in Greenland. It should be noted that China is considered to be the world leader in refining rare earth elements. Moreover, China has established a free trade deal with Iceland, its first European partner in such an agreement. After the United States closed its Cold War era military base in Iceland in 2006, China expanded its presence in the region, making China the gateway to potential business investments in the Arctic.

China also increasingly uses the Arctic shipping routes and considers the implication of the use of the routes in its Belt and Road Initiative policy. It should be noted that China is among the most important nations in international maritime trade. Chinese ownership of vessels ranks fourth in the world, and the country carries 90% of its exports and imports through maritime transport. Moreover, Chinese ship owners
control 8.91% of total world tonnage, making the country both the world’s leading export nation and an important importer of goods and raw materials. The first Chinese cargo ship reached Europe via the NSR in the summer of 2013, and China tested its icebreaker Xue Long on the NSR in 2012. It is expected that by 2020, 5%-15% of China’s trade with Europe will travel by the NSR.

In addition to China, other influential Asian nations, such as Japan, South Korea, and Singapore, are also considering the future potential of the Arctic. For example, Japan—the world’s largest importer of liquefied natural gas (LNG), second largest importer of coal, and third largest importer of oil—views the Arctic as an alternative source to meet its increasing energy demand. Japan has planned LNG shipments from Norway and Russia in 2018, explored the potential of the NSR to transport these resources, and invested in maritime capacity building by developing (or transferring) new technology. South Korea has a similar interest in energy resources and has invested in building ice-strength cargo ships capable of operating on the Arctic routes. Singapore has a great interest in offshore activities in the Arctic and is exploring the potential to use its lengthy maritime experiences to contribute knowledge and develop the shipping industry.

While these developments suggest increasing interest in the Arctic among global actors, the region’s importance is also, to some extent, shaped by its role in the politics of the great powers, particularly China. The Arctic’s rise as an influential global actor in economics and politics gives it a say in global politics. The US perceives a threat from China’s development of closer relations between China and Russia, including transporting energy resources from the latter.

“A Russian Perspective on China’s Arctic Role,” Nadezhda Filimonova and Svetlana Krivokhizh, The Diplomat, 27 September 2014 [16]

Overview:

On September 1, Russian President Vladimir Putin and Chinese Vice Premier Zhang Gaoli launched the construction of one of the largest joint gas projects in the world – the Sila Sibiri (Power of Siberia) pipeline. The pipeline will deliver gas from Siberia in the Yakutia Republic (Chayandinskoye field) and Irkutsk region (Kovyktinskoye field) to China and Russia’s Far East. Putin has also announced the possibility of Chinese companies joining in the exploration of Rosneft’s biggest production asset, Vankor Field, from which gas is delivered to China in line with the accord signed between Rosneft and the China National Petroleum Corporation (CNPC) in 2013. Earlier this year, privately owned Russian gas producer Novatek signed a deal with CNPC for the annual delivery of three million tons of liquefied natural gas from their joint Yamal LNG project for the next 20 years. Rosneft is also negotiating a joint exploration of the Barents and Pechora Seas’ shelves with CNPC.
Current & Relevant Information:

In recent years the Russian government has been reluctant to allow Chinese companies to take a stake in Russian oil and natural gas fields. However, with a changing geopolitical situation, marked by highly tense relations with Europe over Ukraine and China’s transformation into the world’s second largest economy, the Russian state seems to be making its own pivot to Asia. Therefore, joint Sino-Russian energy projects, particularly in the Russian part of the Arctic, are becoming an area for strengthening bilateral cooperation. For Russia this collaboration may help to improve two crucial issues: increased energy security and strengthening economic cooperation with the Asia Pacific. For China this will ensure diversification of its oil and gas imports and help supply its growing energy demands. Such initiatives are also backed by the Russian energy companies Gazprom, Rosneft and Novatek, which consider energy cooperation with China a way to diversify their energy exports. However, there are a number of factors that will influence Russia’s position on China’s involvement in the High North.

For Russia the Arctic region has always been a part of the state’s vital economic and national security interests. During the Soviet era the Russian part of the Arctic was closed to foreigners. Only in the early 1990s, with the end of the Cold War, did the situation change. The Northern Sea Route was finally opened to foreign ships, and international energy companies were invited to develop energy projects in the Russian High North. The prime motivation for Russia to attract more participants to such projects at present is that the country desperately needs foreign investment and technology to develop its shipping and oil and gas industries, as well as overcome environmental risks. Without large-scale investment and expertise, these initiatives are likely to be poorly implemented. At the same time, security concerns are pushing Russia to bolster its military capacity in the Arctic by reestablishing bases and reequipping its forces to guarantee human safety and protect its sovereignty in the region.

That is one of the reasons why Russia maintains a rather rigid position on preserving the region only for the Arctic states. Its stance was articulated in the Ilulissat declaration in 2008, which asserted the predominant role of the five coastal states in territorial issues and resource development in the Arctic Ocean. It also explains Russia’s rather cautious stance on China’s application for observer status in the Arctic Council (AC), and the fact that Moscow was one of the major proponents for setting clear rules to limit the participation of observers in the AC. Commenting on the AC enlargement, Russian Prime Minister Dmitry Medvedev emphasized that the Arctic states are the ones to define the rules for governance in the region. However, Russia now faces a critical dilemma of how to balance its economic and security interests in the region.

As for China, its current official position is in line with Russia’s interests. By joining the Arctic Council, Beijing confirmed its respect for the Arctic states’ sovereign
rights. At present, official statements have been limited to emphasizing the critical importance of the region to China in terms of environmental issues and economic interests. Several factors support this cautious approach. The first concerns the existing uncertainties about the future of Arctic shipping and natural resources extraction. It appears at present that China aims to stake out a share in the Arctic projects while assessing further opportunities for economic activities in the region. This flexible position enables China to observe and react according to the situation. Another factor is geographical: China is not an Arctic state. By improving collaboration with Arctic states and being involved in projects, China establishes its physical presence in the region. Finally, China’s flexibility could be explained by the fact that an assertive position on the existing territorial disputes could possibly undermine its own contested claims of sovereignty in the South China Sea.

However, some Chinese scholars and officials have expressed views that run counter to China’s moderate official stance on the Arctic. Take Qu Tanzhou, director of the Chinese Arctic and Antarctic Administration, for instance: “Arctic resources … will be allocated according to the needs of the world, not only owned by certain countries.” Chinese Rear Admiral Yin Zhuo went even further, stating that the “current scramble for the sovereignty of the Arctic among some nations has encroached on many other countries’ interests.” Statements like this are widely cited in Chinese and foreign media and are a cause for concern, first and foremost among Arctic states, about possible changes in official Chinese policy. The best way to minimize possible conflicts would be to establish a legal regime in the Arctic that would regulate regional economic activity and satisfy the interests of stakeholders, including non-Arctic states. Until then, the situation will remain rather uncertain.

Therefore, despite Russia’s turn to China and emerging prospects for cooperation between the two powers in the Arctic, Sino-Russian relations in the region are not entirely positive. On the one hand, there is mutual interest in developing a collaboration, while the current geopolitical situation pushes Russia to strengthen ties with its eastern neighbor. On the other hand, there are internal and external uncertainties surrounding the further development of relations between Arctic states.


Abstract:

Nationalist narratives and geopolitical reality have played an opposite role in shaping China’s engagement with the Arctic, with the former pushing it forward while the latter pushing it back. Specifically, Chinese nationalist narratives on strong feelings of love for and pride in the Chinese nation not only initiated but also facilitated China’s engagement with the Arctic. Moreover, the ‘China Dream’, an official narrative put forward by the Chinese President Xi Jinping, has driven the country to
undertake proactive measures to engage with the Arctic, among others, including self-ascribing China as a ‘Near-Arctic State’ and self-designating the ‘Polar Silk Road’. In stark contrast, however, the geopolitical reality featured by Arctic countries’ policies to push back China’s activities in this region has stymied its ambition to attain great power status in the Arctic.

Current & Relevant Information:

Introduction

China’s engagement with the Arctic can be traced back to 1925 when China, under the Beiyang Government, joined the Spitsbergen Treaty at the invitation of France. However, this treaty had been completely overlooked by the Chinese until 1991, when Gao Dengyi, a Chinese atmospheric physicist, in a joint scientific exploration to the North Pole with scientists from Norway, the former Soviet Union and Iceland, was surprised to find the original text of this treaty in which China had been one of the signatories in 1925. Thus, it is no surprise that the Arctic had not been on the agenda of Chinese foreign policy until the mid-1990s, when China began to officially engage with this region. Such engagement has been taken to ‘a new level’ since 2005.

Against this backdrop, the literature on China’s engagement with the Arctic and its motivations for doing so has been growing. One argument is that China has potential economic interests in the Arctic, such as shorter shipping routes and natural resources, especially energy. For instance, Li Zhenfu points out that maritime shipping routes have been an important motivation behind China’s engagement with the Arctic. Similarly, Linda Jakobson argues that ‘The prospect of the Arctic being navigable during summer months, leading to both shorter shipping routes and access to untapped energy resources, has impelled the Chinese Government to allocate more resources to Arctic research’. In the same vein, Gang Chen underscores that ‘The melting of the ice in the Arctic Ocean attracts China because an ice-free Arctic environment will not only provide shorter shipping routes but also access to untapped energy and mineral resources’. By the same token, Marc Lentigines argues that China’s engagement with the Arctic has been driven by this region’s potentially lucrative raw materials, including fossil fuels, minerals and metals, as well as the shorter shipping route, especially the Northeast Passage via the northern Siberian coast once the ice melts as a result of global warming.

However, some scholars challenge the economic motivation argument. For instance, to counter this, Christopher Weidacher Hsiung contends that China’s Arctic oil and gas interests are modest due mainly to the challenges and high costs of oil and gas production in this region and China’s increased import options across the world. To challenge the shorter shipping-route argument, Linyan Huang et al. conducted a survey among Chinese shipping companies and found that these companies seemed not to be interested in the Arctic shipping route because of four factors: 1)
the high investment cost of the purchase of ice-strengthened ships, 2) market constraints like just-in-time and ship size that limit economies of scale, 3) the Arctic market is too small to establish a profitable route to enable a quick return on investment in ice-strengthened ships, and 4) physical risks and insurance costs.

Another point of view is that China has sought multiple goals in its engagement with the Arctic. For example, Malte Humpert and Andreas Raspotni note that China’s participation in Arctic affairs has been motivated by its desire to serve both economic interests, such as resources and shorter shipping routes to Europe through the Arctic, as well as its political interests in enhancing its influence over global affairs through its participation in governing Arctic affairs. Likewise, David Curtis Wright highlights that ‘China is interested in the Arctic primarily for its natural resources and navigation routes’, in addition to the prospect of influencing Arctic affairs. Nong Hong finds that ‘The interests of China range from participating in Arctic governance affairs and accessing potential resources to exploiting shipping opportunities and undertaking polar research’. Camilla Sørensen and Ekaterina Klimenko identify four drivers behind China’s engagement with the Arctic, that is, to build a solid Chinese polar research capacity, to gain access to energy resources and minerals, to develop Arctic sea routes, and to secure China a say in the evolving Arctic governance regime. Similarly, P. Whitney Lackenbauer et al. explore China’s multiple ambitions in the Arctic, such as scientific research, maritime shipping, energy resources as well as political influence.

In contrast, other scholars argue that China has strategic interests in the Arctic region. For instance, Wright focuses on the strategic dimensions of China’s Arctic interests, with extensive translations from Chinese scholars writing from different perspectives and directions. Rob Huebert sounds the alarm that East Asian engagement, and especially that of China, with the Arctic has been motivated by a desire to challenge the sovereignty of the Arctic countries such as Canada. Xia Liping argues that the ice sheet melting in the Arctic could cause extreme weather events and natural disasters in China, which would negatively impact on China’s ecological security and food security. In the same vein, Anne-Marie Brady argues that China has both traditional and nontraditional security interests in the polar regions, including economic, political, military and strategic interests.

Still others argue that China seeks status in the Arctic. For example, Mia M. Bennett argues that China, as ‘an extra-regional state’ of the Arctic, has been motivated not only by economics but also other factors such as concern for global prestige. Similarly, Brady underscores that China has been motivated by its desire to be a ‘polar great power’ in the international system.

Thus, the existing literature has largely focused on China’s national interests when accounting for the rationale behind its engagement with the Arctic, be it economic benefits, influence over Arctic governance, national security or higher status. However, the literature has ignored how China’s nationalist narratives—a domestic
factor and the geopolitical reality in the Arctic—an international factor have interplayed to shape China’s engagement with the Arctic.

To answer this question, this article argues that China’s nationalist narratives and the Arctic geopolitical reality have played an opposite role in shaping China’s engagement with the Arctic, with the former pushing it forward while the latter pushing it back. More specifically, Chinese nationalist narratives on strong feelings of love for and pride in the Chinese nation not only initiated but also facilitated China’s engagement with the Arctic. Moreover, the ‘China Dream’, an official narrative put forward by the Chinese President Xi Jinping, has driven the country to undertake proactive measures to engage with the Arctic, among others, including self-ascribing China as ‘a Near-Arctic State’ and self-designating the ‘Polar Silk Road’. In stark contrast, however, the geopolitical reality in the Arctic is that China does not have any territorial sovereignty in this region, so the Arctic countries have adopted policies to push back China’s activities, which has already stymied China’s ambition to attain great power status in the Arctic.

To test this argument, the rest of this article proceeds as follows. It first explores how nationalist narratives had initiated China’s engagement with the Arctic at the beginning of the 1990s. Next, it displays how nationalist narratives not only paved the way for, but also facilitated China’s official engagement with the Arctic from the mid-1990s. Then, it details how the ‘China Dream’, an official narrative put forth by the Chinese President Xi Jinping, has stimulated the country to undertake proactive measures to engage with the Arctic since 2012. Furthermore, it examines how the Arctic countries have pushed back China’s engagement with this region, followed by a brief conclusion.

**Conclusion**

China’s nationalist narratives and the geopolitical reality in the Arctic have interplayed to shape China’s engagement with the Arctic. On the one hand, Chinese nationalist narratives not only initiated but also facilitated China’s engagement with the Arctic. Especially, China’s proactive measures driven by the ‘China dream’, an official narrative put forth by the Chinese President Xi Jinping, have already revealed its revisionist intentions in this region, that is, not only to seek its rightful place in Arctic governance but also to try to shape such governance in its own way. On the other, however, due to the fact that China does not have any territorial sovereignty in the Arctic, the eight Arctic countries have already become wary of China’s engagement with this region to varying degrees. This wariness, and even suspicion, has led the US and Russia, as well as the rest of the Arctic states, to take counter measures to push back China’s attempts to participate in Arctic affairs, including refuting its self-ascribed ‘a Near-Arctic State’ status as well as frustrating its efforts to obtain a footing in the Arctic. Thus, the Arctic geopolitical reality has largely stymied China’s ambition to attain the status of an Arctic great power.

Abstract:

Few places have been the source of as much speculation, hype, and broad statements as the Arctic region at the start of the 21st century. Propelled to the agenda by flag-plantings and resource appraisals a decade ago, the Arctic continues to lure researchers and journalists to venture northwards to “the next great game”.

Fortunately, with more attention comes more knowledge as well. Several scholars have now debunked the notion of resource wars in the North, due to the sheer size of the areas in question and the fact that the Arctic states already have ownership over most of these areas, through the Law of the Sea regime. Moreover, the foreign ministries of the Arctic states have highlighted the cooperative traits of the region: “in the Arctic, we work together” to solve problems.

Nevertheless, notions of Arctic conflict and great power politics over the North Pole keep emerging on the political and news agenda. Why is this so, if all is well up in the High North?

Current & Relevant Information:

China in the Arctic

Unlike the case in the Cold War, China has now emerged as an Arctic actor. With Beijing continuing to assert its influence on the world stage, the Arctic will be only one of many regions where China’s presence and interaction are components of an expansion of power in both soft and hard terms. China has been noted as a “near-Arctic state,” a situation which demands involvement from Beijing.

However, China is not accepted as an Arctic state and has largely been excluded from regional politics. Despite the inaccuracies of US Secretary of State Pompeo’s warning in 2019 that Beijing’s Arctic activity risks creating a “new South China Sea,” such statements highlight how the USA sees the Arctic as yet another arena where the emerging systemic competition between the two countries is increasing.


Overview:

The highlight of Russian President Vladimir Putin’s visit to Shanghai in May 2014 was the signing of a 30-year accord to supply China with natural gas through a new pipeline from the Russian Far East. It was no spur-of-the-moment agreement in response to Western threats over the Ukrainian crisis, but rather the product of a
decade-long negotiation. From the start, the logic was clear: connect the Russian Far East’s large untapped natural gas reserves to China’s voracious appetite for energy. In fact, I worked on the financial and technical feasibility of such an arrangement some 17 years ago at Mobil Oil Corporation (now ExxonMobil).

But until the last half decade, Russia’s entire energy transportation infrastructure had been geared to shipping oil and natural gas westward to Europe, not eastward to Asia. The new accord between China National Petroleum Corporation (CNPC) and Gazprom marked another milestone in Russia’s shift away from Europe and towards Asia. The deal clears the way for the development of the Russian Far East’s giant Chayanda natural gas field and the completion of a pipeline, called the Power of Siberia, which will carry 38 billion cubic meters (bcm) of natural gas per year to China starting in 2018. That is the equivalent to more than a quarter of Russia’s current natural gas exports to Europe. Russia eventually hopes to boost those exports to over 60 bcm per year.

Current & Relevant Information:
Beijing and Moscow have long discussed supplying Russian energy to China. As early as 2000, they had already envisioned potential pipeline routes that would link Russia’s Siberian oil and natural gas fields to China’s Daqing oilfields, from which existing pipelines could then deliver the imported oil and natural gas to the rest of China. In 2006, the two countries held talks to build two natural gas pipelines with a total capacity of 70 bcm. But neither side could agree on a price to be paid for the natural gas. Parallel negotiations over Russian oil exports also were bogged down.

The 2008 global financial crisis changed all that. Up until then, Russian firms primarily relied on credit and financing from Western banks and oil companies. But those sources quickly dried up. At the same time, once sky-high global energy prices nosedived. Russia turned to China. The two countries reached a deal in 2009 under which Russia would export to China 15 million metric tons per year (about 300,000 barrels per day) of oil for 20 years in exchange for $25 billion worth of loans from China Development Bank to Rosneft and Gazprom, Russia’s state-run oil and natural gas companies, respectively. With Russian oil production dipping that year for the first time since the 1990s, Moscow no doubt felt pressure to strike a deal. Having long underinvested in exploration to replace aging and depleting fields, Russia’s energy companies needed money to develop new oil and natural gas reserves in the Russian Far East. They also used a portion of their newly acquired funds to build a spur pipeline from Russia’s trunk Eastern Siberia-Pacific Ocean (ESPO) pipeline into China. That spur pipeline symbolically opened in September 2010 and oil began flowing through it in January 2011.

Another wave of energy deals between China and Russia was concluded in late 2010. They covered a broad range of issues. China Huadian Corporation, a Chinese state-owned enterprise and one of China’s five major power utilities, and Russia’s
TGK-2, a regional utility, agreed to develop a joint power project in the Russian city of Yaroslavl. At the same time, CNNC Jiangsu Nuclear Power Corporation contracted with Russia Atomic Energy Corporation to design the third and fourth nuclear reactors at the Tianwan Nuclear Station. The two countries also made headway on the export of Russian energy to China. CNPC signed an agreement with Rosneft that settled issues related to the supply of Russian oil for the new spur pipeline to Daqing. Meanwhile, Gazprom revealed that CNPC had agreed to begin discussions for a long-term contract to take over 30 bcm of natural gas from the Russian gas exporter.

The next flurry of energy deals began in 2013. But preparations for it began long before that. In 2003, a collection of Russia’s independent oil companies and BP, a British oil major, pooled their Russian assets to form a new company called TNK-BP. Among TNK-BP’s most valuable assets was a 62.8 percent interest in the Russian Far East’s huge Kovykta natural gas field, just west of Lake Baikal. Most industry experts considered Kovykta’s proven reserves to be the best source for natural gas exports to Asia. By 2007 Moscow wanted those reserves back and began to pressure TNK-BP to sell. Eventually, Moscow forced TNK-BP into bankruptcy and Rosneft bought the company’s assets, including Kovykta, in March 2013.

Thus, Rosneft was well positioned to make new deals with China in 2013. Rosneft’s first agreement was to double its shipment of oil to CNPC to 30 million metric tons per year (about 600,000 barrels per day). In return, CNPC agreed to prepay Rosneft $60 billion for its future oil deliveries. Those prepaid funds came in handy, because it had just spent over $40 billion to acquire TNK-BP’s assets and needed the cash to service its massive debts and to invest in new exploration. Still, the deal demonstrated the worth of the ESPO pipeline and its spur to China.

Moscow’s next two deals raised eyebrows even further. Historically, Russia had been reluctant to permit Chinese companies from taking direct stakes in Russian oil and natural gas fields. But last September it allowed CNPC to acquire a 20 percent interest in Novatek’s Yamal liquefied natural gas (LNG) project in Russia’s Arctic region. In exchange, CNPC agreed to purchase at least 3 million tons of LNG from the project. Even more notable, CNPC and Rosneft agreed to form a joint venture to explore for and produce oil in East Siberia, which contains vast deposits extending hundreds of miles north from Lake Baikal. Those deposits are considered to be some of Russia’s most valuable untapped energy assets. The creation of the joint venture, in which CNPC holds a 49 percent stake, seemed to herald a shift in Russia’s thinking about China (and, to cynics, Russia’s continued need for Chinese capital).

Conclusion

China and Russia have shared a long history. For much of it, their relations were chilly. Russian leaders have worried about Chinese encroachment into the Russian
Far East since the late 1600s, when Chinese forces drove Russian settlers out of the Amur River valley. Although China and Russia settled their once-disputed border ten years ago, many Russians (particularly those who live in the Russian Far East) remain wary of Chinese intentions, especially as they see China economically and technologically surpass them. Indeed, in 2003 Moscow shied away from a Chinese proposal to build a pipeline from Siberia’s oil and natural gas fields directly into China. Russian leaders likely believed that it was far better for Russia to build a spur pipeline into China from its trunk line. That way, if relations between the two countries turn chilly again, Russia could still use its trunk line to export its energy resources to other Asian customers.

But Russia’s push into Asia is not without risk. So far, Russian Far East energy projects have not been very profitable. The fact that half of Russia’s oil exports to China were paid for with Chinese loans, rather than cash, did not help their cost economics. Unless such projects can fetch higher prices for their oil and natural gas production in the future, they are hardly beneficial to Russia’s economy. For the moment, since all of the deals between the two countries have involved long-term fixed-price contracts, even if prices rose, Russia could not benefit much from them. Increasingly, Russia’s power and influence in world affairs center on its control of energy resources. Some observers have said that Putin understands the energy industry better than any other national leader. If true, that is because he has to. He realizes that Russia must develop its Far Eastern resources if Russia’s energy strategy is to work (and Moscow’s coffers are to remain filled). But to do so, Putin is also aware that he needs China, not only as a customer, but also as an investor.

Meanwhile, China’s diversification of its energy suppliers to include Russia also carries risk. Russia’s willingness to use its control over energy resources as a political lever must concern Chinese leaders. Russia already did so with Ukraine in 2008. There is no reason to believe that Russia would not do the same to China in the future. After all, the two countries spectacularly fell out before when Beijing and Moscow quarreled over communist leadership in the late 1950s. But China needs access to new energy resources if its economic growth is to be sustained. Those in the Russian Far East offer China not only a source that is reasonably politically stable, but also nearby and accessible by land. In any case, given China’s apparent ascendancy and Russia’s relative stagnation, Beijing may see little harm in further tie-ups with Russia today. And since pipelines can point both ways, China could also use them as leverage over Russia, especially if Western hostility towards Moscow ratchets higher.

For the moment, none of that need worry China or Russia, so long as both are estranged from the West. Over the long run, however, Russia’s relationship with China may not prove stable. As long as China continues to rise and Russia does not, the underlying economic and military balance in the region will shift. The further that power imbalance tilts toward China, the more the historic mistrust between the
two countries could turn small irritations into big problems, especially if one or the other improves its relations with the West. However, like the time it took for China and Russia to ink its newest natural gas deal, there may be a long wait.

“Confucian geopolitics: Chinese geopolitical imaginations of the US war on terror,” Ning An, School of Geographical and Earth Sciences College of Science and Engineering University of Glasgow, April 2017 [20]
http://theses.gla.ac.uk/8158/7/2017AnPhD.pdf

Abstract:
This thesis contributes to the literature of critical geopolitics. Based on the exploration of existing studies of critical geopolitics, in this thesis I first argue that this body of literature only presents a partial picture of the world from the perspective of political geographies. While it does offer a solidly critical stance in the investigation of how spatiality influences the exercise of power, it also has certain limitations from ontological and epistemological perspectives. Many studies in this literature suffer from three problems. First, many works have empirically and overly focused on Western states while neglecting both non-Western spaces/places and non-Western geopolitical theories. Second, this body of literature has paid too much attention to media texts rather than the audience who consume those media. In the small amount of audience studies, fans, who are considered to be the most passionate consumer, have always been equated with the audience, thereby ignoring other consumption forces, such as critics and occasional readers. Third, the majority of extant critical geopolitical studies have been concerned with constructionism, which emphasizes the significance of human beings in creating a space and thus influencing the exercise of power, while much less attention has been paid to the materiality that underlines the being, or object, playing any of a set of active roles in a narrative.

Those limitations of critical geopolitical studies, in particular the lack of non-Western examples, provide new possibilities for the development of the current field of critical geopolitics. This thesis focuses on Chinese political geographies, a non-Western socio-political background. It indicates that the socio-political context of China has brought potentialities for investigating the complex entanglement between spatial practices and the exercise of power. Specifically, this thesis gives an overview of Chinese geopolitical traditions, hua-yi distinction and Sino-centrism, that have had, and still have, a significant impact upon Chinese political cultures. At the same time, this thesis also reviews the extant literature of Chinese geopolitics. On this basis, it argues that previous works of/in Chinese geopolitical studies have been intimately associated with Western dominance, in particular the classical geopolitical tradition in Western academia, and thus lacked the examination of internal geopolitical voices. These overviews have built two fundamental frameworks for this thesis: critical geopolitics and non-Western geopolitics. Critical geopolitics is the main
theoretical framework for this thesis, while non-Western geopolitics is the primary empirical framework for this thesis, although its contribution is not limited to empirics.

Thus, I argue that geopolitical space is seldom a pure space controlled by any single force or any single element, but rather a heterogeneous space influenced by a mixed range of forces and factors, including both Western and non-Western forces and values, ruling and ruled forces and values, and socially constructed and material factors. In particular for popular geopolitics, I argue that popular space usually strengthens cultural hegemony, but at the same time it also erodes authority. It is a space of difference and antagonism. Armed with the above perspectives, this thesis will use three chapters of empirical studies to explain how various spaces, forces and values are involved in the exercise of power. Three stories are narrated in this thesis:

(1) Two different – even opposite – Chinese newspaper writings of terrorism and the US war on terror, which can be read as an examination of how Chinese elites practice and perform their geopolitical identities.

(2) Audience imaginations of terrorism and the US war on terror through their readings of Chinese newspapers as mentioned above (1), which can be read as an investigation of how Chinese elitist views are spread and how geopolitical visions are established in Chinese society.

(3) Discussion of terrorism and the US war on terror in the Internet community, in which both Internet users and computer algorithms and bots have a significant impact upon the creation of public opinion.

Current & Relevant Information:

Introduction - Imaginations of the US in post-9/11 China

What does ‘the US’ mean in China? For most ordinary Chinese people, this is quite a tricky question. After all, China is widely known as a socialist state that is considered to have a different political, economic and cultural system as well as — most importantly — a different ideology from capitalist states (Zizek, 2012). Numerous historical studies in China have argued that Chinese imaginations of the US have typically been characterized as capitalist, Western, tyrannical and hegemonic, and therefore absolutely opposite to China’s self-proclaimed status as a socialist, Eastern, harmonious and peaceful state (Niu, 2001; He & Huang, 2008). Along with developments in media, such as TV and the Internet, different imaginations of the US that go beyond binary and antagonistic cognitions (to highlight e.g. democracy, freedom, equality and advancement) have increasingly emerged in post-Cold War China. However, such positive imaginations are not yet deeply engrained into Chinese people’s everyday imaginations of the US. On the contrary, the negative imagination of the US seems to be emphasized again and again. When I was about ten years old, I first learned of ‘the US’ from People’s Daily,
an official newspaper that was always left at the back of the classroom in the junior high school in my hometown in a remote area in Northwest China. At that time, I witnessed how the US was depicted by official Chinese powers as an imperial force. Throughout my childhood and adolescence, I was overwhelmed by such voices. The negative imagination of the US as an imperial force was usually taken for granted by Chinese people and its socio-political significance was less well understood.

**Chinese Geopolitics**

Mia Bennett (2015) has explored the Arctic narratives in China’s official discourse under the framework of critical geopolitics. In so doing, Bennett (2015) claims that Chinese official depictions of the Arctic not only stress the salience of intraregional powers in the Arctic Circle but also illustrate the Arctic as a form of global space. Such discourse links Arctic space to the entire planet, thereby legitimating China’s geopolitical status in the Arctic.

**Conclusion – Main Findings**

The first quote is from the former US President George W. Bush’s address to a joint session of Congress at the launch of the US war against terrorism after 9/11, which mapped a binary imaginary geography ‘either/or’ between terrorist and those against terrorists. Since then, the war on terror has become the most significant code in US geopolitical practices, with a strong dichotomous framework between terrorism and US as counterterrorism (Orfy, 2010). This dichotomous geopolitical architecture has been widely accepted by other states and thus applied in their own geopolitical practices, such as in Sri Lanka (Kleinfeld, 2003) and in the Philippines (Woon, 2014). The second quote is chosen from the former chairman of the Chinese government Hu Jintao in his speech on Constructing Socialist Harmonious Society in 2008, which summed the Chinese government’s main criterion for the handling of domestic and foreign affairs. From this perspective, it can be seen that notions of peace, harmony, social stability, tranquility and order are highlighted in Chinese political culture, which might bring different geopolitical visions about the US and its war on terror. This is where this thesis has begun.

Putting this thesis in the theoretical and empirical background of non-Western geopolitics that has often been under-researched in extant knowledge of geopolitics, as reviewed in chapter 2 and chapter 3, this research attempts to theorize Chinese geopolitical imaginations of the US war on terror through the perspective of non-Western geopolitics, particularly a variety of localized Chinese geopolitics. Specifically, this thesis examined the relations between Chinese discourses of terrorism and Chinese geopolitical imaginations of the US in post-9/11 China. As elaborated in previous chapters, this thesis discussed Chinese discourses of terrorism and the US in articles from two newspapers (People’s Daily and South Weekend). It examined middle-level audience imaginations of terrorism and the US
arising through their reading of these two newspapers. Additionally, it explored Internet discourses of terrorism and the US through the case study of Sina Weibo.

On this basis, this thesis found that Chinese imaginations of the US war on terror, from both the state view and the non-state view, tend to refuse a dichotomous ‘either/or’ framework in their observations whereby a simple opposition is spied between terrorists and the US as counterterrorist force. These Chinese imaginations not only pointed out the difference but also looked at the sameness between terrorists and the US, which largely challenged the US’s ‘either/or’ geopolitical practices of the war on terror.

From the state vision, this thesis explored the representations of terrorism and the US in two Chinese newspapers, People’s Daily and South Weekend, in chapter 5, and in so doing concluded that Chinese journalism refuses a binary understanding of terrorists and the US as a victim. Most specifically, the universalized nature of terrorism was underlined in relevant articles in two newspapers, albeit the quantity of such articles accounted for a rather smaller proportion (around 26% and 42% in People’s Daily and South Weekend, respectively). Similarly, however, the remaining newspaper articles that were related to the representations of the US war on terror also depicted the US as a negative image as well as the terrorist. Both newspapers paid attention to the writing about the US war on terror, through which the US was repeatedly described as a rogue state bringing humanitarian crisis, global disorder and hegemony to the world. In this sense, it can be seen that the boundary between terrorists and the US was blurred, and on this basis the sameness between terrorists and the US was underlined.

From the non-state view, this thesis studied the middle-level Chinese people’s discussions of terrorism and the US through their readings of People’s Daily or/and South Weekend in chapter 6, as well as the mass Chinese Internet users’ discussions of terrorism and the US in the Chinese Internet community, Sina Weibo, in chapter 7. On this basis, this thesis concluded that the refusal of a dichotomous framework between the US as counterterrorist and terrorist not only made sense in state voices but also in non-state realms. For example, in the exploration of Chinese audiences in chapter 6, a number of the recruited middle-level Chinese people, as well as the Chinese newspaper representations, looked at the sameness between terrorists and the US, viewing terrorists as the universal enemy of all humanity and at the same time describing the US as a rogue state that brought humanitarian crisis, global disorder and hegemony to the world. Moreover, the empirical study of Sina Weibo in chapter 7 also found that the mass Chinese Internet users’ imaginations of terrorism and the US were partly related to negative constructions of the US, albeit the Internet discourses were not merely limited to this negative aspect. These two empirical cases have explained that the refusal of ‘either/or’ in Chinese imaginings of terrorism and the US was not only a form of top-down voice, but also indeed a type of bottom-up self-awareness.
Taken together, this thesis hence promoted a localized geopolitical notion, Confucian geopolitics, to understand and explain Chinese geopolitical imaginations of the US war on terror. Most specifically, as discussed in chapter 3, the Confucian philosophy so deeply historically-rooted in Chinese political culture appears to have significant impact upon Chinese geopolitical thoughts and practices, even in a contemporary China contextualized by Communist ideologies. That is, values of harmony, diversity, order and welfare are all still demanded in Chinese political ideas and actions, in both domestic and international political realms (Jiang, 2003; Wang, 2003; Qin, 2010). In Confucianism, the ultimate rule to evaluate a politician or a state is to see whether he/she/it can build a harmonious world both in domestic space and in the international community through stable, peaceful and tranquil ways. Based on these Confucian values, the Chinese vision tends to see the sameness among the various political actors, rather than to look at their difference so as to justify certain political interests.

In the empirical analysis of Chinese imaginations of terrorism and the US in this thesis, it can be seen that responses to such Confucian values and visions can be found everywhere. For example, Chinese newspapers, People’s Daily and South Weekend, tend to see the sameness between terrorists and the US, representing the terrorists as insecurity-makers, and at the same time they also describe the US as the maker of insecurity, disaster and crisis as well. In such Chinese visions, both terrorists and the US are regarded as going against the Confucian values of harmony and peacefulness. Similar ideas can be evidenced in Chinese audience imaginations of terrorism and the US. Quite a number of Chinese audiences even pointed out that it was exactly the US’s tough behavior, going against Confucian values, that resulted in the calamity of terrorism. Moreover, the examination of Chinese Internet discourses of terrorism and the US has also found that, to a much wider extent in Chinese society, these Confucian values of harmony and diversity still impact Chinese people’s evaluations of the US war on terror and their constructions of anti-US identity. On this basis, this thesis concludes that these Confucian elements, which are deeply sedimented in Chinese society and Chinese political culture but often ignored or left implicit and assumed in extant knowledge, really do impact Chinese geopolitical imaginations, in particular of terrorism and the US. Therefore, this thesis suggests a notion of Confucian geopolitics to understand geopolitical imaginations of terrorism and the US without the ‘either/or’ binary framework.

In addition, Confucian geopolitics also provided a different way of observing the US from existing frameworks of Capitalism-Communist antagonism (Niu, 2001; He & Huang, 2008) and Chinese nationalism (Kluver, 2001; Zhou, 2005), refusing to depict US society as an opposite of Chinese society. This is particularly reflected in the empirical study of the audience space and Internet space. As aforementioned, Chinese discourses on the US appear not only limited to the depiction of the US as a rogue state bringing humanitarian crisis, disorder and hegemony to the world, but, at
the same time, also paid attention to the positive aspects of the US, in particular in Chinese audience imaginations and Internet discourses. For example, in chapter 6, it can be found that audience space had created a foothold for Western values and thus built up a positive image of the US. Moreover, in chapter 7, this thesis found that Chinese Internet discourses about the US had also involved pro-US sentiments that went far beyond Chinese nationalism. These positive perceptions of the US, whether in the audience imaginations or in Internet discourses, were usually built on the basis of understandings of US environment, technology, democracy, social system, economic system, education system and entertainment, were closely related to the US society’s features of harmony, diversity, peace, welfare and order. In this sense, the refusal of constructing a conflicting and binary relationship between the US and China can also be read as a form of Confucian thinking, in particular under the socio-political context of China.

As mentioned above, Confucian geopolitics does offer a different way to look at terrorism and the US beyond the ‘either/or’ binary framework in US geopolitical practices. However, it merits highlighting that Chinese geopolitics is more than just Confucian geopolitics, but that Confucian elements have been surprisingly ignored in extant works of Chinese geopolitics. This thesis therefore brings the Confucian elements back into Chinese geopolitical research. Indeed, this thesis also warned of a ‘trap’ for non-Western geopolitics. That is, this thesis admitted the importance and emphasized the significance of the Confucian elements for understanding Chinese discourses on terrorism and the US, whether by elites, middle-level actors, or mass publics, but, at the same time, it can be seen that Western elements made sense as well as Confucian elements. For example, the contexts of Communism and Chinese nationalism were still found to be related to Chinese discourses of terrorism and the US. In chapter 5, where People’s Daily’s and South Weekend’s writings of terrorism were discussed, the representation of terrorism as a form of universalized issue, to a significant extent, can be considered to be influenced by Chinese nationalism and so used for legitimating Chinese ethnic and religious policies in Xinjiang. In chapter 6, where Chinese audience imaginations of terrorism and the US were explored, it can be seen that parts of Chinese audiences also tried to use nationalist sentiments to construct and practice their imaginings about terrorism and the US. Similarly, in chapter 7, a number of Chinese Internet users tried to apply the Communist context and Chinese nationalism as an important way for understanding terrorism and the US. Some Internet users ‘shouted out’ Cold War slogans to support their anti-US discourses; other Internet users even recalled tense Sino-US diplomatic events (e.g. the Chinese embassy bombing incident and Sino-US aircraft collision incident) to show their patriotic stances, construct their national identity and practice their anti-US imagination. In this sense, this thesis reinforced the idea of Chinese geopolitics as more than just Confucian geopolitics, but as a complex assemblage in which both Confucian elements and other possible elements came together.
In sum, just as the original term “critical geopolitics” which brought together two terms that were seen to be contradictory (Sharp, 2013), there seemed to be a contradiction in saying “Confucian geopolitics” as these two terms (i.e. Confucian and geopolitics) seemed to be two different, even contradictory terms: the former one underlined peace, harmony, social stability, tranquil and order, while the latter one emphasized the geographical impact upon politics, in particular violence and conflict. As summed above, however, it is exactly in that contradiction where a new way of thinking about geopolitics that refuses a binary inside-outside perspective can emerge.

3. Economic Activities:

“Arctic Blue Economic Corridor: China’s Role in the Development of a New Connectivity Paradigm in the North,” Vasilii Erokhin, Gao Tianming, and Zhang Xiuhua, Arctic Yearbook, 2018 [21]

Abstract:

During recent years, growing exploration of natural resources and development of transport routes have reemerged in the Arctic as a scene for political and economic collaboration between Nordic and non-regional states. Being a non-Arctic country, China nevertheless has played an active role in the elaboration of international regulations and the establishment of governance mechanisms in the Arctic. The country has recently released a White Paper on the Arctic Policy and thus prioritized scientific research, underscored the importance of environmental protection, rational utilization, law-based governance, and international cooperation, and committed itself to maintaining a peaceful, secure and stable Arctic order. Diversified transportation routes and economic corridors are of paramount importance to such global trading nations as China. However, an extension of the economic corridors to the Arctic is viable only in the case of development of satellite trade, production, and research opportunities along the potential transport routes. In this study, the authors discuss the critical points in the implementation of China’s paradigm of collaboration and connectivity in the Arctic, as well as focus on the promotion of bilateral win-to-win investment and trade projects with the countries along the potential Arctic Blue Economic Corridor (ABEC). The authors conclude that the ABEC may be efficiently incorporated into China’s Belt and Road network, but emphasize that specific technological and economic challenges have to be considered and met before a sustainable connectivity between the markets of Asia and Europe is established in the Arctic.

Current & Relevant Information:
Introduction

International collaboration in the Arctic and the challenges of Arctic connectivity for economic development and trade have been attracting increased attention by many scholars worldwide. One of the most comprehensive comparative studies of Arctic strategies and policies of different countries has been made by Heininen (2012), who summarized the priorities, priority areas, and objectives of major actors in the Arctic. Involvement of non-Arctic states into the Arctic governance and growing roles of China, Japan, Republic of Korea, and other non-regional actors in the Arctic issues has been studied by Ivanov (2016), Coates and Holroyd (2017), Lanteigne (2014), Leifer (2013), Peng and Wegge (2015), Streltsov (2017), and others. Most of the publications include contemporary issues of international cooperation in the Arctic in the formats of the Arctic Council and the Nordic Council. However, it is important to consider the roles of various trans-Arctic interactions between Nordic and non-Arctic countries, particularly, China, to address the specific implementations of China’s Belt and Road Initiative (BRI) and China-Nordic diplomatic model for achieving sustainable development in the region.

The themes of China’s involvement in the Arctic governance and growing role of the country in the Arctic issues have been addressed by both Chinese and international scholars. Lanteigne (2014) studied the evolution of China’s Arctic strategies in terms of their distinct paths, institutions, and political and economic dimensions. Joelsen (2016) focused on the study of China’s engagement with the Arctic Council, particularly, strategic goals of China’s observer status in that organization, principal interests of the country in the Arctic, and peculiarities of contemporary China’s diplomacy with the Arctic countries. Lanteigne (2017), Stokke (2013), and Gavrilov and Kripakova (2017) determined the prerequisites for the formation, analysis of the current state and of the future development of the Arctic policy of China and the countries of Northeast Asia and provided a description of current opportunities for China to participate in the institutional and rule-making mechanisms of the Arctic governance.

Bennett (2014), Stephenson et al. (2013) paid special attention to the ports linking resources in the North Pacific and wider Arctic region to destinations in Northeast Asia, particularly, the effects of the development of the shipping lanes in the Arctic Ocean for the increase of commercial ties between Asia and Nordic countries. Special attention has been given to the investigation of transport corridors in the Arctic. Meng et al. (2017) focused on navigation conditions and commercial features and reviewed the existing studies that had examined the necessary conditions and requirements for transarctic shipping routes to be viable. Guy and Lasserre (2016) studied perspectives, challenges, and regulations of commercial shipping in the Arctic. Jørgensen-Dahl (2010) investigated the perspectives of economic development and shipping in the Arctic along the Northwest, Northeast, and Transpolar passages. Farre et al. (2014) focused on the perspectives and
challenges of commercial Arctic shipping through the Northeast Passage, including Russia’s part of the Northern Sea Route (NSR). Ruksha et al. (2013), Xu et al. (2011), and Verry and Grigentin (2009) studied the perspectives and challenges of development and exploration of the NSR for bulk and container shipments between China, Russia, and Europe. Dunlap (2002) studied the possibilities of transit transportation along the NSR by Russian and foreign vessels. Kikkas (2015) and Zalyvsky (2015) discussed the potential of the NSR and other transport corridors in the Arctic and conducted an analysis of major factors affecting the performance of transport and economic projects in the High North. Fisenko (2013, 2014) and Zelentsov (2012) focused on the political, economic, and transport aspects of the development of the NSR in terms of competition for resources in the Arctic and search of new ways of shipping.

China has recently published its Arctic policy and incorporated the Arctic shipping lanes into the BRI transport network. Contemporary approaches of the country to the development of the region and exploration of its resource and transport potential require thorough study in the light of the collaboration with Nordic countries. However, as to the involvement of the Nordic countries in the implementation of the announced Arctic Blue Economic Corridor (ABEC) initiative, there have not been any comprehensive studies of the issue so far. Perspectives on the development and commercial use of transport and trade routes in the Arctic, polar logistics, and development of infrastructure in the High North are among the hot topics to investigate. This paper attempts to bridge the gap and assesses the challenges and perspectives of turning the ABEC into an economic and transport corridor between China and Europe. This study discusses the major challenges China faces in exploring new maritime ways in the Arctic and collaborating with Nordic countries and Russia in the development of the ABEC.

**Conclusion**

The initiative of the establishment of an economic corridor in the Arctic is an integral element of the long-term vision of the region by China. Despite the strategic orientation of the BRI to the southern transport corridors, China is rather dependent on the situation in Malacca and Suez (Sun, 2014; Lanteigne, 2013). The ABEC initiative is as an attempt to diversify maritime transport routes and ensure long-term security trading for China. The resource-rich Arctic offers new possibilities in China’s global search for energy and strategic engagement in the region. However, the prospective vision of the ABEC is not only about securing trade routes. The overarching goal is to facilitate connectivity between China and Nordic countries, to ensure sustainable economic and social development of the Arctic, and to bridge the gap between traditional industries in the Arctic and China’s market. Chinese shipping in polar waters in the coming years will form the backbone of the BRI process in the Arctic, which will require collaboration with Nordic countries and
Russia, on the co-development of transport infrastructure and cargo-generating facilities along the Arctic routes.

For the Nordic countries, Russia, and other stakeholders involved, there are certain geopolitical and commercial advantages of the ABEC initiative, as well as risks. Nordic countries and Russia look forward to attracting investment to the mining and infrastructure projects in the Arctic, increase export of hydrocarbons and minerals, and benefit from serving transit navigation along the opening maritime routes. China would like to ensure its presence in the Arctic projects, get access to economic resources and shipping routes in the region, and incorporate the entire region into the BRI network. However, there are many specific technological and economic challenges to be considered and met before the ABEC may become a viable alternative to the MSR. Development of the ABEC requires extensive construction and reconstruction of the infrastructure along the entire route from Russian Chukotka in the east to Iceland and Greenland in the West: deep-water seaports with modern logistics and service, transport hubs, support and rescue points for safe and stable transarctic shipping, and refueling points for transit vessels passing the route from China to Europe and back.

The success of the ABEC is only possible with the attraction of foreign investments. In such a situation, future development of the ABEC and China’s position in the initiative depend on the willingness of Nordic countries and Russia to attract China’s investment. The economies along the potential ABEC have a wide range of assets and features that Chinese investors seek, i.e. hydrocarbons and maritime transport in Norway and Russia, shipbuilding in Finland, research and development in Sweden, mining in Denmark (Greenland), renewable energy and rare-earth metals in Iceland, among others. However, the magnitude and certain patterns of China’s activities in the region have also raised concerns as Chinese companies have begun to buy what some consider critical infrastructure (Seaman et al., 2017). To overcome challenges of strategic mistrust, China should further engage Nordic countries and other stakeholders to reassure them of its intentions (Liu, 2018). China should not solely rely on its economic largesse to win the support of its potential ABEC partner nations. Over the long term, China will need to highlight the less visible benefits of the ABEC, such as sharing of development experience and expertise, the promotion of regional cooperation, and the delivery of more global public goods.


Overview:

In January 2018, China published its first-ever Arctic policy, emphasizing the role China sees for itself in Arctic affairs. China has extended its interests in the region beyond the country’s previous focus on scientific research to also engaging in
economic activities along with the “Polar Silk Road” (PSR). As a new expansion of China’s grand and crucial foreign policy strategy, the “Belt and Road Initiative” (BRI), the PSR aims to develop “a blue economic passage linking China and Europe via the Arctic Ocean”.

China calls itself a “Near-Arctic State” that is still a non-Arctic state, and “an important stakeholder” in the region. Among its economic activities, China’s engagement strategy primarily revolves around investments, including foreign direct investment (FDI) and foreign portfolio investment (FPI). China’s investment attempts have mainly focused on the resource extraction industry, such as Yamal LNG, the Kvanefjeld mining project, and critical infrastructure projects, such as the Kemijärvi airport in Lapland, the Arkhangelsk deepwater seaport, and the submarine cable system in Greenland.

China’s growing involvement in the Arctic and several of its particularly controversial investment attempts — such as the Greenland airport project and the land purchase proposal in Iceland — lead to the impression that China’s investments in the Arctic are increasing and alarming. Many reporters, politicians, and analysts have expressed mounting concern regarding China’s true intentions in the Arctic behind its investment attempts. In 2019, then US Secretary of State Mike Pompeo aggressively questioned China’s real intentions in the Arctic and warned of the potential debt trap and other dangers, such as corruption, economic destruction, and militarization, caused by China’s investments in the Arctic. Nordic states also highlighted the importance of conducting foreign investment screenings, driven by the security concerns in critical infrastructure and 5G systems, which seems like a not-so-subtle reference to China’s activities, considering that these are the primary foci of Chinese investments.

To better understand China’s economic presence in the Arctic, we need to determine if China's investments in the Arctic are really growing and explore how the Arctic investment destinations can respond better.

Current & Relevant Information:

ARE INVESTMENTS REALLY GROWING?

Unlike the “standard” narrative that Chinese investment is rapidly growing, “I always ask people to list the Chinese investments in the Arctic…. unfortunately that list is quite short,” said Mads Qvist Frederiksen, the Executive Director of the Arctic Economic Council, in January 2022. A group of Nordic researchers also pointed out that China’s investment and overall economic activities in the Arctic are limited, with most investments occurring in the Russian Arctic region.

In many reports and analyses, the references to China’s investment are usually without a clear distinction between FDI and FPI, although fundamental differences exist. For example, FDI is generally considered stable with long-term
development strategies, and the investors typically hold a high level of control of the firm. However, FPI is more short-term interest-driven, and the investors have little interest in being involved in the firm operation and management. In this regard, it is primarily Chinese FDI that worries China-watchers since FDI implies a high level of control by Chinese shareholders in which the state could easily insert its strategic interests.

CNA, a think tank dedicated to national security research, systematically reviewed China’s FDI in the Arctic. Its reports conclude that China’s FDI does not seem to be increasing overall and indicate a gap between peoples’ idea of China’s investments in the Arctic and the observed investments on the ground. What could be the reasons for this gap?

First of all, Chinese investors tend to announce high-value deals and the corresponding contribution to the Chinese Government’s strategy, which is newsworthy and catching for the local Arctic and international media, especially in the context of the intensified China-US great power competition and the controversy of the massive BRI. However, many announced investments are usually significantly watered down or never occur in reality, but the grandiose announcements are rarely followed to completion or revealed to the public. Failed large-scale investments are far from something Chinese investors are proud of, and they may be afraid of possible consequences of media storms both domestically and abroad. One such example is that of the rejected investment by Huang Nubo, a Chinese property tycoon who tried to purchase 300-square kilometers of Icelandic land (0.3% of Icelandic national land mass) in 2011. Because of this failed investment, Huang and his Zhongkun Group got caught in a media controversy, especially in China and Iceland. Huang believed the failure of this investment was due to political reasons, and that the high level of media exposure may negatively affect his future investments. In addition, for the media, it is obvious that diluted Chinese investments are less newsworthy and eye-catching.

**THE INTERWEAVE AND DISTINCTION BETWEEN PUBLIC AND PRIVATE INVESTMENTS**

The tight connections between Chinese investors (both state-owned and private) and the Chinese Government are the primary causes of China’s threat perception and the main reasons for the failed deals. Chinese investments are usually portrayed as advancing Chinese political and security interests in the Arctic regardless of the investment source. Unlike state-owned enterprises, private enterprises, in principle, are not supposed to serve the state’s political goals. However, the line between state and private enterprises in China has become increasingly blurred, and the government’s influence has been expanding in all Chinese enterprises, especially since the OFDI regulation was tightened in 2017. In the new regulation, *Guiding Opinions on Further Directing and Regulating the Direction of Overseas Investment*, many so-called “irrational” investments are
restricted or prohibited, but the Belt and Road Initiative-related projects are marked priority. What’s more, the new regulation stresses national interests and national security in OFDI, and the involvement of the Ministry of Foreign Affairs, an unusual FDI regulator, further indicates the Chinese Government’s increasing political and strategic interests in its enterprises’ investments overseas, including the Arctic.

Although OFDI by both Chinese state and private enterprises are influenced by the Chinese Government to varying degrees, at the end of the day, enterprises are commercial first and foremost. No doubt, these enterprises — at least some of them — have realized that their connections with the Government may hinder their OFDI and profit-seeking, so why do these enterprises still highlight how their investment may contribute to the national agenda in documentation? A plausible reason could be their need to gain state support for their investments, including financial support from the state banks and regulatory support. Therefore, Chinese enterprises, especially private ones, seem to face a crucial dilemma. Addressing the state’s strategic concerns is a premise to obtain state support for their overseas investment, but such claimed commitments make the promised economic goals of their investments suspicious in the eye of the recipient countries and then lead to barriers for their profit-seeking economic activities.

It remains unknown to what extent Chinese private enterprises sincerely care about serving the national strategies in their overseas economic activities, but it seems at least some of them merely regard strategically framing their investments as a technical approach to attract financial and regulatory support from the state.

There is no doubt that attracting responsible foreign investment can boost economic and societal development in the Arctic, but making smart decisions on investment proposals by the Chinese private enterprises is a great challenge for the Arctic states and local communities because of the non-transparent investment information and the confusion of the relationship between the state and Chinese private enterprises in China.

FDI screening with up-to-date proper measures is necessary to make these smarter decisions. Most of the Arctic states have an FDI screening framework in place already, but they need a more tailored approach to differentiate FDI from Chinese private investors for the sake of both investors and the locals. For example, open and transparent information exchanges between the screening agencies and the investors may help both sides understand each other’s concerns better and more effectively. The relationship between the private investor and the state should be assessed case by case, carefully considering the changes in Chinese domestic politics and OFDI regulations.

“An analysis on Sino-Russian cooperation in the Arctic in the BRI era,” Olga Alexeeva and Frederic Lassere, Advances in Polar Sciences, 2018 [23]
https://www.researchgate.net/profile/Frederic_Lassere/publication/330354805_An_anal
Abstract:

Over the past decade Sino-Russian cooperation in the Arctic has emerged as one of the major topics of the Russia-China negotiations on how to expand their comprehensive strategic partnership and to bring it to a new level. China considers the Arctic region important for its economic interests and desires to be included in the development of the region and its economic potential. For Russia, the Arctic is a future strategic resource base that would replace the old depleting fields and assure Russia's status as a major worldwide energy supplier. Despite many joint statements on deepening of the Sino-Russian cooperation in the development of the Arctic energy resources, the concrete results of these ambitious plans are few. Some joint projects were dropped, as China and Russia could not agree on the conditions of the deal, others are progressing very slowly and have an uncertain future. In 2017, China has expanded its “Belt and Road Initiative” (BRI) to the Arctic thus elevating the Sino-Russian cooperation in the Arctic to a higher level. How did the relationship between Russia and China evolve in the Arctic and how do Russia and China view and respond to the new Arctic dimension of the BRI? What factors limit the strategic rapprochement between China and Russia in the Arctic?

Current & Relevant Information:

Introduction

In January 2018, China released its first Arctic White Paper that outlines the major points of Beijing’s Arctic strategy. The document has attracted a lot of media attention both in the West and in Asia, and renewed concerns raised by some academic and many media commentators about a Chinese takeover of the Arctic. Although the Paper does not provide any detailed policy guidelines, mostly confirming the well-known Chinese interest for the economic development of various Arctic resources, one theme stands out in this otherwise very generic presentation—China’s ambition to tie the Arctic to its Belt and Road Initiative (BRI) by using a “Polar Silk Road” to connect China to Europe through the Arctic Ocean (State Council Information Office of the PRC, 2018).

The idea to extend the BRI to the Arctic reflects not only China’s recent shift to a more confident approach in pursuing its economic and geopolitical interests worldwide, but also Beijing’s desire to further strengthen and promote the Sino-Russian economic ties in the polar region. Currently, Russia is the only BRI partner among the eight Arctic states and the largest recipient of Chinese Arctic investment. Since 2014, Moscow has been increasingly open to the idea of China’s greater involvement in extraction and mining activities in the Russian Arctic and has officially
committed to further cooperate with China on Arctic BRI projects of various nature and different scale.

At the same time, Beijing has showed a growing enthusiasm for the use of the Northern Sea Route (NSR) (Huang et al., 2015). The Chinese are not only actively testing the feasibility of the Arctic shipping routes by sending commercial ships along the NSR but are also working on the design and construction of ice-classed vessels, capable of operating in Arctic waters. These Chinese activities found energetic official support in Moscow which confirmed on several occasion its intention to develop the cooperation with China on the NSR, conveniently re-christened as “Ice Silk road” or “Silk Road on Ice” to fit the BRI’s official vocabulary.

The emerging Sino-Russian cooperation in the Arctic and its economic and geopolitical potential has recently became the focus of some scholarly attention. The majority of Western scholars tends to analyze the Sino-Russian cooperation in the Arctic from Moscow’s perspective by focusing on the Russian aims of pursuing the partnership towards China in the Arctic (Lanteigne, 2015; Røseth, 2014). In 2017, the Stockholm International Peace Research Institute (SIPRI) published a detailed and rather balanced report on the recent developments of the Sino-Russian economic cooperation in the Arctic. After examining the evolving interests and activities of China and Russia in the Arctic, the report concluded that the existing divergence in goals and approaches greatly undermines the future of Sino-Russian cooperation in the Arctic (Sørensen and Klimenko, 2017), apparently confirming views already exposed by Lee and Lukin (2016).

Russian experts, while noting that Russia and China have differing priorities in relation to the Arctic, emphasize the economic benefits of the joint development of the Arctic resources and shipping routes for both countries (Konyshev and Sergunin, 2012). Although acknowledging the potential strategic and military risks of the growing Chinese presence in the Arctic (Khramtchikhin, 2015) and the existing differences in Russian and Chinese interpretation of Arctic law and governance (Morozov, 2016; Zagorsky, 2016), most Russian scholars see the future of the Sino-Russian cooperation in the Arctic in a more optimistic light then their Western colleagues.

Chinese scholars also highlight the positive drivers for Sino-Russian cooperation in the Arctic (Wang et al., 2015; Song and Wang, 2014) and study the possibilities of connecting the Russian Arctic to the BRI project (Li et al., 2016; Lu, 2016). In the majority of the publications, China is described as “a natural partner” for Russia as it has the ability to supply technologies and investments to back up Moscow’s endeavor to develop Arctic resources and shipping routes.

To identify the scope and scale of the Sino-Russian cooperation in the Arctic, we have assembled data from different Russian and Chinese sources in an attempt to quantify the Chinese participation in the development of the Russian Arctic since
Governmental agencies in both Russia and China give very few details about the terms and conditions of the signed deals and their official statistics are often at odds with each other, so most of the data is sourced from periodicals and academic publications. The comprehensive analysis of these sources revealed that Sino-Russian projects in the Arctic—their expense, scope, and anticipated value—are frequently misrepresented for many different motives, including geopolitical concerns. How do Russia and China view and respond to the new Arctic dimension of the BRI? What are the potential implications for further Chinese-Russian cooperation on the NSR in the Arctic? Is the ongoing Russia-China cooperation in the Arctic the result of short-term pragmatic choices for both parties, or is it the beginning of a nascent strategic partnership? Are there discrepancies in the views of each partner regarding their cooperation in the Arctic? This paper examines whether this recent boost in Sino-Russian relations in the Arctic is a pragmatic choice for both parties or whether it is borne out of political and strategic partnership.

This paper aims to contribute to the literature on the development of the China-Russia partnership in the Arctic by providing a comprehensive and up-to-date analysis of recent Sino-Russian cooperation in the Arctic, through a review of commercial negotiations and economic activities related to the exploration of the energy and shipping potential of the Russian Arctic, as well as an assessment of the current state of the cooperation between the two countries. A thorough review of the Russian scientific literature was notably used to document the cooperation between Russia and China in the Arctic and how it is perceived in Russian sources. This was analyzed in the frame of the constructivist approach of international relations and political geography, theories that emphasize that States may cooperate in the political and economic field, to the difference of the realist approach (Lasserre et al., 2016). The paper will first explore Russian objectives in the Arctic; then the first steps of the Russia-China cooperation in the region; and will then analyze the achievements of this cooperation.

Conclusion

The Ukrainian/Crimean crisis and Western sanctions, which took away Russian access to key financial markets and technological know-how, have brought Russia closer to China and seem to elevate their strategic and economic partnership to a higher level. The Russian "pivot to the East" has resulted in the signing of a number of important agreements related to the joint economic development of the various resources of the Russian Arctic. This rapprochement has been recently confirmed by Beijing’s decision to expand the spatial scope of the BRI to the Russian Arctic and thus further promote Sino-Russian economic cooperation in the region. Thus, this paper has tackled the issue of how Russia and China can cooperate in the Arctic so as to foster their respective interests.

However, despite the apparent deepening of the bilateral relations, concrete results of these ambitious plans are limited. Some joint projects were dropped, as China
and Russia could not agree on the conditions of the deal, others are progressing very slowly and have an uncertain future. Mutual strategic mistrust and different understanding of the mechanics and final goals of the Sino-Russian partnership in Beijing and Moscow seem to undermine the scale and the rhythms of their cooperation in the Russian Arctic. Yamal LNG is the only successful Sino-Russian joint venture in the Arctic where both sides seem to find their own interests, although Moscow and Beijing interpret differently their respective contribution to the implementation of the project.

The connection of the Arctic to the BRI might provide a new momentum for Sino-Russian cooperation in the Arctic by stimulating Chinese companies to participate more actively in the energy and infrastructure projects on the Russian territory. The realization of projects under the BRI umbrella will improve their opportunities for financial support from the Silk Road Fund and other official Chinese institutions thus reducing their exposure to various risks associated with many Russian projects in the Arctic. Greater involvement with the BRI might also motivate Russia to formulate a more coherent and pragmatic vision of its partnership with China and thus increase the scale of Chinese involvement in the development of the Russian Arctic. For now, the Sino-Russian relationship remains a marriage of convenience where both sides try to balance their vulnerabilities at the expense of the other. Closer cooperation within the BRI might change the situation and lead to a renegotiation of terms of Sino-Russian cooperation in the Arctic, even though the prospects for a mutually beneficial relationship remains tributary to a number of international and domestic factors.


Abstract:
After having actively conducted Arctic research for many years, China now seeks greater access to and involvement in the Arctic and Arctic affairs. China’s quest for full membership in the Arctic Council is significant. This study reviews China’s historical activities in the Arctic and argues that recently intensified Chinese initiatives are driven by two considerations: a search for natural resources and a desire to secure new maritime trade routes. The paper offers recommendations for enhancing U.S. national security interests while encouraging responsible Chinese behavior in a dynamic sphere of international cooperation.

Current & Relevant Information:
The Arctic environment is in great flux. Scientific studies show the Arctic ice cap has diminished by 40% over the past 35 years. Nations are conducting polar scientific research to better understand the changing Arctic ecosystem and the effects of the warming Arctic upon the world’s climate. The Arctic Ocean and coastal areas once barren and frozen under a dense sheet of ice are slowly coming to life with industry
and commerce brought about by the receding ice conditions. These environmental changes bring new opportunities for the eight Arctic nations (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States) that ring the North Pole (Figure 1) and are competing for abundant resources (e.g., oil, natural gas, minerals, and fish stocks) that the newly accessible Arctic contains. The receding ice is also unlocking three additional maritime trade routes that will relieve the increasingly stressed global marine transportation system between Asian, European, and North American ports: the Northern Sea Route, the Transpolar Sea Route, and the once-legendary Northwest Passage.

Although it has no Arctic littoral, China has been active in the Arctic for many years conducting climate research and assorted scientific expeditions. Recently, China has signaled its intent to become more involved in Arctic affairs and governance by seeking full membership in the multilateral Arctic Council and closer collaboration with the Arctic nations. China’s interest in the Arctic is driven primarily by the need to fuel and feed the world’s largest population and developing economy. China’s search for new sources of oil, natural gas, minerals, and fish, stem from this desire as does its quest to secure additional maritime trade routes.

China’s History in the Arctic

China’s interest in the Polar Regions dates back over thirty years. The Chinese Arctic and Antarctic Institute that directs the nation’s polar research program was established in 1981. China’s initial interest in the Arctic involved scientific research to
better understand the effects of changing Arctic conditions on the weather patterns in China. It has since conducted numerous expeditions to both the North and South Poles. In 2004, China built a permanent Arctic climate research facility in Norway. Chinese publications have shifted since 2007 from a purely scientific focus to more strategic, political, and legal issues concerning the Arctic region. By 2010, China conducted four independent Arctic missions aimed at scientific research, partnership building, and economic opportunities. China’s Twelfth Five Year Plan calls for increased polar research to understand potential effects of Arctic climate on its national economic policy.

Despite all this activity, China has no declared official Arctic policy. Rather, Chinese officials have issued statements espousing their interest in the environmental impacts of the changing Arctic climate. Unlike its position in the South China Sea, the Chinese government has stated that the Arctic should be open to all nations—not simply those with territory in the region. This indication of China’s intent to compete for the potentially immense natural resources of the Arctic also provides a subtle warning to any nation seeking to control the Arctic waterways. China’s State Oceanic Administration has called the Arctic the “inherited wealth of all humankind . . . and not the ‘private property’ of the Arctic nations . . . every country in the world has an equal right to exploit the Arctic Ocean.” The use of the word “exploit” is telling: China clearly views the Arctic as an opportunity to meet its growing energy, mineral, and food supply needs.

The region is rich in natural resources and could, indeed, help sustain China’s large population and meet the demands from its rising middle class. In July 2014, China’s population was estimated at 1.4 billion people, the world’s largest. China’s intent to compete for Arctic access and resources is exemplified as follows: (1) a leading Chinese academic stated, “Whoever has control of the Arctic route will control the new passage of world economics and international strategies,” and (2) a Chinese Navy official claimed that since 20% of the world’s population is located in China, it is entitled to 20% of the resources contained in the Arctic. China, however, is not an arctic nation, does not enjoy the unfettered access to Arctic resources it apparently desires, and is hindered by the 1982 United Nations Convention on the Law of the Sea (UNCLOS)—and international legal framework that governs nations’ actions there.

**Conclusions**

The Arctic will continue to be a strategically important region as nations position themselves to take advantage of the untapped resources and expeditious maritime routes. Although China’s interests in the Arctic started with scientific research, they have evolved into a desire to exert influence over the control and distribution of the bountiful natural resources (oil, natural gas, minerals, and fish stocks) required to sustain China’s population and fuel the world’s largest economy. As Stephen Blank notes, “China is clearly after more than simply investment and trade opportunities as
it continues to display its obsession with securing energy and other supplies where the U.S. Navy cannot or will not go.” Additionally, China has signaled its intent to step up its use of the three Arctic maritime transit routes.

The Arctic Council is the internationally agreed model of governance and has established a strong reputation for cooperation and mutual respect among Arctic nations, as evidenced by the Arctic SAR and oil spill agreements. China is not likely to be satisfied with a limited role of observer in Arctic affairs and can be expected to continue to lobby for full membership on the Council. To boost the strategic importance of the group, however, the Arctic Council can capitalize on China’s leadership position in the global economy. The rise of China in the Arctic may also be seen as a balance to Russia—which is the most active and provocative state in this region.

The self-labeling of the United States as an “Arctic nation” by national policy makers is not borne out by the intensity of American policy and activity in the region. Unlike Russia and Canada, the United States is perceived by China as neither an Arctic power nor a threat to China’s rising influence in the region. This perception offers the advantage of muting any aggressive notes in the tone of American calls for China to exhibit responsible behavior befitting a major international power.

The United States can take concrete actions in three arenas—unilateral, bilateral and multilateral—to reduce the risk to its national security interests in the Arctic. First, the U.S. Senate should ratify the UNCLOS and fund additional Coast Guard aircraft, icebreakers, and other patrol vessels to give the United States both increased international legitimacy and Arctic maritime capability.

Second, the United States should capitalize on the success of the bilateral Coast Guard ship-rider program to build confidence with China in related maritime areas. A candidate venue could be the joint maritime patrols between littoral nations in the South China Sea proposed last month in Malaysia by the commander of the U.S. 7th Fleet. Scott Cheney-Peters of the Center for Strategic and International Studies suggests that the U.S. component of such patrols could be vessels from the Coast Guard (rather than the U.S. Navy) to reduce the appearance of a direct military challenge to China. The law-enforcement character of the U.S. Coast Guard and its established capacity-building programs with its Chinese counterpart should result in a less provocative presence with the potential to spawn additional areas of cooperation.

Third, the U.S. government must continue to leverage opportunities to build a solid coalition within the Arctic Council to induce China to assume the mantle of responsible global partner in several venues. The prize of full membership in the Arctic Council could be used to prod China into cooperation on maritime issues not only in the Arctic Ocean but further afield in the contentious theater of the South China Sea. The United States and the other Council members must be vigilant to
Chinese attempts to subvert Council proceedings through economic coercion of vulnerable Arctic nations. The evolving Arctic offers great potential for multi-lateral cooperation rather than the pursuit of self-interest and competition. The United States and China have an opportunity to reinforce strong maritime governance in the Arctic for their mutual benefit.


Abstract:

Most studies of Asian state involvement in Arctic affairs assume that shorter sea-lanes to Europe are a major driver of interest, so this article begins by examining the prominence of shipping concerns in Arctic policy statements made by major Asian states. Using a bottom-up approach, we consider the advantages of Arctic sea routes over the Suez and Panama alternatives in light of the political, bureaucratic and economic conditions surrounding shipping and shipbuilding in China, Japan and the Republic of Korea. Especially Japanese and Korean policy documents indicate soberness rather than optimism concerning Arctic sea routes, noting the remaining limitations and the need for in-depth feasibility studies. That policymakers show greater caution than analysts, links in with our second finding: in Japan and Korea, maritime-sector bureaucracies responsible for industries with Arctic experience have been closely involved in policy development, more so than in China. Thirdly, we find a clear tendency towards rising industry-level caution and restraint in all three countries, reflecting financial difficulties in several major companies as well as growing sensitivity to the economic and political risks associated with the Arctic routes. Finally, our examination of bilateral and multilateral Chinese, Japanese and Korean diplomatic activity concerning Arctic shipping exhibits a lower profile than indicated by earlier studies.

Current & Relevant Information:

Introduction

How important are shipping and shipbuilding for the Arctic aspirations of leading Asian states? How much of their engagement is purely commercial, and how much is a reflection of political goals? We take a bottom-up approach, examining Arctic sea routes from the perspectives of Asian governmental agencies, companies and industry associations, rather than a top–down approach centered on Arctic change. A recent study ranked China highest among the leading maritime nations of the world, with Japan and the Republic of Korea as third and fourth. Given the global orientation of their maritime industries, these nations will always assess Arctic options across a wide array of alternatives.
Since 2013, China, Japan and Korea have enjoyed formal observer status in the major international forum specifically targeting northern affairs, the Arctic Council. All three countries emphasize the mutual benefits of cooperation with the Arctic states, but differ significantly in the salience they ascribe to various maritime business opportunities, in the centrality of their shipping ministries in Arctic policy development, and in the preparedness of their maritime industries to commit themselves financially to northern sea routes.

Three alternative transit routes are in focus in debates over trans-Arctic shipping: The Northeast Passage between the Atlantic and the Pacific north of Russia, the Northwest Passage through Canada’s Arctic Archipelago, and the Central Route across the North Pole. For the near future, it is only the Northeast Passage—specifically, the Northern Sea Route—that has attracted serious interest from Asian shipping actors. The Northwest Passage has depth limitations and remains severely constrained by permanent or moving ice. Regular use of the Central Route remains a futuristic scenario, requiring far greater ice retreat than seen so far. The “Northeast Passage” is the loose term historically applied to the entire Arctic passage between Europe and Asia: the Northern Sea Route is the clearly demarcated sea area between the Kara Sea in the west to the Bering Strait in the east, extending 200 nautical miles from the coast, developed and regulated by Soviet and Russian authorities since the 1930s. In addition to its potential as a transit corridor, this route is of interest to the shipping industry because of transport-intensive resource extraction projects in the Russian North. Shipping out from the Arctic or into it is termed “destination shipping,” as distinct from transit shipping between the Pacific and the Atlantic.

Because most studies of Asian-state interest in the Arctic assume that shorter sea-lanes to Europe are a major driver, we begin by examining the prominence of shipping concerns in the Arctic policy statements of major Asian states. Contrary to the impression left by many analysts, these policy documents—those by Japan and Korea in particular—reveal soberness rather than optimism with respect to Arctic sea routes, highlighting the remaining limitations and the need for more in-depth feasibility studies. This greater caution from policymakers than from analysts can be explained by our second finding: in Korea and Japan, maritime-sector bureaucracies responsible for industries with Arctic experience have been closely involved in policy development, more so than in China. Our third finding concerns the tendency to greater industry-level caution and restraint in all three countries, reflecting financial difficulties in several major companies as well as growing sensitivity to the economic and political risks associated with Arctic routes. On this basis, our final substantive section examines bilateral and multilateral Chinese, Japanese and Korean diplomatic activity in Arctic shipping, finding much lower profiles than indicated by earlier studies of Asian states in Arctic affairs.

China
Due to China’s steadily rising geopolitical status, its foreign-policy moves are followed with keenness by the outside world. China acquired its first (and as yet only) icebreaking research vessel in 1993; in 2004, the Polar Research Institute of China set up an Arctic research base in Svalbard. This Norwegian archipelago is the most accessible among high-latitude research sites—for climatic reasons, and because the Spitsbergen Treaty ensures “equal liberty of access and entry for any reason or object whatever” for nationals of all signatories. China is an original signatory to the Spitsbergen Treaty; as with the other Asian states examined here, its Arctic engagements have expanded during the past decade from an early focus on scientific research, orchestrated by polar research agencies more heavily engaged in Antarctic than in Arctic research.

China’s Arctic policy document is thorough and specific, reflecting a longstanding process of developing regional priorities and defining four principles: respect, cooperation, win–win results, and sustainability. “Respect” and “cooperation” refer primarily to international institutions, notably the UN Law of the Sea Convention (LOSC) and the network of “global, regional, multilateral and bilateral channels” for facilitating joint endeavors. Reciprocity is highlighted - that coastal states must respect the rights that non-Arctic states enjoy in the region—a point reiterated in official Chinese statements on the Arctic over the past decade. A speech by the Assistant Minister of Foreign Affairs, Hu Zhengyue, on a visit to Svalbard in 2009 was the first prominent articulation of how China perceives its role in this region. Only slightly modified, this speech titled “China’s view on Arctic cooperation” was published on the Ministry website, indicating that it represented official policy. Like the 2018 policy document, the 2009 speech reflects China’s longstanding foreign-policy line of reassuring the outside world that it accepts the international order. Three points emphasized by the Assistant Minister in 2009 are no less prominent in the 2018 official policy document: the requirements under LOSC for cooperation with non-Arctic states on matters such as shipping, the gains derivable from joint scientific research and peaceful pursuit of win–win opportunities, and the transregional effects of Arctic environmental change.

How one’s own country is affected by Arctic environmental change is a prominent and recurrent feature of all Asian-state policy statements on the Arctic, explicitly justifying a greater scientific presence in the region and implicitly suggesting some level of stakeholder saliency.

The third principle put forward in Chinese policy, “win–win results,” has become increasingly prominent in official statements and was in 2015 already cited among the central norms underlying China’s practice in the Arctic. The term, with variants like “common interest” or “mutual benefit,” occurs throughout China’s Arctic policy document. Also, the final principle, “sustainability,” present in early statements, has become more elaborate and pronounced with time—in the policy document,
references to sustainability or environmental or ecological protection are outnumbered only by those to “China.”

China’s Arctic policy devotes considerable attention to maritime transport, and makes some bold claims: “The utilization of sea routes and exploration and development of the resources in the Arctic may have a huge impact on the energy strategy and economic development of China … [and] China’s capital, technology, market, knowledge and experience is expected to play a major role in expanding the network of shipping routes it the Arctic and facilitating the economic and social progress of the coastal States along the routes.” Shipping is mentioned first among the economic sectors of interest to China—but references to the economy appear only after China’s policies and positions concerning scientific research and protection of the Arctic environment are elaborated. Highlights include the “constructive role” China has played in “the formulation of Arctic-related international rules,” presumably including the negotiation of the legally binding Polar Code under the International Maritime Organization, as well as the “Polar Silk Road” branch of the broader infrastructure project known as the Belt and Road Initiative.

The four principles articulated in China’s Arctic policy sit well with Bennett’s argument that China is systematically building two mutually reinforcing narratives to gain legitimacy as a regional stakeholder: one territorial, highlighting its “near-Arctic” location and involvement in Arctic research, and one globalist, highlighting the extra-regional impacts of Arctic change. This balancing of territorial and globalist arguments for a role in Arctic affairs is also highly compatible with the general direction of policy spelt out in Japan’s and Korea’s Arctic documents.

Conclusions

Shipping and shipbuilding are not quite as powerful drivers of the Arctic aspirations pursued by China, Japan and the Republic of Korea as many believe. Arctic maritime transport is viewed with rising caution at governmental as well as industry levels in these countries. Soberness in evaluating maritime business opportunities is evident, particularly in Japanese and Korean policy documents and industry statements. China’s Arctic policy is more upbeat on Arctic shipping options, subsuming them under the larger Belt and Road Initiative as a “Polar Silk Road.” However, the Chinese shipping industry’s actual moves into the region have been cautious, and increasingly so over time.

The bottom–up approach we have taken here means that any distinct advantages that Arctic sea routes enjoy over the Suez and Panama alternatives—notably, shorter distances and associated savings of fuel and time—are seen in light of the specific political, bureaucratic, and economic conditions that surround shipping and shipbuilding in China, Japan and Korea.

The political attention those countries pay to the Arctic is clearly rising, but not as steeply as the rise in attention to Asia among Arctic-policy analysts. Claims to
saliency as Arctic stakeholders are based primarily on the effects of Arctic climatic developments on their home territories and on the rights all non-coastal states enjoy under international law. However, China, Japan and Korea also emphasize their own contributions to scientific investigations in the Arctic as well as the relevance of their capital and technology for regional economic development. Especially in China’s policy document, those reasons are reinforced by explicit references to its own prominence in global governance and international affairs. All three underscore that they fully respect the sovereign rights of coastal states, and none of them has explicitly challenged the controversial unilateral shipping regulations that Canada and Russia have established for ice-covered waters adjacent to their coasts. At regional and global levels too, the Asian states have maintained relatively low profiles, in shipping-oriented activities under the Arctic Council and in the negotiations of a legally binding Polar Code under the International Maritime Organization.

The significance of shipping and shipbuilding for Asian engagement in the Arctic has also been conditioned by bureaucratic structures in each country and their proximity to industry associations and fluctuations in the relevant markets. The ministries of foreign affairs, and in Japan the Cabinet Office, have played important roles in the aggregation of comprehensive Arctic policies; in Korea the main driver has been the powerful Ministry for Oceans and Fisheries, which also has responsibility for shipping and polar research. Deep involvement of the segment of government closest to shipping and shipbuilding, characteristic of policy development in Korea and Japan, implies that elaboration of goals, priorities, and specific projects build on sector expertise sensitive not only to opportunities but also to political or economic constraints. In China as well as Korea, the two countries whose Arctic policies convey the clearest emphasis on economic use, the shipping industries have been financially overstretched in recent years and thus less prepared to commit themselves to heavy investments where the expected returns are potentially high, but uncertain and still far in the future.

For all three countries, rising attention to Arctic developments as well as broader aspirations of playing visible roles in global governance mean that maritime transport projects involving this region are assessed with considerable interest, but we find nothing to indicate that they will be pursued unless the expected returns equal or exceed those of other options. “Arcticness” matters—but competitiveness decides.


Abstract:
This article contributes to the academic debate on China’s growing interests in the Arctic and enriches our understanding of the various economic and political factors influencing Chinese investment decisions in the mineral sector. The article studies Chinese interests in two Arctic advanced mineral exploration projects – the Citronen Fjord zinc project in Northern Greenland and the Kvanefjeld (Kuannersuit) Rare Earth Element (REE)-uranium project in Southern Greenland. It analyses China’s different policies for REE and zinc and their different roles in China’s foreign policy strategy – the Belt and Road initiative (BRI), which also includes plans for establishing an “Ice Silk Road”. Based on a study of Chinese-language policy documents and academic articles from the mining sector, we argue that Chinese involvement in the two projects is driven by different strategic considerations. Chinese involvement in REE projects overseas is primarily driven by China’s interest in the strategic resource itself, whereas decisions of where to engage in zinc projects are to a higher degree determined by China’s foreign policy priorities. China has a well-developed and clearly defined national strategy for REE, a resource it considers “strategic,” of which the Kvanefjeld project is likely to be part. Zinc, on the other hand, is not a strategic resource to China, but still essential for its industry. Hence, we argue that the Citronen Fjord project is less tied to national resource strategy; instead, it offers China access to the Arctic region and to zinc as an added bonus. By focusing on the mineral sector, the article explores the extent to which mineral interests drive Chinese foreign policy and to what extent other foreign policy interests influence the Chinese mineral sector overseas.

Chinese Interests in Greenland: Mineral Resources and Power Balance

China’s growing interests in the Arctic and emerging Arctic strategy have been the subject of several publications in recent years (e.g., Jacobson & Peng, 2012; Lanteigne, 2014; Brady, 2017; Lackenbauer et al., 2018; Sørensen, 2018). As Anne-Marie Brady (2017: 116) has shown in her book China as a Polar Great Power, China’s Arctic policies are formally managed within China’s maritime supra-bureaucracy. The maritime bureaucracy hosts at least seventeen different government agencies and departments with polar interests. In addition, external actors, including polar scholars, state-owned enterprises and other commercial forces may also influence China’s polar policies. In Greenland, a country many scholars of Chinese-Arctic relations regard as being of strategic importance for China’s Arctic activities, mineral resources have been the focus of China’s interests (Brady, 2017; Sørensen, 2018). This makes Greenland an interesting and well-suited case for further exploring the extent to which mineral interests drive Chinese foreign policy and to what extent other foreign policy interests influence the Chinese mineral sector overseas.

Chinese state involvement in Greenland’s mineral sector has generated political controversy in Denmark and Greenland. In Denmark, apart from concerns that state-
supported Chinese companies will seize control over Greenland’s vast mineral riches, there are fears that Chinese investments come with hidden political and military agendas. In 2016, the Danish government stepped in to prevent the Hong Kong-based mining company General Nice from taking over the abandoned naval base Grønnedal (Breum, 2016; Matzen, 2017). Recently, a bid by China Communications Construction Company, a Chinese state firm previously blacklisted by the World Bank, to build airports in Greenland prompted the Danish government to secure half of the financing of the airports. The interpretation in Greenland and Denmark was that this was done to keep China out. It resulted in the party Partii Naleraq, strongly in favor fast Greenlandic independence, leaving the government in protest against accepting support from Denmark (Bennett, 2018). In Nuuk, parts of the political elite regard a vibrant mining sector largely fueled by Chinese capital as one of the few feasible ways of achieving economic self-sufficiency (Gad et al., 2018).

While there have been plans for very large Chinese investments in Greenland for a while now, actual investments are so far extremely limited. This suggests that that “speculation and political rhetoric far exceeds actual developments” (Foley, 2017: 100). However, the establishment of the “Ice Silk Road” (冰上丝绸之路) as an official policy and the above-mentioned fact that Chinese state firms have made bids for building airports in Greenland – a country with inadequate and badly connected infrastructure – seem to indicate that Greenland has at least some priority in parts of the Chinese state system.

Since Lieberthal and Oksenberg (1988) first coined the concept “fragmented authoritarianism,” the view of large parts of the Chinese bureaucracy as being able to select between policy agendas set by competing sectors of the central leadership in Beijing became a common assumption in many studies of Chinese politics (Mertha, 2009). Under current president Xi Jinping, this view has become increasingly challenged, with one of the important elements of fragmented authoritarianism, policy experimentation, also questioned (Stepan & Ahlers, 2016). Recent studies of Chinese state-controlled enterprises, however, reveal that the fragmented authoritarianism approach may still have some relevance in the study of this sector. Based on telephone interviews with Chinese mining companies, Têtu and Lasserre (2017) argue that Chinese companies’ decisions to invest in Greenland are based on a combination of economic and political considerations. Increased Chinese control over capital outflows means that both political support and commercial viability are increasingly required. We aim at exploring the incentives from the Chinese bureaucracy towards the mining sector and how these might be changing as a result of the “Ice Silk Road”.

Chinese companies interested in Greenland are at least partly driven by state interests (Sørensen, 2018; Zeuthen, 2017; Têtu and Lasserre, 2017). Few, however, have studied what the state wants to gain from its involvement. Moreover, with few
exceptions (e.g., Brady, 2017; Zeuthen, 2017; Martin 2018), most Western analysis relies exclusively on English-language sources to assess the interests and motivations behind Chinese state investments in Greenland. This article draws extensively on Chinese-language materials intended to inform and instruct Chinese stakeholders involved in mineral exploration projects overseas, some of which have never been analyzed in Western research. In addition, the article draws on data collected in interviews with stakeholders in some of the mining projects. It focuses on two advanced mineral exploration projects in Greenland where Chinese companies are involved – the Citronen Fjord zinc project in Northern Greenland and the Kvanefjeld Rare Earth Elements (REE) and uranium project in Southern Greenland.

The article begins by discussing China’s foreign policy interests in Greenland and the Arctic more broadly. It then moves on to present the global supply and demand outlook for zinc and REE based on data from geological surveys, providing an explanation for China’s interests in the two commodities from a macro-perspective. It then compares China’s policies for zinc and REE based on the official five-year plans for the two commodities, showing how zinc and REE are differently prioritized and their different roles in China’s Belt and Road initiative (BRI 一带一路), the larger policy framework of which the “Ice Silk Road” is a part. The next section discusses China’s interests in Greenland’s mineral resources based on a content analysis of Chinese-language geology journals from the Chinese Academic Journals Database (CAJ), a Chinese full-text database containing more than 66 million articles. It shows how, following a series of diplomatic exchanges between China and Greenland from 2011 to 2013, Chinese geologists began to publish detailed assessments of Greenland’s mineral resources. The article then briefly introduces the two mining projects and the Chinese investments in these projects that followed the diplomatic exchanges. Finally, it analyzes and compares the two Chinese companies involved in the projects, their relationship to the Chinese state, and how they operate within Chinese and global policy frameworks, before concluding that Chinese involvement in the two projects is driven by different strategic considerations. We argue that Chinese involvement in REE projects overseas is primarily driven by China’s interest in the “strategic” resource itself, whereas decisions of where to engage in zinc projects are to a higher degree determined by China’s foreign policy priorities.

**Conclusion**

Understanding China’s intentions in Greenland is challenging. By analyzing what companies and policy advisors do and say, we may get an impression of why selected actors do as they do, but even under the very authoritarian leadership of Xi Jinping, China’s interests in Greenland are still mainly controlled by incentives. Through analysis of Chinese-language policy documents and academic articles from the mining sector, this article has explored the different possible drivers behind Chinese engagement in two mining projects in Greenland. We suggest that Chinese
involvement in REE projects abroad are more likely to be driven by China’s interest in the strategic resource itself, whereas decisions of where to engage in zinc projects are more likely to be determined by China’s foreign policy priorities.

Greenland has strategic value for China both as a source of important minerals and as a foothold for accessing the Arctic region. As suggested by a growing number of Chinese scholars in Chinese-language publications, Greenland could come to play a key role in China’s Arctic strategy. Clearly, parts of the Chinese state are building Arctic knowledge that may be used to facilitate investment in Greenland in the future, investments that could serve to support China’s Arctic access.

The mineral sector’s goal is to supply the minerals needed by China. At the same time, however, the industry is open towards utilizing incentives that other parts of the Chinese state bureaucracy might provide for geostrategic reasons and is subordinate to directives. The exact combination of mineral need and geostrategic incentive may vary from project to project, but in the case of Greenland, it appears as if the geostrategic element of possible future decisions on mining is considerable.


Overview:

In a 2018 publication regarding Arctic policy, China described itself as a “near-Arctic state”, a label that has since invited controversy due to the absence of geographical ties between the two regions.

Current & Relevant Information:

China’s justification for being classified as “near-Arctic” is explained in the document as due to their close involvement in trans-regional and global issues in the Arctic, especially in areas such as climate change, the environment, scientific research, utilization of shipping routes, resource exploration and security. “These issues are vital to the existence and development of all countries and humanity, and directly affect the interests of non-Arctic States including China,” it explains. “States from outside the Arctic region do not have territorial sovereignty in the Arctic, but they do have rights in respect of scientific research, navigation, overflight, fishing, laying of submarine cables and pipelines in the high seas and other relevant sea areas in the Arctic Ocean, and rights to resource exploration and exploitation in the Area”.

According to the Arctic Institute, China’s contemporary involvement in Arctic affairs began in the 1980s. Since that time China has conducted numerous Arctic expeditions and in 2003 established its first research base, the Yellow River Station, on Svalbard Island. The China Remote Sensing Satellite North Polar Ground Station, which was China’s first overseas satellite receiving station, opened in Kirkenes in 2016 and a second research station, the China-Iceland Arctic Science
Observatory, opened in Iceland in 2018. There are currently four Chinese research stations in Antarctica and several more which are in development.

Thus far, China’s activities in the arctic have been primarily economic. China has poured money into nearly every Arctic country. For example, it has invested billions into extracting energy from beneath the permafrost on the Yamal Peninsula in northern Russia, is drilling for gas in Russian waters alongside the Russian company Gazprom, and is prospecting for minerals in Greenland. The International Institute for Strategic Studies wrote this year that China’s interest in the Arctic region can be boiled down to three major components: access to Arctic natural resources, use of the northern trade route, and the enhancement of its image as a major global power.

This brings us to the political components of Beijing’s activities in the Arctic. China has held observer status in the Arctic Council since 2013 alongside countries such as Japan, South Korea, Singapore, India, and Italy. Decisions at all levels in the Arctic Council are the exclusive right and responsibility of the eight Arctic States, however observer states are permitted to make contributions to the Arctic Council through participating in working groups.

According to a recent article by Defence News, over the past few years international politicians and media outlets have begun to take notice of China’s role in the Arctic, often with skepticism. In 2019 Aleksii Harkonen, Finland’s ambassador for Arctic affairs, told the New York Times that China’s ambitions in the Far North mirror its ambitions everywhere else. “It’s after global influence,” he said, “including in the Arctic.”

On the other hand, some Arctic states have welcomed China’s engagement in the region and the potential role it can play as an investor. This is particularly true of Russia, whose natural resources in the Arctic have become increasingly exploitable thanks to Chinese capital investment.

Over the past three decades, the temperature in the Arctic has been steadily rising, resulting in diminishing sea ice in the summer. Scientists have predicted that by the middle of this century or even earlier, there may be no ice in the Arctic Ocean for part of the year. The melting ice has led to changes in the natural environment which could result in accelerated global warming, rising sea levels, increased extreme weather events, damaged biodiversity, and other global problems.

Rising temperatures could also have significant impacts on Arctic development. The melted ice could offer opportunities for the commercial use of sea routes and the development of resources in the region. Commercial activities in the region will have considerable impact on global shipping, international trade and energy supply, bring about major social and economic changes, and exert important influence on the way of work and life of Arctic residents including indigenous peoples. The thaw will also pose new security challenges, as greater human activity
induces nations to increase their military, diplomatic and political presence in the high north.

The strategic concerns of major Arctic players, namely Russia and the United States, along with those of large non-Arctic states such as China, have become major points of interest when discussing Arctic affairs. As climate change and emerging security concerns begin to play a larger role on the global stage, the Arctic can be expected to move away from the strategic periphery and towards a mainstream role in emerging strategic politics.


Abstract:

A growing global market for generic minerals that are used in technical products for the ‘green’ energy transition and the electronic industry holds interesting potential for the Arctic. This article takes Greenland as an example of an Arctic nation which may offer an alternative sourcing country for minerals otherwise known as ‘conflict-minerals’. China’s electronic, solar power and wind energy industries need certain generic minerals for production for the global market. Certain conflict-ridden countries are main sources of some of these minerals, which are known as ‘conflict minerals’ when their trade helps fuel the conflicts. Commitment to fight conflict minerals have led to various guiding normative standards; and the EU and US have introduced requirements on importers and manufacturers to document efforts to avoid conflict-related supply chains. These developments underscore the potential market for deposits elsewhere. China has responded by developing guidelines for minerals supply chains and mining investment. The article explains that these guidelines can apply outside conflict areas and discusses how their connection to other international regulatory instruments for business responsibility for human rights can be deployed by Greenlandic actors to enhance the implementation by Chinese economic entities of Greenlandic policies and national regulation on social sustainability. The article argues that in particular the Chinese guidelines’ reference to the concept of risk-based due diligence, a concept that has been introduced by guidelines from the United Nations (UN) and elaborated in guidelines from the Organization for Economic Collaboration and Development (OECD) as a company approach for identifying and managing its adverse impacts, may be deployed to complement Greenland’s own regulation on stakeholder engagement.

Current & Relevant Information:
Introduction

Preventing adverse social and environmental impact of mining and the trade in minerals is a key issue for affected communities and host governments (Ruggie, 2013; Footer, 2015). Companies causing adverse impacts on society may also suffer economic losses due to the reduction of their ‘social license to operate’ (Nelsen, 2006; Henisz et al., 2014). While concern with adverse societal impacts caused by extractive industries has particularly been voiced in regard to countries in Africa and Latin America, the manner in which mining is performed means that the industry as such can be considered a high-risk sector in regard to potential adverse impacts regardless of country or region. There is a need everywhere for adequate measures to protect communities, employees or the environment against harmful effects of dust, industrial processes, treatment of mined or discarded materials, etc. Local communities often feel strongly about the establishment or extension of mining projects or possess specific knowledge of relevance for identifying and managing potential adverse impacts. Irrespective of location, adequate processes also need to be in place to ensure stakeholder engagement. From health impacts on communities and occupational health and safety of workers to general working conditions and meaningful stakeholder engagement, a range of impacts caused by the industry and relevant processes to identify and manage these have human rights relevance. Indeed, the risks and steps to avoid these have been clarified through efforts to develop normative guidance for governments as well as companies with regard to business impacts on human rights over the past two decades, especially with the United Nations (UN) (Ruggie, 2013) complemented by the Organization for Economic Collaboration and Development (OECD) (Buhmann, 2015).

Recent years’ commitment to fighting climate change through transitions to a ‘green’ economy has led to an increased economic interest in certain minerals that are required for products like solar power panels, batteries for electric cars, as well as a range of electronic goods, many of which are produced in China and traded to other countries (Huang, 2018; Cao & Groba, 2013; Wang, 2009). International political support for fighting climate change through green transitions took a leap forward with the 2015 Paris Climate Change Accord, as well as the adoption in the same year of the Sustainable Development Goals (SDGs) with SDG 7 aiming to ensure access to affordable, reliable, sustainable and modern energy for all, including renewable and clean energy. In the years preceding this, international concern had been expressed with severe social impacts of the mining and sourcing of some minerals used for products relevant for this transition, in particular the so-called ‘conflict minerals’ sourced out of the eastern Democratic Republic of Congo (DRC). In the United States and Europe, such concern has led to extensive requirements on companies importing such minerals from the DRC area or deploying them for manufacturing purposes to provide transparency on the sources of the minerals, e.g. through mandatory reporting. For the US and EU markets, manufacturers or importers of products that contain generic minerals that originate or may potentially originate from
the DRC area are subject to reporting on their supply chains and risk management processes. The potential reputational risk, as well as the human and economic resources required for the reporting, create a potential market for the relevant types of minerals sourced out of other regions that do not suffer from civil wars and human rights atrocities characterizing ‘conflict minerals’ from the DRC area. For a special issue related to the topic of mutual resource interests between China and the Arctic, this raises interesting economic prospects if Arctic areas can be providers of the relevant types of minerals for China’s industry supplying to the global market. This in turn raises questions on how to address potential adverse societal concerns in the Arctic areas where such minerals could be mined, including through strong engagement with communities as stakeholders.

This article addresses these questions from the perspective of Greenland, an Arctic nation with potential sources of a range of the relevant minerals, and strong policies, a minerals resources law, other regulations and procedures for social sustainability and impact assessment, benefit agreements, and citizen involvement. Previous studies (e.g. Hubbard, 2013), that have addressed Indigenous concerns in particular, have argued that these policies and the implementation of the Greenlandic regulation for socially sustainable mining may benefit from considering the so-called risk-based due diligence approach that was introduced and elaborated by UN guidance instruments on business responsibilities for human rights. This article expands that line of argument to Greenlandic society in general, in particular local communities that may be affected by mining projects. Adopting a particular focus on the potential Chinese interests in Greenlandic minerals, the article considers how two sets of guidelines developed by the Chinese mining and minerals industry may complement the Greenlandic raw materials regulation for the purpose of avoiding adverse impacts and ensuring stakeholder engagement in line with international guidance on business and human rights. In particular, the article argues that the Chinese guidelines’ inspiration from international guidance instruments that take a human rights perspective and encourage the risk-based due diligence process may offer opportunities for Greenlandic actors to deepen community engagement and prevention of adverse impacts of a human rights character (such as, but not limited to, health impacts). Due to space limitations the article does not discuss other Arctic states, however in principle the Chinese guidelines may be applied by governments or communities in other areas from a similar perspective as the one argued in here.

Greenland is a part of the Kingdom of Denmark, and in 2009 was granted self-government, a step up towards full independence from ‘home rule’ introduced in 1979 and prior colonial status. With Greenlandic aspirations of achieving independence from Denmark, interest has also grown for developing a self-sufficient economy. Greenlandic raw materials play a part as a potential source of income for such an economy (Ilisimatusarfik & University of Copenhagen, 2014). Combined with the prospects that climate change offers for easier access to minerals hitherto
covered under ice as well as for making sea or land-based infrastructure to ship mined ore or processed composites more accessible, already existing international interest in exploiting Greenlandic raw-materials grew around 2014 (Merrild-Hansen et al., 2016). While it later cooled off due in part to the global development in prices for relevant minerals, the prospect of Greenland emerging as a supplier of various minerals and other raw-materials remains, in principle, not least due to the economic aspects of independence. The economic interest among foreign companies in exploring these resources is reflected by the fact that a large number of exploration permits are held by international companies (Government of Greenland, 2018).

If supplies can be accessed at competitive prices, Greenland offers potential sources of ‘conflict-free minerals.’ Such competitiveness depends not only the price of a unit of the material. It is also determined by economic or human resource-demanding steps needed for trading a product in certain markets, for example steps to document that a mineral does not fuel war and human rights atrocities. China has shown an interest in funding the development of a mining infrastructure of minerals in Greenland, and in buying minerals for use in the Chinese manufacturing industry (Zeuthen, 2017; Economist, 2018).

In Greenland the potential adverse as well as positive social impacts of mines have been a major issue in regard to several proposed projects. In addition to health and environmental impacts, particular concern has been raised in regard to Chinese political interests and the impact of a potentially large influx of Chinese workers (Economist, 2018; Nuttall, 2012; Merrild-Hansen et al., 2016). Local tensions and conflicts among citizens and politicians have been observed both in regard to the Isua mine prospect (close to the capital Nuuk) that might have employed a large contingent of Chinese workers (Nuttall, 2012), and in regard to potential mining at Kvanefjeld in Southern Greenland (Bjørst, 2016, 2017; Triscott et al., 2017). The potential health effects of uranium dust from the mine and the possibility that Chinese employees may form a large proportion of workforce at the Kvanefjeld mine are concerns voiced by parts of the local community (author’s interviews August 2018). China’s persistent interest in investing in the Greenlandic economy in a broader sense has been documented through Chinese bids on the construction of new airports in Greenland (Matzen & Daly, 2018).

On that backdrop, this brief article explores and discusses the implications of Chinese guidelines for responsible minerals supply chains and mining investment. It does so with a particular emphasis on Chinese companies in the sector in Greenland. This is based on an analysis of the Chinese guidelines based on the legal method of document analysis, combined with a pragmatic socio-legal approach of placing the documents into the broader normative, political and economic contexts. A pragmatic socio-legal approach (Tamanaha, 1997) emphasizes the role and potential of normative standards to govern conduct. By contrast to a doctrinal legal approach, which often has regard only to hard (binding) law and legal
enforcement in courts, the pragmatic approach recognizes the relevance of guiding normative instruments as well. As the societal impacts of transnational economic activity is generally not subject to hard regulation and legal enforcement across borders, the pragmatic approach to the role of guiding instruments is relevant for the topic of this article. As will be explained, the principles informing risk-based due diligence makes the Chinese guidelines a potentially relevant source of socially responsible action beyond the conflict areas from which ‘conflict minerals’ derive.

Conclusion

With climate change affecting access to minerals in the Arctic, and political commitments to green transitions around the globe enhancing the economic interest in particular minerals, Arctic supplies of minerals for the technical products required for a non-carbon economy are potentially attractive to the global market. The fact that the Arctic, including Greenland, has deposits of minerals otherwise mainly sourced from conflict-ridden areas offers potentially interesting opportunities, in particular with regard to types of minerals that in recent years have become subject to strict supply-chain documentation and transparency requirements if they derive from or close to conflict-affected areas. China is showing an interest in such ‘conflict-free minerals.’ China has issued guidelines for responsible minerals supply chains and mining investment. These guidelines apply similar approaches to identifying risks of adverse impacts, managing those impacts, and engaging local communities, as do the OECD’s Guidelines for Multinational Enterprises, based on the UNGP. It is therefore possible to expect similar standards of conduct in regard to identifying and managing human rights risks and other risks to society of Chinese companies in the mining sectors as of companies based in OECD states such as Canada, the United States, or the United Kingdom.

The CCCMC guidelines aim at guiding companies to consider and address their societal impacts through responsible investment in the minerals sector and risk-based due diligence to ensure socially responsible sourcing of minerals. This article has shown that as the Guidelines create an expectation on companies operating in non-conflict Arctic nations like Greenland, they can be applied to complement the Greenlandic requirements for social sustainability assessment and citizen involvement. From a human rights perspective, the details contained in the Chinese guidelines add a level of detail in regard to risk assessment processes and stakeholder engagement. Connecting to the UNGP, the detailed steps for due diligence can be deployed by concerned citizens or public organizations to underscore the human and social dimension of the impact assessment process from the individual’s perspective, including meaningful stakeholder engagement, and influence on the identification of benefits that companies may be asked to provide as part of the license agreement.

Seen in the normative, political and economic contexts of extractives exploration and exploitation, this means that host societies can explicitly expect Chinese companies
to assume an active role in ensuring impact assessments that involve a high degree of public participation in decision-making (a human right) for the identification of potential adverse impacts as well as benefits, including with regard to such human-rights related public policy objectives as local employment and capacity building.

For Chinese companies and the world market, this can result in a larger supply of the generic minerals that are needed for much electronic hardware, including for the green transition. For companies that would otherwise source from the DRC or other conflict or high-risk areas, this would be an important alternative supply that would reduce risks of contributing to armed and humanitarian conflicts and could help reduce the administrative burden of proving that minerals marketed to the US or EU markets are not conflict-minerals.

The overall normative alignment between the Greenlandic raw materials regulation and the Chinese guidelines can be deployed strategically by Greenlandic authorities at central and local level to articulate expectations of companies. This is not limited to the generic minerals that are ‘conflict-minerals’ if sourced from some other areas. Being aspirational, the guidelines can also be applied to other types of mineral and mines. The CCCMC guidelines and their application of risk-based due diligence can be referenced to further deepen the implementation of Greenland’s raw-materials regulation in regard to societal impacts.

In Greenland as elsewhere, proposals on new economic opportunities do not necessarily lead to uniform agreement. They can also spur local disagreement. The debates on projects like the Isua or Kvanefjeld mining projects in Greenland are examples of this. Would a human-rights oriented emphasis on meaningful stakeholder engagement help address such disagreement? This is not certain. Yet the strong human-rights oriented focus of the risk-based due diligence process and the emphasis on the perspective of affected stakeholders may help retain awareness of the rights of individuals and to feed their views and concerns into solutions that balance economic activities and societal impacts. The emphasis on meaningful stakeholder engagement should influence the design of citizen involvement and consultation processes towards enhancing citizens’ perceived experience of receiving information to help them make informed decisions; and for their views and concerns to feed into the general decision-making process on whether projects should go ahead.

4. Environmental Protection:

“China’s climate policy: does an Arctic dimension exist?” Gørild Heggelund and Cheng Han, Advances in Polar Science, September 2016 [29]
Abstract:

The article discusses whether and to what extent an Arctic dimension in Chinese climate policy exists, and whether there are signs of potential linkages between China’s engagement in the Arctic and its domestic climate policies. Although the Arctic is not directly addressed in domestic climate policy, the article concludes that an Arctic dimension exists, in the following areas: the growing awareness in China of energy-related greenhouse gas emissions, climate risk, resilience and vulnerability, which has contributed to increased attention to climatic change in the Arctic and its impact on China; polar scientific research, which is largely climate related, plays a significant role in determining China’s Arctic climate agenda; China’s climate policymaking and domestic institutional set-up is a contributing factor to climate engagement in the Arctic; China’s status as an observer nation in the Arctic Council might potentially raise the profile of domestic climate policies and lead to the addition of an Arctic pillar to national climate change strategies.

Current & Relevant Information:

Introduction

China’s climate policy and efforts are of global relevance given that it is the world’s largest greenhouse gas (GHG) emitter. Furthermore, the Arctic is regarded as an important source of knowledge for future climate development. In recent years, China has shown growing interest in the Arctic region and a number of studies and reports have discussed whether China has geopolitical intentions in the Arctic linked to global security, shipping routes and resource interests. However, these studies have not looked into a possible climate policy aspect in China’s engagement in the Arctic. This study aims to fill this knowledge gap.

The overarching question is whether and to what extent an Arctic dimension in Chinese climate policy exists, and whether there are signs of potential linkages between China’s engagement in the Arctic and its domestic climate policies. To this end, this article analyses China’s climate change policy developments, and institutions involved in Arctic policymaking and research. Equally important, this paper explores the possible implications of climatic change in the Arctic for Chinese domestic climate policy by examining the evidence of climate-related engagement in the region. Trends related to rapidly evolving policy contexts, such as progress in China’s scientific research in the Arctic, are evaluated. Based on climate science and policy prospects in relation to the Arctic, the paper discusses the signs of possible linkages and their potential implications.

China has a long history of engagement in the Arctic and considers itself a near-Arctic country. China’s presence in the Arctic comprises the first Chinese Arctic research station, Chinese Arctic Yellow River Station on the Svalbard Archipelago, which is under Norwegian sovereignty. A milestone in China’s Arctic history came in 2013 when the country obtained observer status in the Arctic Council; in addition,
Japan, South Korea, India, Singapore and Italy were granted observer status at the Ministerial meeting in Kiruna, Sweden in 2013. That same year, the China-Nordic Arctic Research Center was established in Shanghai to strengthen research collaboration between China and Nordic research institutions on Arctic matters. In addition to engaging with smaller Nordic states (e.g., Norway, Denmark, and Iceland), China also collaborates with bigger Arctic states (U.S., Russia, and Canada).

**Concluding remarks**

Initially, we asked whether there is an Arctic dimension in China’s climate policies. This paper has therefore explored a number of signs, based on publicly available evidence, where recent development and future prospects of China’s Arctic climate nexus may be put in perspective. We have found that an Arctic dimension exists in domestic climate policy, although the link is not direct. However, there are points of convergence between Arctic climate and China’s domestic climate policymaking summarized in the following points.

Climate change continues to climb up the political agenda in China. On a global level, China has showed growing ambition, leadership and practices in climate change through international negotiations and collaboration. China’s achievement of Arctic Council observer status in 2013 is a milestone in this regard. The Council’s work is closely linked with China’s key domestic policies and priorities on the environment and climate change. Domestically, China has recently approved the 13th FYP that further strengthens policies to address climate change. China’s vulnerability to climatic change and the subsequent social impacts and economic losses have brought to the fore the challenges of adaptation, climate risk and resilience that increasingly play a role in domestic climate policymaking as illustrated in the Third Assessment Report for China. The 13th FYP places equal emphasis on mitigation and adaptation. The need to better understand climatic impacts on China has made the Arctic an attractive area for scientific research. Moreover, the rapid climatic changes in the Arctic and their impact on China’s climate are receiving mounting attention, and policymakers have become increasingly aware of the complexities and risks of climate change.

China’s engagement in the Arctic thus far has been dominated by scientific climate and polar research; polar scientific research plays an important role in determining China’s Arctic climate agenda. China’s climate research in the Arctic is now transitioning into systematic knowledge production to provide better understanding of climatic changes at home. In addition to scientific research, we anticipate that social science research and geopolitical research will be further strengthened, for instance, through the work of the China-Nordic Arctic Research Center in Shanghai.

Summary:

China’s carbon emissions threaten global efforts to fight climate change. Its broader environmental degradation endangers economic growth, public health, and government legitimacy. Are Beijing’s policies enough?

China is the world’s top emitter, producing more than a quarter of the world’s annual greenhouse gas emissions, which contribute to climate change.

It pledged to cut emissions under the Paris Agreement, reduce coal use, and invest in renewable energy. But its Belt and Road Initiative still finances coal-fired power plants abroad.

Air pollution, water scarcity, and soil contamination remain threats to the health and livelihoods of China’s people, increasing dissatisfaction with the government.

Current & Relevant Information:

Introduction

China’s environmental crisis, the result of decades of rapid industrialization, not only threatens the health and livelihoods of the country’s 1.4 billion people but also the global fight against climate change. As the world’s largest source of greenhouse gas emissions in recent years, China suffers from notoriously bad air pollution. Its carbon-intensive industries have caused additional environmental challenges, including water scarcity and soil contamination. And, like the rest of the world, China will face increasingly harsh consequences of climate change in the coming decades, including flooding and droughts.

In response, Beijing has implemented policies to curb emissions and stem further degradation, such as by signing the 2015 Paris Agreement on climate and pledging to be carbon neutral by 2060. However, following through won’t be easy, experts say, as the government struggles to maintain economic growth; ease public discontent; and overcome tensions with the United States, the second-largest emitter.

“Greening Arctic Cruise Shipping Through Law and Technology: A Role for China?” Stefan Kirchner, Arctic Yearbook, 2018 [31]

Abstract:

Increased shipping in the Arctic will mean not only increasing tourism revenue for local communities but, more importantly in the long run, increasing health risks for local residents. The overwhelming majority of ships is powered with fossil fuels and
concerns over emissions have led to the creation of Emission Control Areas, such as the Sulphur Emissions Control Area (SECA) in the Baltic Sea, the North Sea and along much, but not all, of the coasts of the United States and Canada. None of the existing SECAs includes areas north of the Arctic Circle. This means that coastal communities, in particular in cruise ship destinations, are put at risk from high emissions of SO2. The research presented here shows that China has the potential to play several roles in contributing to the protection of coastal communities in the Arctic and in safeguarding the human right to live in a healthy environment, which has long been recognized by the European Court of Human Rights. It will be shown that China has the potential to use international forms of cooperation in the context of the work of the International Maritime Organization in order to support the establishment of a SECA for the entire Arctic Ocean but can also profit from it in the long run, provided that China’s shipbuilding industry becomes able to meet the needs of more environment conscious ship buyers.

Current & Relevant Information:

Introduction

Cruise shipping is booming globally — and in the Arctic in particular (Nilsen, 2018; Wright, 2018). As the Arctic is undergoing unprecedented changes, it is becoming a desired travel destination. In light of the fragility of the Arctic marine environment and the multiple effects of cruise shipping on the natural environment as well as on coastal communities, ensuring at least a minimum level of sustainability of cruise operations requires international regulation. This will likely involve non-regional actors; in particular countries whose citizens are particularly active in Arctic tourism.

For some time, China has been pushing for more recognition and a more active role in Arctic affairs by trying to get more involved in regional decision-making processes. A case in point is China’s involvement with the Arctic Council where China has gained Observer status. For the self-styled “near Arctic” state, this is an important achievement as China has long sought a seat at the table. These efforts are not an end in themselves. China has economic and security interests in the Arctic, both of which can raise concerns among Arctic nations. In order to gain support - or at least a lack of opposition - from Arctic states for China’s Arctic ambitions, it appears likely that Arctic states’ governments will have to see positive sides to China’s Arctic ascendance. In other words, China’s involvement in the region might face resistance or at least resentment1 unless it is seen as beneficial for Arctic states and local communities.

While China’s official role in cruise tourism is still relatively limited, the large number of Chinese visitors to the Arctic give China an interest in the region and in the well-being of their citizens. Likewise, states, like China, should not overlook the impact tourism has on local communities. Accordingly, the well-being of local residents in tourism areas should also be taken into account by the home countries of visitors.
While the sovereignty of the receiving states prevents tourists’ home states from taking direct action, a cooperative effort aimed at safeguarding the rights and interests of local communities in tourism regions is in the interest of all sides. The sustainability of Arctic tourism can benefit from the involvement of the home countries to tourists who visit the Arctic. This can be done through raising tourists’ awareness of local conditions and the needs of local communities prior to departure or by influencing international legal frameworks relevant for tourism activities. This text is concerned with the latter aspect.

It will be shown that there might indeed be a way for China to actually make a positive contribution which benefits the people who live in the Arctic. One way to do so, and the focus of this article, would be for China to take an active role in protecting Arctic coastal communities against air pollution from ships. While such action might not provide immediate benefits for China, it could increase acceptance of Chinese tourism-related activities by local communities in the Arctic. This is a factor which is not to be underestimated because for many small Arctic communities, the current tourism boom, which is to a significant degree fueled by Chinese visitors, is a mixed blessing: local economic benefits clash with the environmental and cultural costs of opening up to mass tourism of questionable sustainability. Reducing the air pollution caused by cruise vessels operating in the Arctic is one way to protect coastal communities.

In order to assess the likelihood of such a move, different aspects will be investigated, in particular the current state of international law when it comes to protecting Arctic coastal communities from vessel-source air pollution, green shipping technology and China’s Arctic policies, as evidenced by the nation’s 2018 Arctic White Paper (People’s Republic of China, 2018).

**Concluding Remarks**

When keeping in mind China’s environmental policies at home as well as the disregard for human rights, including the right to health, it seems questionable at first whether China might actually pursue such a course of action. In the Arctic, however, China has to – and appears to be – following other rules. Cooperation across borders is essential in the Arctic and non-Arctic states such as China will be dependent on the cooperation of Arctic states in order to be able to do business in the Arctic. Cooperation with Arctic states will usually require predictability as a partner, which in turn will require compliance with international agreements which apply in the Arctic. So far, China appears to honor international law in its activities in the Arctic. Utilizing international law as a tool to contribute to the provision of practical benefits for Arctic communities might provide long term benefits for China in the form of increased access to cooperation with Arctic states.

For the time being, air pollution by ships remains a significant concern for coastal communities. While steps have already been taken by the IMO, a more complete
transition towards greener shipping technologies will be inevitable in the long run. China has the technical and legal means to contribute to an improvement of the situation. It remains to be seen in how for China’s commitment to international law and cooperation, including in the fight against air pollution by ships, which has been affirmed in the government’s Arctic Policy White Paper in early 2018, will actually be implemented with a view towards the wellbeing of the people who live in the Arctic.


Overview:

China has long been involved in Arctic affairs and has become an important player in the region in recent years. But without a clearly articulated Arctic policy, China’s frontline diplomacy has lacked guidance, leading other countries to be suspicious of its intentions on key issues.

China’s publication of an Arctic Policy white paper on January 26 will do a lot to resolve these problems. It was welcomed by polar scientists, countries involved in Arctic governance, and interested organizations that have long called for China to stake out a clear position.

Current & Relevant Information:

Protecting the Arctic environment

The white paper expends considerable ink on environmental protection and sustainable development, with the following highlights:

1. China is promoting a global, rather than regional, approach to the Arctic.

Given the importance of climate change on the Arctic, the white paper refers several times to ideas such as “the overall interests of international society” and “the shared fate of humanity”. While actual policies focus on international cooperation on climate change, developing renewable energy in the Arctic, and actively participating in global governance of the Arctic.

2. “Understanding the Arctic” is the foundation of all policy, which means China will rely on scientific research in its decision-making.

Late last year five Arctic nations and five other nations, including China, agreed to a moratorium on fishing in international Arctic waters. The idea behind the agreement was to carry out a survey and research, so that any future commercial development would have a scientific basis. This cautious approach is unprecedented in global fisheries management.
3. China wants citizens to participate in Arctic affairs.

This includes creating a center for people to learn about the Arctic, and describing a “low-carbon, eco-friendly and responsible” approach to developing tourism. During the Antarctic Treaty conference last year, ten Chinese travel companies launched an initiative on responsible Chinese polar tourism, based on the understanding that responsible tourism can build links between the Chinese people and the Poles, inspiring them to help protect both the Poles, climate, and enrich China’s participation in polar governance.

**Polar worries**

Although the white paper covers protection of the polar environment, it is not time to celebrate yet. There are still concerns about development and climate risks, and respecting the wishes of native peoples.

Some Arctic nations have welcomed China to the Arctic governance “club”, in large part because they are keen to develop the region but lack the resources to do so. China’s participation may bring to the table much needed investment in oil and gas exploration and infrastructure building. The white paper makes no effort to hide China’s interest in the region’s economic development, which seems inevitable.

Although China speaks of raising development standards, the Arctic has its own specific risks and therefore requires extra caution.

In November 2017, a Russian state-owned tanker became trapped in sea ice on the Northern Sea Route and had to be rescued by the Yamal, a nuclear-powered icebreaker. If the ice had crushed the tanker’s hull the consequences of an oil spill would have been grave. Such risks will increase as Arctic shipping opens up and oil and gas resources are exploited.

The methane contained in the Arctic permafrost is a climate time bomb. There are 50 billion tons of methane, in the form of hydrates, on the Siberian Arctic continental shelf. When the sea bed warms, either gradually or suddenly, within the next 50 years, that methane is likely to be released.

More methane in the atmosphere means faster global warming, which will further accelerate warming in the Arctic, increasing the rate of sea ice loss, reducing reflection of solar energy and leading to faster melting of the Greenland ice cap. Glaciers distant from the Arctic will also melt. This vicious circle is irreversible. So far, there is little to no discussion about how to mitigate the effects on the Arctic.

Finally, while the white paper aims to “respect the culture, traditions and interests of the native peoples”, this may prove difficult in practice.

The 2011 Circumpolar Inuit Declaration on Resource Development Principles in Inuit Nunaat gives the Inuit people the right to be informed and heard when decisions on resource development are being made and requires their agreement before
development takes place. That means resource projects will have to work carefully with the Inuit, and any project may face criticism for “damaging local traditions”.

In the past, local traditions have also been in conflict with environmental protection.

In 2009, the European Union (EU) bowed to pressure from animal protection groups and banned the trade in seal fur. Canadian Inuit groups, fearing this would damage their traditional seal hunting practices, sued the EU. In 2011 the General Court and the EU Court of Justice rejected the suit, which had been brought by 17 Inuit groups, including the ITK, Canada’s biggest Inuit group. This case shows how the rights of native peoples are not always aligned with those of environmental protection.

Overall, China’s white paper indicates the country will take an open and active approach to participation in Arctic governance. This may speed up development of the Arctic, but China’s ideal of a “human commonwealth” and its contributions to scientific research and governance in the Arctic can strengthen international society’s response to the grave challenges it faces.

“Chapter 8: Asian States in Arctic Affairs,” Heather Exner-Pirot, sju.ca, 2016 [33]

Overview:

The past decade has witnessed a surge in interest in the Arctic, as global warming trends make oil, gas and shipping routes in the region more accessible. In essence, a ‘new’ ocean – one that for all intents and purposes has been confined from significant human activity until the past decade, has been opened, and with it enormous potential for resource development and transportation.

Predictably, the newly accessible Arctic Ocean has attracted the interest of a number of Asian states, in particular China, South Korea, Japan and India, who have large populations and a growing need for resources. Perhaps also predictably, the five littoral states of the Arctic Ocean (Canada, Denmark, Norway, Russia, United States) are seeking to limit the influence of non-Arctic states in establishing the parameters of its use. International law supports their right to do so. However, the development of the Arctic and its many resources need not be exclusive. In fact, there is much to gain by working cooperatively on developing mines, shipping routes, infrastructure and a regulatory framework that serves all stakeholders’ needs, from those of local residents to those of foreign states.

This chapter examines 1) the interests of the Asian states in the Arctic, 2) the role of Asian states in circumpolar affairs, and 3) the possibility for cooperation in the economic development of the region.

Current & Relevant Information:

Scientific
India, China, Japan and South Korea have been involved in polar research for many years, and their scientific interests in the Arctic and Antarctic precede the current geopolitical activity. All four have established research stations at NyÅlesund, an Arctic research base on the Norwegian Arctic Archipelago of Svalbard. All four are also signatories to the Antarctic Treaty System.

Polar research covers a wide spectrum of activities; however global warming and climate changes have increased Arctic research efforts from non-Arctic and non-European states in recent years. While some commentators have painted Asian research in the Arctic as a kind of Trojan horse for economic and political positioning, Asian research in the Arctic is genuine, legitimate and of broad scientific benefit.

China, Japan and South Korea have acquired in the past decade that are “[raising] eyebrows among members of the Arctic Council” are designed solely for scientific research. China’s Xuelong icebreaker, often touted as “the world’s’ largest non-nuclear icebreaker,” is a Ukrainian cargo vessel that was bought and modified by China in 1993 to support its polar research. Its icebreaking capacity is “insufficient”, which is why China has commissioned a more powerful icebreaker, yet to be named, with an expected delivery date in 2014. The majority of the Xuelong’s expeditions have been conducted in the Antarctic. Japan’s newest icebreaker, the Shirase, was completed in 2009, and replaced the icebreaker of the same name after the original Shirase ended its 25-year run. Like its predecessor, it is being used to support Antarctic research and has not yet made any visits to the Arctic. South Korea also recently commissioned a new icebreaker, the Araon, which was launched in 2009. Korean polar research will be focused on developing a second base in Antarctic for the next few years, however the Araonis expected to travel each year to both the Antarctic and Arctic. Finally, India has ordered an ice capable research vessel dedicated to polar expeditions, which is due to be launched in 2012.

The point is that there is nothing suspicious, or even particularly new, about Asian interest in polar research. Although there has been a recent increase in Asian interest in Arctic research, this is true of most countries, and a reflection of sustained political and scientific interest in global warming.

**Possibility for Cooperation**

One concern seems to be that China’s worst behaviors in Africa will be replicated in the Arctic. This includes low wages and lax labor standards, the importation of Chinese workers to the detriment of local residents, and poor environmental safeguards. This behavior is problematic, but often exceptional, in Africa. However, it is wholly unlikely in most of the Arctic: aside from Russia, environmental and labor standards are very high, even world class, and the promise of capital investment is not enough in Canada, USA, and the wealthy Nordic countries to bypass existing legal arrangements, especially on indigenous lands. By contrast, the regulatory
framework in Canada’s territorial North, as an example, is so stringent it is detrimental to new investment, with layers of aboriginal, territorial, federal, environmental stipulations needing to be satisfied before development can begin.

On the other hand, opinion is deeply split as to whether and how to welcome it, and many remain suspicious of Chinese overtures. It seems that although the possibility for mutually beneficial cooperation exists, Arctic states and their people are struggling to find it.

**Conclusions**

As the Arctic is transformed by global warming and resources and shipping routes become increasingly accessible, Asian interest is expected to increase. This is unlikely to result in significant tension or conflict. But like any new relationship, it must be managed carefully. What can be expected with regards to Asian interests in Arctic affairs in the future?

The Arctic Five have a legal lock on the Arctic Ocean, from their 200-mile Exclusive Economic Zones (EEZs), where most of the recoverable oil and gas is expected to be found, to their extended continental shelf, which will likely eat up almost 90% of the ocean’s seabed. Arguments from China, Japan and other countries in favor of treating the Arctic Ocean as a common heritage of mankind akin to the Antarctic are not likely to go far. As such, Asian states might influence, but will not direct, Arctic policy.

Practically this may not be as significant as some Asian commentators fear. Regulation in the region, whether it be on shipping, fishing, or environmental issues, is increasingly multilateral and non-discriminatory. Thus, Asian activity in the Arctic will be subject to the same limitations as those of Arctic states. The sooner regional governance arrangements are articulated, for example with the International Maritime Organization’s (IMO) Polar Code on shipping, the sooner Arctic and non-Arctic states will invest in the infrastructure and assets needed to capitalize on the newly accessible Arctic. Arctic regional governments are more likely to compete for Asian investment than ostracize it, as public policy increasingly trends towards large scale resource development as the avenue for northern development. The Arctic is vast and underdeveloped; Asian investors will likely find many willing hosts. The challenge will be in ensuring local and national regulations are followed and enforced, but this is something the cautious Chinese will be likely to respect rather than try to bypass – one poor outcome could damage their reputation in the region for years.

As to China, Japan, and South Korea’s applications to be observers on the Arctic Council, one must wonder what the fuss is about for Russia, Canada and the United States. As it stands, observers have next to no say on Arctic Council matters, but tend to sit mute through the proceedings until one of their cohort addresses the Council on all observers’ behalf. The Arctic Council member states are the only
parties with votes, and at any rate make political decisions based on consensus. Additional observers are unlikely to detract from the influence of current members. Norway, Iceland and Denmark have been vocal in their support for Asian inclusion in the Arctic Council, a break from the tradition of keeping Council discussions ‘in the family’; thus, it seems likely to be a matter of time before they are admitted. One might also expect the Asian states to come forward with their own Arctic policies in the near future, highlighting concern for the environment, respect for indigenous peoples’ rights, interest in sustainable resource development, a well-developed shipping regime, and promotion of international cooperation. A number of Asian commentators have already called on their governments to do so.

It has been said that the Chinese character for crisis is the same as that for opportunity. Arctic and Asian states are now at a crossroads in determining which perspective they will adopt with regards to future cooperation in the region. Inasmuch as gains can be made on both sides, stakeholders will likely see increasing Asian interest as an opportunity.

“What Happens in the Arctic Does Not Stay in the Arctic: An Assessment of Climate Cooperation between China and the European Union in the Arctic Region,” Arianna Rovaris, University of International Relations Aalborg University Denmark, 2019 [34]


Summary:

During the last few decades, the world has witnessed a radical change in its weather patterns, such as the increase of the average temperatures, desertification, glacial reduction, pollution of the oceans, and threats to the life of flora and fauna. The rise in the global temperatures is known as global warming, and it is caused by the increase of greenhouse gas emissions in the atmosphere.

The detrimental effects of climate change are especially visible in the Arctic, as in the last few decades the Arctic average temperatures have risen at more twice the global average, causing the fast melting of its ice cap. The consequences of climate change in the Arctic region affect the entire globe and cannot be ignored; thus, it became imperative for nations to acknowledge the severity of the situation and the need for a global response to it, to address the issue globally and increase the number of actors involved in Arctic affairs and its environmental protection.

Climate cooperation between China and the European Union started in the 1990s and intensified especially after the United States’ withdrawal from the Paris
Agreement, giving space to China for joining the European Union as a global climate leader. The two parts have established various bilateral and multilateral mechanisms to cooperate for tackling climate change, and have implemented domestic measures to reduce their negative impact on climate. Even though cooperation between China and the European Union within global climate governance may be said to be successful, however there are not specific measures for addressing climate change in the Arctic.

The melting of the Arctic ice is opening opportunities for new shipping and trade routes, as well as for the exploration and exploitation of untapped energy resources. The potential economic benefits resulting from the warming Arctic are attracting an increasing number of actors, among them China and the European Union. Given the two actors’ vested interests in the Arctic region, it seems that they are striving to find a concrete way to work together for tackling climate change in the Arctic while securing their respective interests.

Climate cooperation between China and the European Union is analyzed through the theoretical framework of Robert Keohane’s Neoliberal Institutionism. Its focus on the role of institutional regimes in shaping and framing actors’ behavior in their foreign policies, helps define how China’s and the European Union’s decisions and actions are influenced by their membership in international institutions, such as the climate policy regimes and the Arctic institutional framework. Therefore, the thesis investigates how China and the European Union cooperate internationally on climate issues, and then the research is narrowed to their cooperation in the Arctic governance and environmental protection, to testify to what extent they cooperate for climate issues at the global level and at the Arctic regional level. Moreover, the research attempts to explain how China’s and the European Union’s vested economic interests in the region affect their cooperation, and how the Arctic institutional regime influences their relationship and foreign policy behavior.

The thesis aims at giving a contribution to the existing literature addressing this topic, which has not been vastly investigated yet, by revealing the reasons behind China’s and the European Union’s problematic cooperation on climate issues in the Arctic given the presence of common interests and commitment to fight climate change and protect the environment.

Current & Relevant Information:

**Introduction**

During the last few decades, the world has witnessed a radical change in its weather patterns, such as the increase of the average temperatures, desertification, glacial reduction, pollution of the oceans, and threats to the life of flora and fauna. The rise in the global temperatures is known as global warming, and it is mainly caused by the increase of GHG emissions in the atmosphere.
Climate change in the Arctic region is not something new, and in the last few decades the Arctic average temperatures have risen at more twice the global average, causing the fast melting of its ice cap. This phenomenon is believed to generate profound consequences both within the Arctic climate system and the global one. The Arctic may be considered as the “tip of the iceberg of global climate change”, as it is connected to the global climatic, environmental and political processes and systems (Keil & Knecht 2017: 3, 4; Cavazos-Guerra et al. 2017: 231; Féron 2018: 85).

The title of this thesis comes from a speech held by Vidar Helgesen, the Norwegian Minister of Climate and Environment, during a seminar organized by the NATO Parliamentary Assembly and the Norwegian Parliament in Svalbard in 2017. His words clearly explain how the consequences of climate change in the Arctic region affect the entire globe and cannot be ignored; thus, it became imperative for nations to acknowledge the severity of the situation and the need for increasing the number of actors involved in Arctic affairs and its environmental protection (NATO-PA 2017).

International climate cooperation started in the 1990s, when the UNFCCC was founded in 1992. This organization aimed at keeping the level of GHG emissions in the atmosphere at a lower level through international cooperation. Up to date, its membership is almost universal. Since the UNFCCC establishment, there have taken place many international climate negotiations and agreements, leading up to the 2015 PCA, which represented a landmark in global climate discourses. The Arctic is not explicitly mentioned in the PCA, however the convention preceding the agreement, the UN Climate Change Conference (COP 21) held in Paris, has helped to grow awareness regarding climate change in the Arctic region (Keil & Knecht 2017: 1).

In the past decades, and especially after the US’ withdrawal from the PCA, China has emerged as a responsible power and a global climate leader together with the EU. However, even though its role in climate governance is praised in the international arena, its commitment to climate issues has been questioned by some. China has shown a great interest in the Arctic, and since 2013 it holds an observer role in one important Arctic governing body, the AC. On January 26th 2018 the country stated its official positions and interests regarding the Arctic region through the issue of the first China’s Arctic Policy White Paper (Graczyk et al. 2017: 131; State Council Information Office of the PRC 2018).

Since the 1990s, the EU has developed its climate policy together with the international one, and has always maintained a leading role in climate governance and environmental protection. Unlike China, its application to the AC is still pending because of a lack of unanimity within the Council’s members. Among the reasons behind Arctic States’ reticence in granting the EU an observer status, there is the Canadian opposition to the 2008 EU’s approval of a ban on the trade of commercial seal products, as well as the Russian discontent with the sanctions imposed by the
EU after the annexation of Crimea in 2014 (Depledge 2015). However, the EU contributes to the governance and the environmental protection of the Arctic region through other means and has begun to develop its Arctic policy since 2008. Three of the EU’s Member States are permanent members to the AC, namely Denmark, Finland and Sweden, and other Member States hold the role of formal observers to the AC; the Union confines with the region and has vested interests in cooperating in Arctic affairs other than for climate issues (Graczyk et al. 2017: 132; Arctic Council 2018).

Climate cooperation between China and the EU started in the 1990s and intensified especially after the US’ withdrawal from the PCA, thus giving space to China for joining the EU as a global climate leader. The two parts have established many mechanisms to cooperate for tackling climate change, and are essential actors in the setting of the global climate agenda. However, given the vested interests of both actors in the Arctic, it seems that they are striving to find a concrete way to work together for tackling climate change in the region.

The purpose of this thesis is the investigation of the reasons behind the paradoxical relationship between China and the EU when it comes to climate cooperation in the Arctic region.

**Conclusion**

This thesis has sought out to identify the reasons behind the problematic cooperation between China and the EU in addressing climate change in the Arctic region. China and the EU have been selected as case studies for the analysis because they are currently leading global climate governance, and they are increasingly involved in Arctic affairs. In the Arctic, they both advance a policy emphasizing environmental protection and sustainability, and they are both committed to fight the Arctic climatic change. Other than environmental issues, the two actors are interested in cooperating in the Arctic because of the potential economic opportunities in the region, such as oil and gas resources or the opening of new shipping and trade routes in the Arctic Ocean, as well as the Arctic new geopolitical and geostrategic implications.

The thesis has presented an overview of climate change in the Arctic and its implications, as well as the governance framework of the region, and the main actors involved. The introduction to the Arctic climatic change and its governance framework has been relevant for the subsequent analysis in pursuance of delineating the context within which China and the EU are involved.

The thesis has proceeded with the analysis of China-EU cooperation in the context of global climate governance, which determined that, despite the former divergences in their approaches to the fight against global warming, global climate cooperation between China and the EU may be said to be a success.
For the sake of narrowing the research to China-EU cooperation for tackling climate change in the Arctic region and unveil the reasons behind their behavior, the thesis has presented the two actors’ respective historical engagement with the region, their Arctic policies, and their interests in the Arctic. The thesis has moved to the analysis of their engagement with climate change in the Arctic, focusing on their cooperation within the Arctic institutional framework, their bilateral and multilateral climate cooperation, as well as the potential conflictual issues and interests in the region.

Neoliberal Institutionalism’s focus on the role of institutional regimes in shaping actors’ behavior proved to be useful in defining how the Arctic institutional framework may influence China’s and the EU’s behavior and policy decisions, as well as their mutual perception and cooperation. The theory proved to suit well for the analysis of international cooperation under climate policy regimes and institutional frameworks. Institutional regimes may be considered necessary for dealing with climate issues, and as the Arctic climatic issues affect the climate systems of the Earth, thus there is the need for cooperation between actors from all around the globe. Cooperation may be difficult to achieve in the absence of regulating mechanisms, thus institutional regimes act as forums which gather more actors together and facilitate cooperation. States are believed to be self-interested actors trying to pursue their interests, however, through institutions, they may decrease uncertainty and increase trustiness in each other’s commitment to the agreement. The actors’ behavior has been examined through the theoretical foundation of the thesis to attempt to provide a logical explanation of the dynamics and the reasons motivating their actions. Finally, the last chapter has summarized the main findings and assessed the research questions posed in the Introduction.

The analysis has revealed that China and the EU present differences in their policies towards environmental protection, climate change, as well as indigenous people’s right. Moreover, they may have problems of mutual misperception, as the EU might perceive China as a potential rival (the so-called ‘China threat’), and China on the other hand may see the EU as opposing to the Chinese development in order to safeguard the Union’s interests. In addition, the EU is divided in its attitude towards the BRI and the Polar Silk Road, as this initiative may bring great economic opportunities to some Member States, while creating economic disadvantages for others, as well as damaging the environment and contributing even more to climate change.

China and the EU are both strongly committed to the fight against global warming and are currently leading global climate governance. They have implemented domestic measures to cut emissions and pursue sustainable development; moreover, they have established various bilateral and multilateral cooperating mechanisms for combating climate change. However, it might appear that they are striving to find a way for concretely cooperate in the Arctic. This may be due to the presence of substantial conflicting geopolitical, geostrategic and economic interests
in the region, as well as it may be caused by the constraints of the Arctic institutional regime which frames and influences their actions.

It may be suggested that China, the EU, and the Arctic States might need to find a method for balancing the pursuance of their economic interests in the region, with the promotion of the sustainable development of the Arctic. The geopolitics of the Arctic is an evolving process and it may likely undergo many changes and witness the creation and establishment of a new Arctic order with the involvement of more actors in the decision-making and policy-making processes. It is yet to be seen whether China and the EU will be part of this new potential order, and whether they might be able to establish a concrete cooperating mechanism and a set of norms for establishing measures specifically targeting the Arctic climate change and environmental protection, while continuing to pursue their interests in the region.

“The Attitude of the People’s Republic of China Towards the Arctic,” Magdalena Środoń, mysl.lazarski.pl, 2015 [35]

Overview:

Before World War II the polar regions were largely of interest to travelers as severe conditions in the region made it impossible to carry out broader actions. The situation has changed due to technical progress, which showed geostrategic advantages of the Far North. The progressive climate changes and shrinking of the permanent ice cover have led to the intensifying discussion on the exploitation of natural and biological resources of the Arctic Ocean and using the potential sea routes. With the development of possibilities to operate in the Arctic waters, the rivalry among the states interested in the extension of their influence in the Arctic Circle is getting stronger. One of the countries looking intently toward the north is China which engaged its capital and diplomacy in the Arctic several years ago. This article is devoted to the analysis of the general objectives of China’s policy towards the Arctic region, with particular emphasis on the issue of natural resources, climate change, shipping and relations with the Arctic countries.

Current & Relevant Information:

Climate Change

Although the Chinese authorities are intent on the Arctic resources and the possibility of using the potential routes, it should be clearly stated that they have never laid claims to any part of the Arctic Ocean. Even if they put forward claims, they would be unjustified because China does not have a coastline in the region. Beijing often explains the growing interest in the Arctic by the necessity to conduct research on climate changes which occur much faster beyond the Arctic Circle than in other parts of the world. The Arctic plays a key role in the natural processes of a
global nature. China believes it is one of the countries most vulnerable to the adverse effects of climate change. In 2011 about 430 million people were affected as a result of extreme weather phenomena and natural disasters connected with the processes occurring in the Arctic. The losses were estimated at 309.6 billion yuan.

Beijing hopes that the results of research projects carried out in the polar regions will be used by Chinese researchers to analyze conditions in the Himalayas, which are sometimes called the third pole. At first glance, it seems that the Arctic differs from the Himalayas. In reality, the two areas have a lot in common. The melting of Himalayan glaciers, just like of the Arctic ones, poses a real threat to the safety of people living in the region. In the end, the biggest rivers of south-east Asia are supplied with water from the glaciers of the Tibetan plateau. It is worth mentioning here that glaciers contain about 75% of global freshwater resources which are used by over 2.5 billion people. After collecting rainwater in the rainy season, they release it evenly throughout the year, stabilizing water levels in rivers. It is clear, therefore, that along with melting glaciers, problems with water will worsen, which will negatively affect agriculture and hence the amount of produced food. Today, millions of people in China suffer from alternately occurring and increasingly intense floods and droughts, which result from, inter alia, climate change beyond the Arctic Circle. The consequences caused by the receding mass of Himalayan glaciers will magnify the negative effects caused by the changes taking place in the Arctic. It is surprising that despite the awareness of the real risks of global warming, China’s position on climate issues is not unequivocal. On the one hand, Beijing is aware of the consequences of the neglect of environmental problems. On the other hand, fearing the slowdown of the economic development pace, it avoids resolving issues related to the change of the energy balance structure. So far, carbon has played a major role in it and there is no indication that something has changed in this matter. Low energy efficiency of the Chinese economy and the costs which China would have to incur in order to reduce its energy consumption, explain why Beijing’s involvement in international efforts to combat climate change is far from the expected.

Summary

Although China has not presented an official strategy for the Arctic, it is actively engaged in the political life of the region, demonstrating the interest in both positive and negative effects of the occurring changes. Chinese financial background and research and scientific potential may in the future contribute to a better knowledge and understanding of the development of environmental processes in the Arctic, as well as to the effective use of potential perspectives regarding the exploitation of natural resources and the development of Arctic shipping. Meanwhile, the Chinese authorities are cautious in their activities, being aware of achieving greater benefits from the cooperation with the Arctic states. The rhetoric of the representatives of the Chinese authorities – conflicting at times – results from the fear of marginalization of the role of China, and eventually its exclusion from the decision-making process.
regarding the management of the region. Conducting effective policy in international forums, especially in bilateral relations with the Nordic countries and Russia, undoubtedly strengthens the position of China in the Arctic. The effects of this process, together with the increase of its global role might in the long run be very significant for international relations.

http://exclusiveejournal.sk/files/files/79/32/14/b30f10165b7240f5bc920cfc738c5849/b30f10165b7240f5bc920cfc738c5849.pdf

Abstract:
Changes in the Arctic region are bringing new opportunities and challenges for Arctic states and for the broader international community. As never before, the Arctic has become part of a complex set of political and economic dynamics linking actors within and outside the region. Among non-Arctic states, China is particularly determined to have a greater influence in Arctic affairs. China declares itself to be a “near Arctic state” and an “Arctic stakeholder,” even though its northernmost territory lies more than 1,000 miles south of the Arctic Circle. As the most populous country in the world, China claims that it should have a say in Arctic policy and disagrees with Arctic issues being decided by Arctic states alone. More broadly, given the region’s resource reserves, shipping lanes, and implications for global warming, China argues that Arctic state interests and claims must be balanced against international interests in the seas and resources of the region.

Current & Relevant Information:
China’s Arctic Strategy
Beijing has focused on neutral topics: sponsoring expeditions, conducting climate changing surveys, supporting the development of indigenous peoples, preserving local cultures, promoting sustainable development, campaigning against environment pollution, and promoting tourism. By developing strong positions in these areas, China will not only be able to tap the knowledge of the international scientific community and put forth arguments to support the theory of climate change influence on China; it will also be able to collaborate with six organizations (Arctic Athabaskan Council; Aleut International Association; Gwich’in Council International; Inuit Circumpolar Council; Russian Association of Indigenous Peoples of the North; Saami Council) that represent indigenous peoples and have the status of permanent members of the Arctic Council. Thus, Beijing can lobby its interests in the Council not on a direct basis, but using a special channel that has already shown itself to be effective.

This scientific approach is a path for China to achieve its true goals in the Arctic, which lie in the economic realm. To start with, Beijing seeks a diversification of
supply routes. The main route for China – the Strait of Malacca – is susceptible to piracy and terrorism. An Arctic Route would let China, first, reduce transportation expenses, second, diversify and secure its shipments, and third, diminish the risk of a U.S. Navy closure of the Strait in a conflict.

Meanwhile rising consumption is forcing Chinese companies to invest heavily in oil exploration and shipment, for example, from Africa and Brazil. Assumptions about Arctic natural resource deposits are thus attractive to Beijing. China will seek not only to get access to new oil fields but also to acquire modern drilling technology it currently lacks.

The third element in the Chinese economic strategy in the Arctic is a share of maritime resources, especially fish. The U.S. National Oceanic and Atmospheric Administration has shown the region’s potential in this regard. Access to fisheries is crucial for countries like Greenland and Iceland, which depend heavily on maritime resources for export earnings, and China has been very active in establishing bilateral economic contacts with these smaller members of the Arctic Council to ensure support for its permanent membership bid. These same tactics worked well in the Asia-Pacific, where China built strong investment relations with ASEAN members to help conclude a free trade agreement with ASEAN. In 2010, China provided Iceland with a $500 million-plus currency swap to support the struggling Iceland bank system. Also, in 2010, Denmark signed deals with China worth $740 million in the areas of power, the green economy, agriculture and food security. In 2011, Denmark’s ambassador in China made a statement in support of a Chinese bid for permanent membership of the Arctic Council. The same position was expressed by the leaders of Greenland and Iceland. In addition, China’s financial aid to small countries will let Beijing participate in the Arctic infrastructure development that will be crucial for the year-round functioning of the Arctic Route. This encompasses port building, ship repair stations, transport hubs (for example, Ísafjörður in Iceland) and rescue centers.

Chinese international strategy in the Arctic will pursue solely pragmatic goals. Not only is economic prosperity as stake but also China’s image as a potential global leader. While it talks up the impact of global warming on Chinese environment and food security, Beijing systematically and purposefully continues to encourage the economic dependence of small Arctic states on China such as the free trade agreement with Iceland to earn support in the Arctic Council. Moreover, the high cost of projects to develop new oil infrastructure in the region force states to attract investors. This opens opportunities for China to develop influence and locks in future energy access. Next up, look for Beijing to begin negotiating route transit fees with Moscow.

In recent years the Russian government has been reluctant to allow Chinese companies to take a stake in Russian oil and natural gas fields. However, with a changing geopolitical situation, marked by highly tense relations with Europe over
Ukraine and China’s transformation into the world’s second largest economy, the Russian state seems to be making its own pivot to Asia.

**Future Possibilities**

In the short-term China will most likely continue its cautious Arctic policy, as it strengthens relations with Arctic states and increases its involvement in Arctic projects, it is likely to develop a more assertive long-term policy.

This flexible position enables China to observe and react according to the situation. By improving collaboration with Arctic states and being involved in projects, China establishes its physical presence in the region. Finally, China’s flexibility could be explained by the fact that an assertive position on the existing territorial disputes could possibly undermine its own contested claims of sovereignty in the South China Sea.

**5. Potential Detrimental Impacts:**


https://www.icsin.org/uploads/2019/03/18/2659130d6b316472ca6abedd7af8b1381.pdf

Abstract:

Arctic is a region gaining more prominence due to the apparent climate change and the role of extra regional powers. On 26 January 2018, China released a white paper on its Arctic policy, clearly highlighting its intentions and ambitions. While pitching itself as a “near-Arctic state”, China vowed to actively participate in the affairs of the warmer Arctic. The white paper underlines “Polar Silk Road”, the continuation of the Belt and Road Initiative, a step closer to developing Arctic ports and transportation corridors. While this is a far-fetched project that may not see the fruits of implementation at least in the near future, it sure represents the growing China’s twenty-first century ambitions. In this regard, China is developing stronger diplomatic relations with the Arctic states. China’s seemingly close relation with a number of Arctic states gives a new dimension to the emerging geopolitics of the region. The recent attempt to build a polar ice-breaker (Xue Long II) and opening bids for its first nuclear-powered ice breaker portrays long-term plans of China to grow into a ‘Polar Power’.

Presence of China in the high north sparks two important questions- first, whether China is interested in the militarization of the Arctic or will it confine itself to scientific and commercial interests as stated in the white paper. Second, whether the eight Arctic states are prepared to accept the fact that the region remains no more limited to their reach but is moving towards becoming more global in nature.

The paper has made a modest attempt to explain China’s Arctic policy, its interests and implications on the region, demystify the perceptions surrounding the Chinese
presence and the infrastructural projects. An attempt will also be made to include various perspectives as well as a theoretical assessment using theories of International Relations.

Current & Relevant Information:

**Introduction**

The Arctic has been changing dramatically due to rising global temperatures resulting in melting of the sea ice. A warmer Arctic has been attracting the world’s attention due to economic and geopolitical reasons. The Arctic Five (Norway, Russia, Canada, Denmark and United States) and the other three countries in and near the Arctic Circle (Iceland, Finland and Sweden) are staring at possible opportunities such as opening up of the new navigational routes, discovery and utilization of untapped resources. As a result of these developments, Asian countries are leaving no stone unturned to mark their presence in the region. China in particular is undertaking numerous steps to ensure that it grows into a significant player in the Arctic. On 26 January 2018, China released a white paper on its Arctic policy, clearly highlighting its intentions and ambitions. It underlines “Polar Silk Road”, a continuation of the Belt and Road Initiative. It is an initiative to develop Arctic ports and transportation corridors. While this is a far-fetched project that may not see the fruits of implementation at least in the near future, it seems to represent China’s twenty-first century ambitions. China is developing stronger diplomatic relations with the Arctic states. China’s seemingly close relation with Russia, Iceland and Denmark (through Greenland) gives a new dimension to the emerging geopolitics of the Arctic region. The recent attempt to build a polar ice-breaker (Xue Long II) and opening bids for its first nuclear-powered ice breaker portrays its long-term plans for the region (China Launches Icebreaker Xue Long 2, 2018)

China is seen as a rising power having developed diplomatic relations with a number of countries across the globe. China over the years has developed a very capable armed forces, economic prowess and led by a very strong leadership. China’s aspiration to be seen as the world leader gets reflected in their fundamental goals. Hence, their move and presence in every region including Arctic has raised debates among the members of academic and strategic community. It is, therefore, necessary to study China’s role in the High North in the backdrop of climate change and the dynamics of emerging geopolitics in the region. Whether China’s increasing influence will have implications both for the region and the shifting world order remains a part of the discussion?

The paper has made an attempt to analyze China’s proactive role in the Arctic by using deductive and analytical method and also assessed the relevance of the theories of International Relations and Geopolitics. Both qualitative and statistical data collected from primary (Arctic Council Documents and the stated policies of the countries that have a role in the Arctic) as well as secondary sources such as
journals, articles, books, opinion pieces and news articles have been used. A detailed literature survey and interviews have been done to collect adequate information, thereby incorporating different viewpoints on the theme.

The paper has made an attempt to understand whether China’s Arctic Policy has a strategic orientation with a focus on economic approach towards achieving its great power ambitions. The first section discusses the larger geopolitics of the Arctic, which includes the geography of the region, the resources, politics over navigational routes and contesting claims of the Arctic states. The second section focuses on the tangible and intangible “push” factors or the reasons attributed to Chinese presence in the Arctic. Assessing China’s Arctic Policy white paper and its engagement in the Arctic is the highlight of the third section. The fourth section throws light on the Arctic states’ responses to China’s footprints as well as the implications of its actions for the High North.

Conclusion

The future geopolitical scenario of the Arctic region is bound to see the effects of irreversible climate change. With this comes the exploration of more resources and the discovery of new maritime routes. Russia and Canada will be the biggest players in the region owing to their geographical location, military presence as well their involvement in the activities pertaining to the Arctic. Russia is at an advantageous position, as most of the resources are at present closer to the Siberia and the Northern Sea Route. Canada views itself as a potential player, an attractive hydrocarbon market and hence is investing substantially in the development of the natural resources in the Arctic.

The region is no more confined to the eight states and has moved beyond to include extra-regional powers from Europe and Asia. While on one hand the extra regional powers are seen as an opportunity for the littorals of Arctic, on the other, it is perceived as a threat to their primacy. The Arctic Council is exclusive and is built on the base that the world must accept the sovereignty of the regional states. There are however differing viewpoints which suggest that the shipping routes and the deep seabed resources must be treated as common heritage of mankind. While some states like the USA agree to this, other littoral states like Canada are on the opposite end.

Certain push factors, both tangible and intangible, that are driving China’s Arctic strategy can be clearly observed. The lateral expansion of China in terms of its economy requires it to scout for resources that can sustain its humongous secondary sector. While this is the tangible factor, China is looking for the normative gains by calling itself as a ‘Near-Arctic State’. Constructing its identity as a great power in the shifting geopolitical order, necessitates its presence in all the regions of the world. Arctic is one of those frontiers where the power play is simmering, yet subtle. Making early investments in this region and capitalizing on the need for new
infrastructure in the region, will provide China, the first-move advantage and help it gain a prominent place in the agenda setting process.

China’s approach to the High North has primarily used economic tools. It entered the realm of Arctic on the pretext of being affected by the climate change, conducting scientific studies and gradually shifted its focus to resource exploitation and building of infrastructure. Identification of necessities of different countries and investing heavily in developing them, is the core of China’s Arctic strategy. Through its value-adding actions, it is ensuring that the states or particular region in a state find it compelling to have China on board. As President Xi Jinping put-forth in 2014, China desires to become a polar power, having a say in the Arctic affairs and thereby leaving no stone unturned to reach its target of being recognized as a great power. Its strategies, actions and diplomatic skills holds the hypothesis proving to be true.

“The rise of China in the Arctic? Domestic motives, actors and international context,” Martin Kossa, isanet.org, 20 October 2015 [38]
http://web.isanet.org/Web/Conferences/AP%20Hong%20Kong%202016/Archive/cbc09d1b-cf7b-4252-88f5-ca43776cbaa0.pdf

Abstract:
Over the past decade, China has been steadily increasing its presence in the Arctic region and came to call itself an Arctic stakeholder. However, Beijing still lacks an official Arctic policy and, at present, it seems that such white paper is in the early stages of its drafting. At the same time, there seem to be several actors within China that are interested in the Arctic region and have the capacity to influence China’s Arctic decision-making process. As such, this research explores the motives behind China’s Arctic engagement, identifying the main domestic actors influencing China’s foreign policy in the region and reflects on linkages between China’s proactive diplomacy and the Arctic. As research analyzing Chinese foreign policy, this study also aspires to further develop our understanding of the process of state policy transformation in an era of increasing fragmentation, decentralization and internationalization.

Current & Relevant Information:

Introduction

The warming of the global climate is unequivocal leading to the increase of temperatures over the Arctic land mass by up to 5°C. Arctic summers of the 20th century have been the warmest in the past 400 years. As a consequence, the size of the Arctic sea ice has been steadily declining and in September 2012 it reached its "lowest seasonal minimum extent in the satellite record since 1979." The Greenlandic ice sheet together with glaciers in Alaska and Northern Canada have been losing mass and thus directly contributing to the global sea level rise. In addition, Arctic permafrost is thawing and, in the process, releasing greenhouse
gases like methane into the atmosphere. All of these changes will have a serious local as well as global environmental impact, including ocean acidification, vegetation changes, coastal erosion and changes to the marine food chain.

Paradoxically, these environmental transformations coupled with the forces of globalization are the main drivers contributing to the opening of the Arctic region and the new economic opportunities stemming from it. The High North holds large deposits of oil and gas, gas hydrates, rare earth elements, coal, iron ore, nickel, cobalt, zinc, lead, copper, gold, silver, platinum and diamonds. The shrinking of the Arctic sea ice also leads to the emergence of new shipping routes in the Arctic Ocean. It is estimated that by using the shorter Northern Sea Route (NSR), running across the northern coast of Russia, between Northern Europe and Asia "one saves about 40% of travel time and subsequent fuel and freight shipping costs."

Additionally, some studies have suggested, that there might be a northward migration of fish species into the Arctic Ocean deeming commercial exploitation of these waters more profitable.

The Arctic region has also attracted considerable attention from many states across the Asian continent. Among the non-Arctic Asian states, China occupies a prominent position due to its growing influence in world politics and expanding military capabilities. Over the past decade, Beijing has been steadily increasing its presence and activities in the High North and came to call itself an important Arctic stakeholder and a Near-Arctic state. However, China still has not articulated any official Arctic policy and, at present, it seems that such white paper is in the early stages of its drafting. At the same time, there seem to be several actors within China that are interested in the Arctic region and that have the latent capacities to influence China`s Arctic decision-making process. While there is a growing volume of scholarship that is analyzing Asian and Chinese interests in the Arctic region, there seems to be a gap in our understanding of which actors within China have what interests and how they can influence the official decision-making process; what role does the Arctic play in China`s foreign policy and where to place it within the context of China`s emergence as a new global player. Against this background, this research paper will seek to explore the following interrelated questions: What are the motives behind China`s engagement with the Arctic? Who are the main domestic actors influencing China`s foreign policy in the region? How does the Arctic reflect in China`s "new" proactive foreign policy? What kind of Arctic power will China be? The unsure future developments of the Arctic region coupled with the uncertainty about how China will use its growing power and influence create a compelling impulse to examine China`s intentions in the High North.

This research paper will proceed through six parts. First, it will establish Neoclassical Realism as a theoretical framework with a brief subsection on methodology. A short overview of China`s polar hardware will follow. Part number three will discuss China`s Arctic interests followed by a summary of Chinese domestic actors that
could strive to influence China`s foreign policy directions in the Arctic. The fifth part will show some parallels between China`s Arctic engagement and its "new" apparently more proactive foreign policy. The research paper will wrap up by some concluding remarks.

Concluding remarks

Over the past decade, as the physical changes taking place in the Arctic region have secured it a more visible place in international affairs, the High North has also been attracting some attention in China. Beijing is now being regarded as a polar capable state with a history of polar activities, a considerable and growing polar research program, modern facilities and polar equipment, research stations and a well-established network of research institutions on the mainland devoting their resources to the Polar Regions.

In view of the potential impact the changing Arctic might have on China`s socio-economic developments and because of its proximity to the region, China has declared itself an important Arctic stakeholder and a 'near-Arctic' state. However, despite such statements, China still has not published any official Arctic policy paper. Therefore, this research paper has identified foreign policy actors within China that could seek to influence the decision-making process over Arctic policies. Besides the traditional actors within China`s State Council like the State Oceanic Administration, the Ministry of Foreign Affairs and the Ministry of Commerce, there seems to be a whole flurry of 'actors on the margins' like China`s large SOEs, local governments, research institutions and academia as well as the 'public sphere'. It is important to acknowledge that the decisions are made by the traditional actors while the non-traditional entities seek to influence those decisions. Such distinction is in line with the theoretical framework of this research - Neoclassical Realism. This theory of foreign policy claims, amongst other things, that foreign policy is made by actual leaders who are not making decisions in a vacuum but need to consider interests of other societal actors within the state. These actors have the biggest opportunity to influence foreign policy when a relative stable and a low threat environment prevails which, under current conditions, the Arctic region is. Moreover, the research at hand supports the body of literature claiming that the Chinese state is transforming - not being a monolithic, unified 'Westphalian' state but becoming increasingly fragmented, decentralized and internationalized.

There certainly exist direct links between China`s 'new' foreign policy and its conduct in the Arctic region which this research paper has identified primarily in its references to respect, cooperation and win-win. However, it seems that China is looking at its foreign policy goals in a more long-term and strategic manner. As such, it would be optimal to look at China`s Arctic engagement in the context of its overall foreign policy objectives: a) political stability, b) sovereign security, territorial integrity and national unification and c) sustainable economic and social development. Considering the effects Arctic climate change has on weather in China, there are
concerns that such effects might do damage to China`s agriculture thus directly endangering its food security. Moreover, because of sea-level rise large numbers of people would be forced to leave their homes. All of these developments could have an impact on China`s political stability therefore Beijing needs to understand the changes taking place in the Arctic. Another point for consideration is China`s need to sustain its economic growth. The Arctic region has the potential to ease China`s energy and transportation insecurities in the form of access to much needed natural resources and relatively safe transportation routes. Thus, the Arctic could be regarded as a prospective region that could help China secure two of its most important foreign policy objectives. Also, China, by engaging with the Arctic and as a country that is striving for a global great power status, seeks respect such a country deserves.

Since Xi Jinping came to power in 2012, he has been advancing the notion that China, despite being a developing country, has now the power and influence to conduct a great power foreign policy. The question in order would be if China will be satisfied with its current position within the Arctic governance system, to be treated like other "ordinary" observers and leave the decision making on others. NCR predicts, that it is inevitable for emerging powers to exercise their growing influence in regions far off their borders. Will this be the case in the Arctic? In the short turn, China is expected to follow the principles it laid out at the 2015 Arctic Circle conference in Iceland, which are largely based on its past conduct: 1. further explore and understand the Arctic, 2. protect and properly utilize the Arctic, 3. respect the right of Arctic states and Arctic indigenous peoples, 4. respect the right of non-Arctic states and the international community, 5. build a multitier Arctic cooperation network and 6. uphold the Arctic governance system based on existing international law. Therefore, for the time being, China will not make any significant changes to its Arctic approach. Moreover, the Arctic region is not poised to become China`s top foreign policy priority. As such, it is hard to imagine that China would want to subvert the existing order there. Instead, it will continue to work within that order and it will seek to increase its political influence and status through active participation as it will look for ways to increase its `right to speak` (hua yu quan) in Arctic affairs - a popular and wide spread theme amongst Chinese Arctic commentators. In view of the predictions outlined in this paragraph, China in the Arctic is likely to be, to use Mikael Weissmann`s words, "a responsible reformer striving for achievements."


Overview:

Growing US concerns over Chinese involvement in Arctic affairs have raised tensions between the two states. Although detrimental to mutual trust, it is unlikely that economic activity in the Arctic Circle will be disrupted in the near future as China currently seeks to avoid securitization of the region.
Diplomats gathered in Rovaniemi to discuss the state of the North Pole were caught off-guard by the United States’ posturing. In a speech to the Arctic Council, US Secretary of State Mike Pompeo sharply warned against China’s increasing economic activity on the North Pole and the potential militarization of its projects. The Arctic Council is the main intergovernmental forum on Arctic affairs and its mandate does not cover security issues. Therefore, his remarks were unusual and raised important questions. To what degree could China’s polar aspirations pose a threat to the regional stability of the Arctic Circle?

Current & Relevant Information:

**Chinese investments in the Arctic**

Some of China’s investments have been welcomed by regional actors, and include the China Iceland Joint Arctic Science Observatory. Its costs were covered fully by the Chinese government, according to Halldor Johannsson, vice-chair of the new research facility located in Northern Iceland. Originally meant to monitor the northern lights, both parties have already committed to expanding its activities. Despite earlier suspicions in 2011 regarding investments by a Chinese billionaire, Iceland’s attitude towards scientific cooperation with China remains neutral, and the Observatory was inaugurated in October 2018.

In Greenland, melting glaciers provide new opportunities for the exploration of natural resources. Chinese companies are involved in six different projects, including a partnership with the Australian company to extract uranium and rare earth minerals, which may serve a growing demand for the latter in China. While environmental concerns have been raised, international cooperation on natural resource extraction could reduce Greenland’s current reliance on Danish subsidies.

However, in other cases, Chinese investments have been met with wary eyes. A sparsely populated but vast island, Greenland relies on aviation for the transport of both goods and people. When in 2017 two Chinese construction companies applied for a government tender to build three airports, their bid to improve the infrastructure network of the island sparked fears of a Chinese takeover in the Danish Parliament. In order to prevent Greenland from falling into a potential ‘debt trap’, Denmark offered to finance the projects instead.

In Sweden, a newly opened research facility in Kiruna has also been put under scrutiny after the Swedish Defense Research Agency, an entity of Sweden’s Ministry of Defense, argued that its monitoring capabilities could be abused by the Chinese military. China’s first wholly-owned satellite ground station opened in January 2019 and is meant to improve global satellite data reception. Yet the highly blurred lines between the civilian and military sphere in China’s space efforts mean that potential military applications of its new satellite base cannot be ruled out. It is these concerns that fuel US antagonism towards a growing Chinese presence on the North Pole.
Simply business?

These investments are exemplary of China’s wish to become a ‘polar great power’, a term first used by President Xi Jinping in 2014. Its aspirations in the polar regions have become clearer since January 2018, when the State Council Information Office released a white paper entitled ‘China’s Arctic Policy’. This document outlines some of China’s economic and scientific interests in the Arctic but refrains from mentioning any long-term military and strategic goals.

More specifically, the paper calls for international cooperation in order to develop a new shipping route through the Arctic. The new route, called the Northern Sea Route, shaves off 15 days of the shipping time and allows ships to navigate Russian waters in order to enter the seas of Western Europe. Since 2013, Chinese shipping company COSCO has conducted 22 commercial voyages and its cargo volume is predicted to increase in the coming years.

Furthermore, the emphasis is placed on the potential extraction of both natural and living resources. In addition to its activities in Greenland, China is also involved in a Sino-Russian joint venture in Yamal, Russia, to extract liquified natural gas. A recent bureaucratic shuffle in March 2018 has put the Chinese Arctic and Antarctic Administration under the direct supervision of the new Ministry of Natural Resources. This illustrates the importance the Chinese government attaches to the potential economic utilization of the Arctic.

While business interests thus dominate Chinese foreign policy in the far north, other intentions likely play a role as well. The Arctic, for example, is perceived by Chinese researchers as a barometer for climate change, the latter which may have a direct impact on Chinese national security. Rising sea levels, for example, threaten to flood Chinese coastal regions, including its highly industrialized Pearl River Delta. And although the government has withheld from commenting on military affairs in an official capacity, academics from institutions of the People’s Liberation Army continue to engage in discussions on the geostrategic implications of melting ice caps.

The snowy road ahead

Governance in the Arctic is an extremely convoluted process, however: rather than one single regime, the region is governed by a patchwork of international treaties. While the Arctic Council exercises some influence, the current regulatory framework favors the five littoral states of Canada, Denmark, the United States, Russia, and Norway. In the 2008 Ilulissat Declaration, this group asserted its primacy in Arctic affairs, effectively preventing the creation of a comprehensive Arctic Treaty without its approval.

Although Chinese scholars have raised their concerns about the exclusionary nature of the current regime structure, officials are careful not to make any public
statements. Despite the restrictions that the current Arctic regime poses for China, the current treaties in place provide some leeway for the country to engage in its interests. China is therefore likely to continue to push for international cooperation in these fields. It will be eager to avoid securitization of the region. Scientific investments, such as those in Iceland, form an opportunity to forge bonds with potential Arctic allies, including its own neighbors: since 2013, China, Japan, and Korea have held yearly summits on Arctic cooperation.

As climate change takes center stage in the Arctic Council, China remains off the radar – for now. Its activities in the far north are limited as of now. Chinese militarization is unlikely in the foreseeable future as the country continues to build ties with what it regards as key stakeholders in the region. Military use of civilian technology, however, cannot be ruled out and these uncertainties may fuel further hostility of the United States towards China’s policies abroad. Much like its unease towards the use of Chinese 5G technology, it is probable that an increasing amount of Chinese ventures around the Arctic Ocean may become yet another factor contributing to the growing distrust between the two nations.

“China’s New Arctic Policy: Legal Questions and Practical Challenges,” Nong Hong, Maritime Awareness Project, 16 March 2018 [40]

Overview:

China issued its first official Arctic policy in a white paper published on January 26, 2018. The Chinese media and academics were truly thrilled—both by the content of the policy and by the fact that it had been formalized and published—and reacted immediately with overwhelmingly positive reporting and analysis. Meanwhile, the international community, especially the Arctic states, quickly added their views on the white paper.

Of the Arctic five (the five states with a coast inside the Arctic circle), Canada is the most concerned about the white paper’s implications. Canadian experts warn that China’s Arctic policy is attempting to tread a fine line between respecting the sovereignty of Arctic nations and leaving room to profit from disputes in international law. The white paper’s use of language like “respect for international law” is viewed by Robert Huebert from the University of Calgary and Frédéric Lasserre from Université Laval as an attempt to articulate limits on Arctic states’ sovereignty. One of the issues that worries Canada the most is whether China will adopt the same legal position as the United States and the European Union: treating the Northwest Passage as a “strait for international use,” in opposition to Canada’s claim to it as “internal waters.” In fact, this essay shows that the white paper largely avoids this difficult issue, focusing instead on the considerable opportunities and challenges posed by economic and environmental considerations.
Current & Relevant Information:

Other than the long-standing objections raised by the United States and echoed by the EU, Canada’s position has not been challenged by other states that also recognize the importance of shipping through the Arctic. China, Japan, and South Korea, in particular, see the melting Arctic Ocean as a unique opportunity for international trade, which will have a measurable effect on their economies because of their dependence on shipping. In addition, over the past decade a growing number of cruise ships have sought to transit the Northwest Passage.

The positions of China and other non-Arctic states on the legal status of the Northwest Passage and the Northern Sea Route will be crucial for the Arctic littoral states. Sooner or later, non-Arctic states will have to adopt a clear position on whether the Northwest Passage and Northern Sea Route enjoy the status of international waters for navigation, as the United States and the EU hold, or whether they are internal waters, as Canada and Russia insist.

In its white paper, China maintains that all activities to explore and utilize the Arctic should be conducted in compliance with treaties such as the United Nations Convention on the Law of the Sea (UNCLOS) and the Svalbard Treaty, as well as with general international law. However, the white paper does not touch on the status of the Northwest Passage and other straits in the Arctic. On shipping, China expresses a desire “to work with all parties to build a ‘Polar Silk Road’ through developing the Arctic shipping routes.” China encourages its enterprises to participate in infrastructure construction along these routes and to “conduct commercial trial voyages,” in accordance with international law, to pave the way for regular commercial operations. In addition to emphasizing opportunities for commercial shipping, the white paper offers evidence of China’s interest in supporting and encouraging cooperation with Arctic states to develop tourism in the region and calls for concerted efforts to enhance security, insurance, and rescue systems.

One consideration that might weigh against China following the lead of the United States and EU on the Northwest Passage is that doing so would weaken the argument that its own Qiongzhou Strait, between Hainan and continental China, should be considered internal waters. It is worth noting, however, that the status of the Qiongzhou Strait has rarely, if ever, been a matter of debate, while the status of the Northwest Passage and the Northern Sea Route has frequently been contested.

Like its neighbors in East Asia, China sees the melting Arctic Ocean as a unique opportunity for itself and international trade generally. Its recently published white paper on Arctic policy highlights the country’s interest in shipping routes through the Arctic, among other interests such as participating in Arctic governance and polar research. On the one hand, the international community, including Arctic Council members, welcomes the transparency and increasing confidence that China shows
by participating in Arctic governance. On the other hand, given China’s rapid military modernization and economic growth, suspicions regarding its global strategic intentions as it moves toward the Arctic are unavoidable. Canada’s concerns about China’s evolving position on the status of the Northwest Passage are symptomatic of this dilemma. Thus, a combination of potential economic benefits, unsettled legal issues concerning the navigation regime in the Arctic, and technological and environmental challenges will likely determine the prospects for China’s involvement in Arctic shipping.

“Coping with a "Near-Arctic" China,” Mischa Longman, University of Calgary, 23 September 2019 [41]

Overview:

The purpose of this research project was to explore the implications of an accelerated Chinese interest in Arctic affairs. More specifically, this project focused primarily on the practical effects of this greater involvement in the region for the two largest and most globally influential Arctic states, namely Russia and the United States from a mix of political, military and economic perspectives. In doing so, this project would seek to increase understanding of recent developments in Chinese policy and economic involvement in the Arctic region and how they would influence the behavior of powerful local actors, a topic of some importance and urgency given the historical insularity of the Arctic from outside affairs or actors, as well as the region’s characterization as a zone of inter-state cooperation rather than competition. How would China’s entry into the region in the form of ambitious policy proclamations and substantial foreign direct investment into Arctic states affect these conditions? Given rising competition elsewhere in the world between the United States and China, the topic of China’s entry into the Arctic seems both highly current and fraught with the potential to fundamentally reshape the region’s political and economic landscape. Existing regional issues may serve as fault lines which a powerful extra-regional actor could exploit, such as the substantially deteriorated relationship between Russia and the NATO members of the region since the 2014 annexation of Crimea and the resultant weak Russian economy. In studying these issues under the aegis of the larger research question articulated above, this project sought to provide a snapshot of the Arctic’s political and economic landscape at a moment of unprecedented outside interest, as well as accurately capture the essence of what trends and tendencies have arisen in Russian and American policy in reaction to these developments.

Current & Relevant Information:

Results
This project revealed a number of interesting preliminary findings on the effects of China’s entry into the Arctic region. These will be beginning with the broader context before addressing the specific findings on Sino-Russian and Sino-American relations in the Arctic. The BRI’s development was traced from inception to its current ambitions for the PSR, and areas of concern such as the “debt trap” potential by which Chinese loans could be used as economic leverage to achieve ownership of strategic resources were addressed, finding them largely overblown. However, Chinese investment patterns in infrastructural projects such as the Greek port of Piraeus did show some willingness on the part of Chinese state investors to take advantage of an economically-disadvantaged state in order to attain decisive ownership over strategically significant resources. Chinese interest in the Arctic was traced broadly to establishing energy security, given massive domestic energy consumption and ongoing efforts to phase out coal in favor of natural gas, a resource present in great quantities in the Arctic and particularly under Russian ownership. Additionally, the Arctic would provide new shipping opportunities for both Chinese importing and exporting, bypassing sensitive areas such as the Suez Canal or Strait of Malacca.

With this basic contextual information out of the way, the major findings of the research question may be addressed beginning with Russia. Sino-Russian cooperation was shown to have experienced a major upswing since 2014, roughly the same time as Western sanctions aimed particularly at the energy industry began to severely damage the Russian economy. In this way, China seems to have stepped in to act as a significant investor in Russian Arctic projects, particularly those involving energy extraction and exploration as well as the construction of transport infrastructure related to the Russian Northern Sea Route (NSR). These developments serve the double purpose of meeting China’s goals through the BRI as listed above as well as supporting important sections of the Russian economy in the aftermath of sanctions. However, this project also found significant underlying tensions in Sino-Russian relations in the Arctic, and it became pertinent to analyze in particular a trio of failed or stalled multi-billion-dollar (equivalent in USD) projects in order to ascertain the sources of these tensions. Ultimately, Russian concerns over Chinese investment were found to potentially stem from considerations of the strategic sensitivity of the NSR to Russian state security, an unwillingness to cede operation control or decisive ownership stakes in major extraction projects to Chinese state investors and a seeming willingness to utilize other Asian investors such as India in order to avoid over-dependence on Chinese financing. On the Chinese side, a pair of major contracts were found which fell through due to the extensive “anti-corruption drive” spearheaded by President Xi Jinping, pointing to a potential (albeit difficult and opaque) area for future research on Sino-Russian relations, namely the effects of entrenched corruption on the relationship.

Research into the American reaction to China’s entry into the Arctic proved extremely fruitful, as well as the area of the project in which the most use could be
made of primary sources in the form of just-released American policy documentation and official speeches by the Secretary of State. A lack of releases by civilian institutions were more than compensated for by a flurry of recent policy releases by the United States Department of Defense (DoD), particularly in the form of a comprehensive DoD Arctic Strategy and a Coast Guard strategic document which went into extensive detail about Chinese capabilities in the region. These were compared to earlier iterations of the same documents, which were found to have either mentioned China in somewhat muted terms or not at all, whereas the most recent documents made clear that China is viewed as a strategic competitor to the United States in the Arctic. The lack of civilian documentation only served to make this point more explicit, as did the official policy speech by Secretary of State Michael Pompeo at the Arctic Council in which he invoked the need for increased military security and characterized China’s self-proclaimed “near-Arctic” status as illegitimate. Overall, the American reaction to Chinese Arctic activity was shown to have been led entirely by considerations of military security, with practical effects consisting largely of substantially increasing funding for icebreaking vessels in order to maintain a regional presence and raising the issue of China’s illegitimacy as a regional actor. While future policy releases or actions may emphasize civilian aspects or seek to improve Sino-American relations in the region, it is clear at the time of this project that the current administration of the United States is vocally opposed to China’s entry into the region and is willing to overtly elevate this topic to a military concern.

Conclusion

While the above section illustrates the most important findings of this project’s research, it also illustrates that there are many branching paths which further research into these fields could follow. The aforementioned language barrier of Russian and Chinese did serve as a limitation on adequately analyzing Sino-Russian relations, as did the opacity of political issues in these states. However, the breadth of the project served as the single largest limitation, and in another iteration perhaps focusing research on a single aspect (Sino-Russian economic relations in the Arctic, for instance) would prove even more fruitful. Ultimately, despite this somewhat overstretched breadth, this project answered our initial research question of China’s impact on Arctic relationships by showing the region as becoming rapidly less insular, as a powerful outside actor seeks to establish an economic and policy foothold in the region.

China’s growing interest in the region has not gone unopposed, with the Russian government expressing their misgivings through seeking to maintain decisive economic and operational control of sensitive projects and the Americans through overtly threatening behavior and policies opposing China’s Arctic ambitions. Already there is unprecedented behavior from the American government, with the Secretary of State speaking of military security in the Arctic Council despite such topics being
explicitly outside the Council’s mandate, specifically to inveigh against an extra-regional actor. Russia has already, through actions such as inviting India as an alternate investor and seeking to keep Chinese involvement in direct operations low, shown a level of unease with growing economic reliance on China. For any future project on these considerations, a translator skilled in either Russian or Chinese would prove invaluable for deepening an understanding of the Sino-Russian relationship beyond economic data and Western academic sources.


Overview:
Since gaining the status of Observer to the Arctic Council in 2013, China has been making strides in increasing its Arctic presence. The vital role of a blue water Arctic in the future of geopolitics and global commerce is underscored in a remark made by Li Zhenfu of Dalian Maritime University who said, “Whoever has control over the Arctic route will control the new passage of world economics and international strategies.”

In January 2018 China released its Arctic Policy, declaring the “Polar Silk Road” as the third extension of its Belt and Road Initiative, and China as a “Near Arctic State.” Chinese companies, which cannot be fully separated from the government, have strategically stretched that role. They have expanded their engagement both physically, through funding icebreakers and increasing marine transits through the Northwest Passage and the Northern Sea Route, as well as financially and geopolitically, through dual-purpose direct investments and scientific undertakings in Arctic nations and corresponding territorial waters.

Current & Relevant Information:

Icebreaker Capacity and Transits
September 2018 featured the debut of Xuelong 2 (Snow Dragon 2), China’s first domestically produced icebreaker endowed with the pioneering capability of two-way icebreaking. China also has plans for a nuclear-powered aircraft carrier, an advanced vessel only currently possessed by Russia.

In contrast, the only functional heavy icebreaker belonging to the US is the Polar Star, which was built in the 1970’s with a 30 year life expectancy. The newest, and most technologically capable of the US’ icebreaking fleet, is the Healy, however this medium icebreaker does not have the icebreaking capacity of a heavy vessel. It is no wonder, then, that this summer Secretary of Defense Jim Mattis stated, “America’s got to up its game in the Arctic.”
The summer of 2018 marked the first time that Russian LNG cargo was shipped to China using the Northern Sea Route (NSR) instead of the traditional southern route through the Suez Canal, which is perceived as a vulnerability to China because it is controlled by US allies. A northern route would additionally allow ships to avoid chokepoints that have historically proven problematic due to piracy concerns. This 2018 cargo transit event highlights the way that global commercial maritime transit will be physically shifting as climate change progresses over the next few decades. The NSR and other Arctic routes are not currently commercially viable on a large scale, but that will change as waters warm, ice melts, and improvements are made in hydrographic mapping, and search and rescue response capabilities. The NSR passage from Asia to Europe makes geopolitical sense for China as well as commercial sense, since it shaves around two weeks off of transit time compared to the southern route.

**Foreign Direct Investment and Strategic Advantage**

Doubtless, the High North needs investment funds for sustainable development and construction of infrastructure. To this end, China is a valuable economic partner. Investment funds accepted must be weighed, however, against the risks associated with geopolitical leverage gained with those investment dollars. Strategic investment has been shown to be one form of economic coercion employed by China, whereby it leverages influence to secure its interests. For instance, major telecom provider, Huawei, has been called "effectively an arm of the Chinese government." Financial investments have been used as leverage to coerce nations into severing diplomatic ties with Taiwan, which China claims as its sovereign territory. This is where economic development comes up against issues of sovereignty.

In the Arctic in particular, a November 2017 report from CNA revealed China has committed what is equivalent to 11.6% of Greenland’s GDP to resource development projects. This high level of FDI has geopolitical implications because since voting for independence from the Kingdom of Denmark in 2007, Greenland has struggled to develop a comprehensive economic strategy that would allow it to be fully independent. While it is largely self-governing, Greenland still receives substantial funds from Copenhagen to buttress its seafood export-based economy.

The issue of the implications of FDI came to a head recently over the question of who would provide funding for airport infrastructure upgrades in Greenland. When Denmark realized that the financing frontrunner was China, the government quickly stepped in to provide the funds. When Greenland’s Prime Minister, Kim Kielsen, accepted the money from Denmark, a pro-independence party (Partii Naleraq) of the ruling four-party coalition, broke away because they viewed this as Danish interference in Greenlandic politics. This caused Kielsen to lose a majority in parliament, leading him to scramble over the coming days to successfully renegotiate a new coalition.
Greenland is strategically important for the US both due to the presence of Thule Air Force Base, as well as NATO airspace. Following the Greenland airport event, the Department of Defense (DoD) issued a **Statement of Intent on Defense Investments in Greenland**, stating the US intends to “pursue potential strategic investments vigorously, including investments that may serve dual military and civilian purposes,” and to enhance its “military operational flexibility and situational awareness.” In response to DoD’s statement, Denmark’s Minister for Foreign Affairs, Anders Samuelsen stated, “The Arctic is increasingly important from a geopolitical point of view. We warmly appreciate the defense cooperation with the United States in Greenland, contributing to our shared objective of security while maintaining the region a low-tension area.”

China recognizes the strategic benefit of partnering with Russia to facilitate its entry into the Arctic. In the funding void created by US sanctions on Russia-owned gas producer Novatek, China has stepped in to provide financing, and is now, along with France’s Total, a part-owner of Russia’s LNG facility in the Yamal Peninsula. China will also help to fund the planned second Yamal LNG plant. As part of their retaliatory tariffs against the US, China chose to institute a 10% **tariff** on US liquid natural gas, effectively pricing the US out of their energy market in favor of Qatar, Australia, and Russia.

As foreign direct investment from China grows in scale and influence around the globe, it is being more heavily scrutinized. China has quickly and decisively seized opportunities. When Iceland faced pressure from the 2008 financial crisis, China leveraged this to ink its first **free trade agreement** with a European country. China has been willing to invest in foreign nations’ infrastructure projects even when they are not commercially viable, for example, the fate of the **Hambantota Port** in Sri Lanka has caused much unease. This has brought the concept of “**debt trap**” **diplomacy** into the international dialogue. Even Russia, having agreed upon an **Ice Silk Road** with China, remains wary of the mounting investment funds, and is seeking to counter-balance Chinese influence by building upon a strategic partnership with **India**.

The US has started taking measures to provide alternative financing for countries who are hesitant to accept Chinese investment. This recently manifested in the bi-partisan passage of the **BUILD Act**, which expands the US government’s ability to fund overseas development projects. Development banks also play an important role in providing international funds, with an emerging **option** for an Arctic Development Bank.

**Strategic Science and Technology**

China has significantly increased its strategic research and development in the Arctic with dozens of scientists in Svalbard, Norway, as well as over 200 scientists dedicated to the mission of the Polar Research Institute of China (PRIC). The
number of China’s ice breaking research vessel transits continues to increase annually. China has engaged in dialogue with Japan and South Korea on a changing Arctic for several years. It has also invested in scientists and technology within its oceanographic research enterprise to better understand the undersea domain.

Some have recently started characterizing the ambiguous nature of scientific exploration and infrastructure investments as “gray zone” challenges in this new era of great power competition. U.S. Special Operations Command defines the gray zone as being characterized by “competitive interaction among and within state and non-state actors that fall between the traditional war and peace duality. They are characterized by ambiguity about the nature of the conflict, opacity of the parties involved, or uncertainty about the relevant policy and legal frameworks.” This inherent ambiguity makes it challenging, especially for developing states, to seek economic development opportunities and the scientific wherewithal to understand climate risk in a way that does not compromise their sovereignty.

In sum, China has been clear that it intends to pursue an Arctic presence for economic, scientific, and strategic interest. Climate change is a catalyst not only for melting Arctic ice, but for China’s entry into Arctic geopolitics.

It is imperative for the US to step up its leadership role in the changing climate geopolitics of the Arctic during this unique window of opportunity. A failure to do so will have long term detrimental impacts on US strategic interests in the region.


Abstract:

China’s strategic interest in the Arctic region has attracted a lot of attention ever since the People’s Republic of China (PRC) applied for permanent observer status in the Arctic Council in 2007. However, China’s actual maritime (let alone naval) presence in the Arctic has been fairly limited so far. Given other areas of interest in Eurasia, in the Asia Pacific as well as in Africa, it is worth considering what the status of China’s Arctic engagement from the government’s strategic point of view might be. Are there any tangible indicators pointing to a possibly heightened level of Chinese Arctic maritime exploration in the future, e.g. in terms of related hardware procurement? The aim of this article is to explore the question to which extent Chinese naval activities, military capabilities, transnational investments, and security co-operations within the Arctic region have the potential to affect military-strategic considerations in the Arctic. Furthermore, it intends to put China’s strategic interest
in the Arctic, and its actual level of maritime engagement there, in perspective given China’s extensive security concerns in other world regions.

Current & Relevant Information:

Divergent Public Perceptions of China’s Arctic Ambitions

There seem to be striking differences between the perception of China’s Arctic maritime presence within the Arctic countries and in non-Arctic countries on the one hand, and by observers outside and within China on the other. While Russian observers typically assume a relatively strong Chinese interest in developing its maritime, economic, and security presence in the Arctic, non-Arctic Western and Asian observers have tended to downplay the importance of the Arctic when discussing China’s emerging global role. It is, for instance, telling that in one of the most insightful recent treatments of China’s rise – David Shambaugh’s 2014 monograph China Goes Global – the Arctic is not discussed even cursorily. Related keywords such as “arctic,” “polar,” “Greenland”, “Iceland,” “Norway” or “Svalbard” are entirely absent in the book’s index. Another very recent discussion of China’s emerging global maritime security strategy by two Chinese experts – Xu and Cao (2016) – likewise makes no mention of the Arctic, but instead concentrates on the PRC’s major maritime security concerns elsewhere, such as its so-called ‘core interests’ of sovereignty, above all the Taiwan question, and the South China and East China Sea issues. Other topics highlighted by them include China’s vulnerability towards SLOC disruptions, often referred to as the ‘Malacca dilemma’; China’s ongoing anti-piracy operations off the Gulf of Aden; and the naval rivalry with the United States in the Asia Pacific region. This choice of topics clearly indicates the relatively greater importance of these issues when compared with China’s emerging Arctic interests. In a thorough study of domestic Chinese discussions of the Arctic potential, David C. Wright likewise notes that it is “important not to overestimate the importance of the Arctic in most publicly available Chinese naval strategic thinking. Two important books by major Chinese naval strategists published in 2010 discuss little if anything substantive regarding Chinese interests in the Arctic, but they cover the Indian Ocean quite extensively” (Wright 2011: 36).

It is therefore by no means unusual, neither in the Western nor the Chinese literature on China’s worldwide maritime security concerns, to find the Arctic entirely neglected. This probably reflects the comparably low level of importance attributed to Arctic maritime security questions by many observers when compared to seemingly more pressing maritime security challenges China is currently facing elsewhere.

However, when one analyzes the existing literature on Arctic security issues specifically, a number of surprising insights can be gained. It seems that China’s Arctic role is given a far more prominent coverage in some of these sources (e.g. Hough 2013), although this is not always the case. Especially in studies that were
published by scholars from the Arctic countries themselves, many authors tend to focus more strongly on China’s developing interest in the Arctic. But even among those observers who do assume that China ultimately aims at expanding its strategic role in the Arctic, there seems to be no clear consensus whether China’s ambitions are positive or troubling in nature. Russian observers typically express greater concern regarding Chinese security ambitions than e.g. Scandinavian or Canadian commentators (cf. Willis and Depledge 2014), although a tendency to portray China’s Arctic interests very negatively can also be noted in some Western publications (Huang et al. 2015: 60). Therefore, an interesting question to consider is: What material evidence currently indicates a growth of China’s Arctic maritime interest and activities?

**Conclusion**

Starting roughly with the ‘Taiwan Missile Crisis’ of 1996, the past two decades have seen a naval build-up in China both in quantitative and in qualitative terms. China has been aiming to enhance the level of its naval capability by building an expeditionary navy, and plans to transform its military into a modern force capable of joint operations.

Because China’s coastal waters within the so-called “First Island Chain” are confined and shallow, and are subject to constant surveillance by the US and its allies, China has to contend with a relatively unfortunate geostrategic position, which places constraints on China’s naval expansion. Driving US forces further away from its shores by developing stronger anti-access/area denial (A2/AD) capabilities seem to be the primary interest behind China’s naval build-up. At the same time, it seems that attempts to further enlarge China’s military presence in the South China Sea may be a strategic necessity from the Chinese vantage point, not least in order to offer China’s ballistic missile submarines based at Hainan Island a greater scope of action for training and patrol missions, as well as greater protection against hostile forces.

As it seems, China’s naval planners have primarily been concerned with developing the capabilities suitable and necessary to defend what the Chinese Communist Party deems to be its non-negotiable “core interests.” These have been defined multiple times as the Taiwan question; sovereignty over Xinjiang, and sovereignty over Tibet. Lately, the sovereignty issues in the South China Sea and East China Sea seem to have been elevated to the status of yet another “core interest.”

Based on China’s recent actions and its official rhetoric, one may infer that the complicated sovereignty issues in the Asia Pacific will remain much more strategically important from Beijing’s point of view than the idea of projecting its military power into the Arctic region, especially given the rather limited Chinese economic interests there, which pale in comparison to its much larger investments and shipping activities in Eurasia, the Middle East, and Africa.
The most strategically relevant aspects of China’s Arctic engagement are probably China’s natural resources exploration activities in various Arctic countries; the PRC’s evolving economic partnership with Iceland; and above all, China’s strong and growing economic and military-technological cooperation with Russia, which includes both joint maneuvers and Arctic raw materials extraction projects, which may result in a greater volume of bulk carrier traffic in the Arctic region. It seems indeed that China engages in what Tessman and Wolfe term “strategic hedging,” by treating the Arctic as one among several possible sources of future energy and raw material imports, even though this will remain a particularly challenging region to exploit for climatic reasons alone (Tessman and Wolfe 2011: 236). Nonetheless, as Haftendorn recently observed, new technologies such as fracking may make polar hydrocarbons less attractive in the future (Haftendorn 2016: 136). Given the above factors, it seems unlikely at this point that the Arctic waters could become a focal area of Chinese naval interest anytime soon.

To sum up, China has as of yet not promulgated an official Chinese Arctic strategy. Beijing is likely to concentrate most strongly on developing military capabilities that are designed to secure its so-called “core interests” of sovereignty in the Asia Pacific, above all Taiwan and the South China Sea; it will likely try to constrain US surveillance activities near Chinese shores; and, it is likely to pursue its economic interests in the Arctic mainly in co-operative rather than confrontational fashion, as it has done so far. The strengthened cooperation with Russia, which lately included joint maneuvers in the Arctic, will likely shape as well as constrain China’s level of military engagement in the High North.


Overview:

The Arctic region, or High North, ranked top of the security agenda during the Cold War due to its strategic importance. Its significance was largely reduced with the dissolution of the Soviet Union and the end of the confrontation between NATO and the Warsaw Bloc countries. However, due to both the warming climate in the Arctic and the re-emergence of geopolitical competition in the region, the Arctic is once again of profound importance to NATO security. According to the latest available data, climate change is occurring at a faster rate than previously thought, which will have a significant impact on the Arctic and on the security of Arctic littoral states.

There is a desire among Arctic countries to cooperate closely to address common challenges and solve territorial disputes by diplomatic means. However, the re-emergence of the Arctic on the international agenda and possible spill-over of
tension between Russia and NATO Allies, as well as China’s increasing engagement, could make the Arctic an arena for strategic rivalry. This report follows earlier papers of the NATO Parliamentary Assembly (NATO PA) on the issue of the High North and gives an update of the situation in the region. This report has been updated following the discussion in the Political Committee meeting at the Assembly’s Spring Session.

Current & Relevant Information:

The Increasing Engagement of China in the Arctic

The Arctic is not only a subject of strategic interest for the “Arctic Five” but also for external powers such as the five Asian countries approved as observers to the Arctic Council in 2013 – the PRC, India, Japan, the Republic of Korea (ROK), and Singapore. The resources of the Arctic and the potential impact the NSR could have on commercial and diplomatic relations between Asia, Europe, and North America is driving these countries’ participation in regional matters.

While the PRC does not have an official Arctic policy, senior Chinese government officials have articulated a rather clear strategy for their engagement in the region. Beijing is interested in the exploitation of the sea lanes that will slowly open up as a result of global warming. Moreover, China is also interested in strengthening its ability as a non-Arctic state to access Arctic mineral resources and fishing waters. The PRC has taken steps over the past several years to protect its interests in the High North, pursuing a presence in Svalbard, Iceland, and Greenland.

China is building partnerships with a wide range of partners in the region to ensure that it will have a voice on Arctic affairs in the future. In the past few years, Beijing has intensified diplomatic relations with Nordic countries such as Iceland, Denmark, Norway, and Sweden. For example, the PRC concluded a free-trade agreement with Reykjavik in 2013; both countries are also cooperating in geothermal power and tourism. If the Arctic ice recedes further, Iceland could become a major shipping hub of the Transpolar Sea Route, which would become an alternative to the Northwest Passage and the NSR. Recently China formally incorporated the Arctic into its plans for maritime cooperation under its Belt and Road Initiative (BRI). In its Vision for Maritime Cooperation under the BRI, released in mid-June 2017, the PRC’s National Development and Reform Commission and the State Oceanic Administration envision a “blue economic passage” linking China with Europe via the Arctic Ocean. The BRI is an ambitious development program through which China plans to build infrastructure connecting it to countries in Asia and Europe, thereby boosting trade and stimulating economic growth. BRI would also open up and create new markets for Chinese goods and technology and help tackle its excess cement and steel capacity. Russia, the only BRI partner among the eight Arctic nations, is generally supporting China’s involvement in the Arctic, not least because Moscow is keen for Chinese investment in its infrastructure because capital from the West has dried up.
In contrast to its typical preference for bilateral diplomatic mechanisms, and particularly in comparison to its aggressive stance on territorial disputes in the South and East China Seas disputes, the PRC has thus far pursued a multilateral approach to advance its interests in the Arctic. The Chinese emerging Arctic strategy could be seen as a component of its maritime military doctrine under President Hu Jintao, which shifted from the regional to the global scale, projecting power abroad (Cassotta et al., 2015). These concerns raise the question of a NATO policy for the Arctic, though Allied member states among the Arctic littoral states hold different views on whether or not there should be a NATO Arctic strategy. While some argue for an increased presence of NATO in the Arctic, others have voiced concerns that establishing a NATO strategy for the region would give non-Arctic Allies an influence in the affairs of the High North (Coffey and Kochis, 2016).

In any case, China’s actions in the High North are relevant for the security interests of NATO Allies as the developments in the region have an impact on the economic and political stability of Europe. Given the PRC’s improving relationship with Russia, Beijing’s growing engagement in the High North should be monitored closely, particularly in the context of heightened tensions between Russia and the Alliance.

Conclusions and Recommendations

The existing relationships among Arctic littoral states are by-and-large defined by cooperation and there is currently no rush on Arctic resources. However, the situation could change very quickly. Climate change is occurring more rapidly than previously anticipated and Russia’s aggressive actions against Ukraine and other NATO partners like Georgia could well have a negative impact on stability and security in the High North.

This picture is compounded by the increasing interest and presence of non-littoral Arctic states, including the PRC. This is of particular concern as Beijing’s assertive rhetoric and actions with regard to sovereignty issues in the South China and East China Seas, is contesting UNCLOS – which regulates interstate relations in the Arctic. As Arctic ice continues to melt and other non-NATO states re-evaluate their Arctic posture, it would be prudent for NATO to engage in an effort coordinated among member states to improve its situational awareness in the High North.

The decision of the Allies at the Warsaw Summit to ensure comprehensive situational awareness in the North Atlantic emphasizes the importance that is attributed - again - to the northern flank. Safeguarding the sea lines of communication, especially during a crisis or conflict, is vital for the security of the Alliance as a whole. However, the security developments in the North Atlantic also have an impact on the adjacent Arctic region, where Russia is building new or upgrading existing military infrastructure, which can be used for SAR, daily policing, and military operations. This begs the question if NATO should not also increase its situational awareness in the Arctic. While NATO Allies among the Arctic littoral
states hold different views on whether or not there should be a role for NATO in the security of the region, this report finds that the security, environmental, and economic imperatives in the region require that NATO, at the very least, have the capacity and resources to monitor and consider developments in the Arctic.

As the strategic relevance of the High North increases in the future, the Arctic littoral states of the Alliance, and indeed all Allies, can ill afford to postpone an evaluation of NATO’s approach to the region indefinitely. Russia is already expanding its military footprint in the High North by establishing infrastructure along the Northern Sea Route and non-littoral countries like the PRC are becoming more engaged. Therefore, in the view of your Rapporteur, NATO should:

a) initiate a dialogue and information exchange among NATO Allies in the North Atlantic Council, that includes outside expertise, to provide Allies with the latest assessments of the impact of climate change on the Arctic. Allies should be encouraged to enforce existing international climate agreements and pursue additional opportunities for multilateral cooperation on reducing greenhouse gases;

b) create an “Arctic working group” at NATO Headquarters that will:

- identify the security implications of climate change on the Arctic and Arctic littoral states,
- review Allied infrastructure needs in the region, particularly with regard to SAR and communications capabilities,
- identify NATO territory in the Arctic vulnerable to territorial infringement by non-NATO states;
- evaluate NATO’s deterrence, defense, and maritime posture in the High North;
- analyze Russia’s changing military posture and operations in the region, as well as China’s strategy in the High North and possible implications on security in the Arctic;
- report to the NATO Parliamentary Assembly on these issues on an annual basis;
- defer to the Arctic Council on policymaking on issues within the purview or under the consideration of the Council;

c) develop plans that help Allied Arctic littoral states to improve their SAR capabilities in the Arctic;

d) continue and strengthen Allied exercises on the Alliance’s northern flank. This would allow participating countries to acquaint forces to operations in the harsh climatic conditions, which is also a prerequisite for expansion of improved SAR capabilities.
Russia’s Involvement in the Arctic:


Overview:

An article published on October 5 by the Russian International Affairs Council (RIAC) discusses Russia’s strategy in the Arctic region and the evolving role of China therein (Russiancouncil.ru (http://russiancouncil.ru/blogs/arctic/es-kitayrossiya-i-arktika-strategicheskie-imperativy/), October 5). Among other points, the piece notes that “the Arctic region is one of the key elements of Russian national security” and “one of two regions where Russia plays the role of a great power.” At the same time, the article alludes to “growing international competition in the region.” It frames the United States and the European Union as Russia’s main regional competitors. But China is notably presented as a “strategic partner” for whom “the Arctic region is not a top strategic priority” and whose efforts to build up its naval strength are related to a desire to challenge the US, not Russia. The sentiments expressed in the above-mentioned RIAC article appear to reflect how Moscow views the prior concrete steps the Russian Federation and People’s Republic of China (PRC) have been taking to strengthen bilateral cooperation in the Arctic. On May 15, Russian media stated that “Russia and China are preparing a memorandum on joint efforts to consolidate actions in the Arctic region” (TASS (https://tass.ru/mezhdunarodnaya-panorama/5200505), May 15), while on June 8, Presidents Vladimir Putin and Xi Jinping declared their readiness to “boost cooperation in the Arctic via the implementation of joint infrastructural-, transportation- and energy-related projects” (RIA Novosti (https://ria.ru/world/20180608/1522345980.html), June 8). Nonetheless, Chinese ambitions in the Arctic seem to extend beyond the level of such joint initiatives.

Current & Relevant Information:

On January 26, the Chinese State Council Information Office published a white paper titled “China’s Arctic Policy,” which argues the country is entitled to “enjoy freedom or rights […] in the Arctic Ocean” and to be a full-fledged player equal to other states (Gov.cn (http://english.gov.cn/archive/white_paper/2018/01/26/content_281476026660336.htm), January 26). The paper points to the fact that, since the PRC is “closely involved in trans-regional and global issues in the Arctic,” it seeks to further “facilitate connectivity and sustainable economic and social development of the Arctic” via expansion of the Silk Road Economic Belt and the Maritime Silk Road toward the creation of a Polar Silk Road—an extremely ambitious project that aims to enhance trade/transportation routes linking Asian and European markets.
The news from China was met with enthusiasm on the Russian side, being construed as sign of expansion of the Sino-Russian strategic partnership. Russia’s expectations in this matter are premised on three assumptions:

– China will save Russia’s stagnant north: Chinese investments in the Arctic are thought to be a remedy for long-lasting structural problems faced by Russia’s High North. In particular, Russia hopes the PRC’s involvement will bring new work sites, large infrastructure projects, socio-economic development of the area, as well as a lifeline from Western sanctions (Asiarussia.ru (http://asiarussia.ru/news/18878/), January 31, 2018);

– China has no alternatives but to work with Russia: The Northeast Passage (NEP), controlled by Russia, and the Northwest Passage (NWP), controlled by the US and Canada, are China’s only prospective maritime transportation routes across the Arctic Ocean. And Beijing’s growing conflict with Washington purportedly makes the NEP the only viable option for Chinese vessels traveling to and from Europe (RIA Novosti (https://ria.ru/analytics/20180129/1513490180.html), January 29). This idea was expressed by Putin in 2017, when he proposed to “merge the Silk Road with the NEP, to turn the latter into the former” (TASS (https://tass.ru/ekonomika/4797575), December 8, 2017);

– China will be unable to “sideline” Russia (Topwar.ru (https://topwar.ru/134818-drakon-v-arktike-novyy-shelkovyy-putstanet-polyarnym.html), January 30, 2018), given Russia’s dominant position in the Arctic and the nature of relations between Beijing and Moscow.

As China seeks to develop multiple resilient transit corridors to markets in the West, Russia believes that geography makes it an obligatory and unavoidable partner in any such efforts. Yet, increasingly, Russia is finding itself circumvented and outflanked; and it lacks the financial resources to rectify that situation.

https://www.rand.org/content/dam/rand/pubs/research_reports/RR1700/RR1731/RAND_RR1731.pdf

Summary:

To date, the Arctic has been widely viewed as stable and peaceful, with cooperation between Russia and other Arctic states remaining possible in spite of heightened geopolitical tensions. For example, the Arctic Council has endured as a forum for cooperative policy shaping, agreements have been signed and abided by, and nations—including Russia—have participated together in search-and-rescue exercises. This report examines the following research questions:
• What factors have contributed to maintaining the Arctic as an area of cooperation, even when tensions among Arctic states were rising in other regions such as Ukraine, the Baltics, and the Middle East?

• Can these factors sustain cooperation in the face of further dramatic changes that will likely take place in the Arctic?

• If cooperation is threatened by these changes, how might U.S. policy help mitigate the effects of these factors and contain tensions?

While there are many transformations at play in the Arctic, we selected and examined four—maritime access, resources, continental shelf claims, and Russian reaction to North Atlantic Treaty Organization (NATO) presence—that appear to have the potential to drive a dramatic shift in regional geopolitics from an emphasis on cooperation to escalation of tensions. When possible, the United States should take steps to reduce the risks that these transformations pose to Arctic cooperation, which represents a key objective of current U.S. Arctic policy.

This report is based on research of open-source literature; conversations with international experts on the Arctic and Russia; insights from a May 2016 roundtable with additional subject-matter experts from the U.S. government, think tanks, and universities; and use of a computer simulation for physical maritime access.

Current & Relevant Information:

**Russia’s Approach in the Arctic: Between Buildup and Cooperation**

Russia’s actions and rhetoric with regard to the Arctic have alternated between inflammatory and conciliatory, creating some uncertainty regarding its intentions in the region. Russia has increased military presence in its High North, but not to Cold War levels. Russian policy in the Arctic has been mostly cooperative, and inflammatory speeches or events (such as the planting of a Russian flag on the seabed near the North Pole in 2007) may be best understood as aimed more at a domestic audience than an international one. Overall, Russia has benefited from its cooperative stance on Arctic issues for three main reasons: First, the difficulties of operating in such a rigorous environment make it inherently beneficial to collaborate; second, a number of key Arctic issues—oil spills, for instance—are transnational, therefore requiring collective responses; and third, economic development and investments benefit from a peaceful and cooperative environment—a factor of particular importance to Russia, which views the economic development of the Arctic as a key strategic objective.

**Upcoming Transformations in the Arctic**

While cooperation on Arctic issues has been successfully maintained between Russia and other Arctic nations—Canada, Denmark, Finland, Iceland, Norway, Sweden, and the United States—the region is already experiencing, or will likely
experience, major transformations in the short to long terms that may alter Russia’s incentives to cooperate. Four such transformations have the potential to upset current Arctic trends:

1. climate and geographical changes that radically modify maritime access
2. global interest in Arctic exploitation that drives competition for resources
3. legal decisions, specifically the upcoming recommendations by the United Nations (UN) Commission on the Limits of the Continental Shelf (CLCS) regarding the claims that Russia, Denmark, and Canada have submitted or will submit
4. NATO presence in the Arctic region that Russia might perceive as a military threat warranting a response in kind.

Climate and geographical changes that radically modify maritime access:
Diminishing sea ice is the primary enabler for maritime access in the region. We used a previously developed geographic information system (GIS)—based model called the Arctic Transit Accessibility Model, which uses estimates of surface maritime accessibility based on projected sea ice distribution and thickness—as well as assumptions about vessel ice class—to assess the implications of a changing climate on access to the maritime Arctic region. In the future, maritime access will increase only during the summers, and the Arctic will remain a seasonally accessible area for all practical purposes. Nevertheless, even increasing seasonal access has important implications for Russia, which, for centuries, has been able to rely on thick, persistent sea ice to create a physical barrier along its northern shoreline. This barrier is diminishing, leading Russia to reconsider how to control its vast northern border for strategic and economic purposes. One instance in which Arctic cooperation could be threatened is if continued intense seasonal access changes draw substantial foreign presence along and around the Northern Sea Route. Russian ambitions to control this seaway have been widely documented and publicized. Not only would foreign presence fuel Russian concerns over sovereignty and potential attacks on its strategic and economic assets, more activity in general could lead to an increased risk of sparking unintended conflicts.

Global interest in Arctic exploitation that drives competition for resources:
Better prospects for access to the Arctic have raised questions about whether “resource wars” might occur with the growth of international interest in exploiting the Arctic. Resources are a key factor shaping Russia’s Arctic policy. Over the long term, Russia appears keen to develop its Arctic territory and increase its ability to bring resources, particularly hydrocarbons, to global markets. Potential for high global energy prices, along with the development of the necessary infrastructure and access to extraction technologies, will be instrumental in determining the magnitude of impact from this factor.
However, Russia is unlikely to discontinue cooperation with other Arctic states solely due to angst over resources. Russia’s oil, natural gas, minerals, fish stocks, and other resources are not under any major threat. In addition, destabilizing the region could limit Russia’s potential for benefiting from them. Other than the upcoming CLCS decision (which will be discussed next), there are no major territorial disputes between Russia and its Arctic neighbors in which there might be substantial resources at stake. No non-Arctic states appear poised to clash with Russia over resource control. Further, the difficulty of resource exploitation in this harsh, remote region alone is sufficient to severely hinder economic profitability in many cases, let alone if a conflict were to put at risk personnel, ships, and infrastructure needed to support these activities.

**Upcoming recommendations by the CLCS regarding the claims that Russia, Denmark, and Canada have submitted or will submit:** The upcoming decisions by the CLCS on the claims set forward by several Arctic states regarding the limits of their continental shelf could upset the current order, should those decisions not support Russia’s claims. In this scenario, Russia might choose to resubmit a claim with additional scientific evidence. In addition, or instead, Russia might interdict Danish and Canadian exploratory teams in the contested areas. This could have serious security implications because Denmark and Canada are NATO members. However, there is no concrete indication that the Alliance would intervene in this case.

Alternatively, Russia might receive a positive decision from the CLCS but then overreach by interdicting or limiting the transit of international vessels over its continental shelf. Russia appears unlikely to make such a move, however, because contesting a decision based on the UN Convention on the Law of the Sea (UNCLOS) might open a “Pandora’s box” whereby other decisions, some of them to Russia’s advantage, could be contested by third parties. UNCLOS also ensures that most of the Arctic seabed can only be claimed by Arctic coastal states—a rule that Russia has no interest in undermining.

**NATO presence in the Arctic region that Russia might perceive as a military threat warranting a response in kind:** Russia could perceive itself as being under military threat in the Arctic if NATO decides to extend its presence in the region. One way this could happen is through heavier NATO involvement in the Arctic—whether through increased military presence of NATO members, or through a higher involvement of the Alliance as an organization in the region. NATO has an interest because five of its member states are Arctic nations, and Russia has denounced Alliance presence in its near abroad. Another plausible scenario is if Sweden and Finland choose to join NATO, which could trigger Russian response due to fear of encirclement. Russia has already warned that it would react negatively to such a decision by its Nordic neighbors. Domestic politics may play a critical role in how Russia reacts. While there is little evidence that shifts in public opinion have shaped
Russian President Vladimir Putin’s foreign policy so far, the Arctic is an important domestic issue in Russia before it is an international or diplomatic issue, suggesting that Russia’s Arctic interests could be used as a nationalistic stake to shore up domestic support, particularly in times of political and economic difficulties.

Conclusion and Policy Implications

Our first two research questions focus on the factors that have maintained the Arctic as an area of cooperation and the ability to sustain such cooperation in the face of dramatic changes that will likely take place in the Arctic. Our analysis produced five key findings.

1. **Russia’s current militarization of its Arctic region does not, in itself, suggest increased potential for conflict, with the exception of accidental escalation.** Russia is still a long way from reestablishing Cold War levels of military presence in the Arctic, and is unlikely to use Arctic-based assets effectively in other, more likely, contingencies—for instance, in the Baltics.

2. **Russia’s cooperative stance in the Arctic cannot be taken for granted.** Future behavior cannot be confidently anticipated on the basis of historical patterns, although the number of mechanisms (e.g., agreements, diplomatic organizations) through which Russia cooperates on Arctic affairs could make it difficult to abandon this stance in rapid fashion. Destabilizing the region would also limit Russia’s potential to benefit from its Arctic resources, which its national priorities clearly indicate it wishes to do. Yet even economic factors will not necessarily steer Russia toward cooperation in the future, particularly if its ambitions for enhancing its energy sector through northern oil and gas reserves grow increasingly out of reach.

3. **Projected declines in sea ice suggest Russia will likely continue to militarize the Arctic, if only to protect its strategic assets and infrastructure in the region.** Russia’s northern shore will be more exposed, increasing its perceived vulnerability to potential attacks. Increased maritime access overall will reduce Russia’s ability to control Arctic shipping lanes or block them in the event of a conflict.

4. **While Russia has mostly benefited from UNCLOS decisions in the past, there would be nothing to stop it from ignoring or distorting UNCLOS recommendations if it judged such recommendations contrary to its interests.** It is worth noting that the UNCLOS decision itself bears little risk of conflict, at least in the short term. The rights it would recognize would not lead to actual resource exploitation for years, possibly decades.

5. **Russia would likely feel threatened by an expansion of NATO’s role in the Arctic.** The Kremlin has shown consistent hostility to increased support for NATO in Sweden and Finland, and to a larger NATO influence in the region,
suggesting that keeping NATO at bay is a solid, and permanent, tenet of its Arctic policy.

Our third research question focuses on U.S. policy options that could help mitigate the effects of the factors outlined above and contain tensions. The fact that Russia’s behavior in the Arctic could change from cooperative to conflictual and is difficult to foresee warrants close attention to the region on the part of the United States. As indicated in the 2013 U.S. Arctic Strategy (which includes “Enhance Arctic Domain Awareness” as an element of its first line of effort), monitoring of the region may require encouraging improvements in Arctic region domain awareness and access, through continuing and (as necessary) expanding funding for:

- mapping (including of underwater topography)
- vessels and aircraft that can operate in Arctic conditions
- maintaining existing infrastructure and assets
- development of multipurpose ports and airstrips that can facilitate access
- enhancing communications systems to promote a safe operating environment and help avoid unintended conflict
- further allocating intelligence, surveillance, and reconnaissance assets that can help increase the transparency of foreign Arctic activities to help prevent misunderstandings that can lead to conflict.

Unpredictability also suggests that special care should be taken to avoid accidental escalation of small-scale incidents. This can be done through supporting activities that bring the United States and Russia together on Arctic issues—for instance, through institutions (such as the Arctic Council, the Arctic Coast Guard Forum, and the International Maritime Organization), joint activities (such as safety and environmental exercises, collaborative scientific research) and information sharing (for instance, data related to commercial shipping traffic). It could also be done by reducing Department of Defense barriers to participating in international Arctic activities that involve Russia when the focus is military support to civil authorities (such as search-and rescue exercises). Another option would be to create a forum dedicated to security issues beyond the existing meetings of the Arctic Chiefs of Defense Staff.

Russia’s increased vulnerability on its northern shore and sensitivity to an increased NATO presence in the Arctic region writ large also suggests that even limited incursions of the Alliance for such activities as routine exercises have the potential to fuel tensions when seen against the background of stronger support for NATO on the part of Sweden and Finland. While this does not mean that NATO should in any way halt its activities in the region, it suggests the necessity of striking a balance between ensuring that NATO has some capability and experience to support Arctic
operations without establishing a presence of the Alliance in the region that would create tensions between Arctic nations, and particularly with Russia. This includes supporting measures designed to strengthen NATO’s ability to conduct operations in cold-weather conditions and pursue efforts started at the 2014 Wales Summit and confirmed at the 2016 Warsaw Summit to adapt to the new threat environment.

Finally, the United States would be in a better position to pressure Russia to abide by its commitment to UNCLOS if it were a UNCLOS signatory itself—a step that is mentioned in the U.S. Arctic Strategy as an element of the third line of U.S. effort in the Arctic.

While there are substantial barriers to fully addressing these policy implications because of political, budgetary, and other challenges, failing to prepare for these transformations might have serious implications for some key priorities of the United States, such as promoting freedom of navigation, ensuring the safety and environmental security of U.S. citizens living in the Arctic, and maintaining domain awareness in a region that could become both increasingly militarized and economically significant.


Summary:

Canada, the Kingdom of Denmark, Finland, Iceland, Norway, Sweden, and the United States issue the following joint statement.

Current & Relevant Information:

Canada, the Kingdom of Denmark, Finland, Iceland, Norway, Sweden, and the United States condemn Russia’s unprovoked invasion of Ukraine and note the grave impediments to international cooperation, including in the Arctic, that Russia’s actions have caused.

We remain convinced of the enduring value of the Arctic Council for circumpolar cooperation and reiterate our support for this institution and its work. We hold a responsibility to the people of the Arctic, including the indigenous peoples, who contribute to and benefit from the important work undertaken in the Council.

The core principles of sovereignty and territorial integrity, based on international law, have long underpinned the work of the Arctic Council, a forum which Russia currently chairs. In light of Russia’s flagrant violation of these principles, our representatives will not travel to Russia for meetings of the Arctic Council. Additionally, our states are temporarily pausing participation in all meetings of the Council and its subsidiary bodies, pending consideration of the necessary modalities
that can allow us to continue the Council’s important work in view of the current circumstances.

“The Political Economy of Russia’s Reimagined Arctic,” George Soroka, Arctic Yearbook, 2016 [48]
https://www.researchgate.net/profile/George_Soroka/publication/311399359_The_Political_Economy_of_Russia’s_Reimagined_Arctic/links/5844394c08ae2d217566cc8e.pdf

Abstract:
This article examines Russia’s evolving approach to Arctic development in light of the Kremlin’s “Asian pivot” and the ongoing political rift between Russia and the West over the crisis in Ukraine. Specifically, I contend that the Arctic represents a key component of Moscow’s attempts to reorient geopolitically and economically after its annexation of Crimea, and that it is part of a larger, long-term plan to develop Siberia and the Russian Far East as both a resource base for the country and a transit route for goods moving between Asia and Europe. Consequently, this piece assesses the region’s political economy from the perspective of two interrelated Arctic projects—the construction of the Yamal LNG facility and government-led efforts to promote utilization of the Northern Sea Route.* Adopting a constructivist approach, I argue that Russia’s recent efforts to develop the Arctic are motivated not only by material incentives, but also involve a significant status-seeking component that draws on Russia’s view of itself as the preeminent Arctic power.

Current & Relevant Information:
The Arctic is staggeringly rich in natural resources, with an oft-cited 2008 United States Geological Survey report estimating that it harbors “undiscovered, technically recoverable” hydrocarbons equivalent to 90 billion barrels of oil, 1,670 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids, or approximately 22 percent of the globe’s unexploited reserves (Stauffer, 2008). This is in addition to sizable mineral deposits, which run the gamut from prosaic metals like lead and copper to more precious commodities such as gold, diamonds, and various rare-earth elements. Its biological resources are also impressive; for example, major cod and haddock stocks exist in the Barents Sea. As a result, with ice cover on northern waters shrinking precipitously over the last several decades and technological innovations making possible commercial activities unthinkable just a few years ago, it is becoming increasingly plausible to talk about the large-scale development of the Arctic. This holds true not only across extractive industries, but also in the shipping sector.

Russia, given its propitious geology, long history of Arctic engagement, and the sheer size of its northern territories, is particularly well-positioned to benefit from this confluence of events under favorable macroeconomic conditions. Even though the Russian Arctic is home to fewer than two million people (Ahlenius, 2008), the region
already accounts for approximately one-fifth of the country’s GDP, and Moscow is eager to increase these numbers. Yet it has some catching up to do. For much of the 20th century the Arctic was a focal point for Soviet military and industrial activity, but the mounting fiscal pressures and competing political priorities that emerged in the wake of the Soviet Union’s dissolution caused Russia to pull back from the High North in the early 1990s. It was not until the 2000s that the Kremlin’s interest in the Arctic began to noticeably rekindle, fueled by a peculiar blend of resource nationalism and historically contingent ideas about the region’s role in defining Russia’s national identity and international standing.

Concerned with the present, this article examines Russia’s economic push northward in light of its estrangement from the West and Moscow’s attempts to rebalance geopolitical and trade relations toward the Pacific Rim. The argument advanced consists of two parts. First, I claim that material inducements are, by themselves, insufficient to explain the Kremlin’s approach to developing the Arctic, especially as President Vladimir Putin has indicated that he wants Russia to be acknowledged as a major power by the global community and believes an active Arctic presence will help achieve this recognition. Consequently, Moscow’s northern development strategy is mediated by a significant status-seeking imperative that not only complements economic incentives, but also aids in defining how these are understood and acted upon. Second, I claim that in the aftermath of the Ukraine crisis the role the Arctic plays in Russia’s efforts to reorient toward Asia has been underappreciated. True, Moscow’s attention began turning northward well before its March 2014 annexation of Crimea and the outbreak of fighting in the Donbas region; already in 2008, then-president Dmitrii Medvedev, speaking before the Security Council, stated that he wanted to “convert the Arctic into Russia’s resource base for the 21st century” (2008). The Kremlin’s “Asian pivot” predates it as well, Putin having explicitly called for this two years prior (2012b). Nonetheless, the worsening of relations with the West that resulted from the confrontation over Ukraine has intensified the emphasis placed on both developing the Arctic and establishing closer ties with Asia, serving to increasingly conflate these objectives while simultaneously foregrounding their status-related dimensions.

In examining how the latter interact with material incentives, a tripartite distinction between motivations, processual policy “drivers” and “audience effects” provide a useful heuristic. At the top-most analytic level, Russia’s plans for developing the Arctic—which represent a critical component of what may be thought of as a wider “nesting doll” economic strategy for Siberia and the Russian Far East, as well as Eurasia more generally—are spurred on by pragmatic as well as status-oriented motivations. Moscow is today striving to position itself at the head of a vast Eurasian confederation, one whose claim to occupying a distinctive geographic space is predicated on its latitudinal intermediation between Asia and Europe. At the same time, the longitudinal penetration of Russia’s understanding of Eurasia is extending
ever-further northward, propelled by economic pragmatism as well as resentment over how Russia has been treated in the international system.

However, while the economic allure of a warming Arctic is self-evident, the impetus for engaging in status-seeking behavior requires explanation. Nostalgia for the great-power standing Russia ceded when the bipolar world order that had characterized the latter half of the twentieth century crumbled has long been a prominent feature of its post-communist politics. Not only do surveys conducted over the last two-plus decades consistently show that a majority of the population regrets the Soviet Union’s demise, but they likewise reveal that many hold extremely negative opinions of the two men most identified with this outcome, Russia’s first democratically elected (and pro-Western) president, Boris Yeltsin, and the hapless last leader of the Soviet Union, Mikhail Gorbachev. Consequently, striving to recover international prestige resonates with a domestic audience; while seeking after status is an avowedly elite-led phenomenon, it conspicuously taps into, and reinforces, mass demand. Putin, who once described the USSR’s collapse as the “greatest geopolitical catastrophe” of the twentieth century (2005), finds this an attractive appeal to make, in his speeches repeatedly invoking imagery of the West trying to “put Russia on her knees” or “chain the Russian bear.” As he emphasized in a February 2012 article penned while he was seeking re-election to a third presidential term, “Russia is accorded respect, and treated with consideration, only when she is strong and stands firmly on her feet” (2012b).

At a secondary level of analysis, there exist a number of policy drivers that serve as the mechanisms through which both material and status-related motivations are reified. They include economic, political, military, scientific and historical factors, all of which, to varying degrees, contain within themselves objective material and subjective perceptual components. Moreover, these are not discrete, self-contained units, but rather porous categories that interact dynamically. For example, developing an offshore hydrocarbon field is an economic endeavor, but it also generates military implications, such as the need to protect shipping lanes utilized by oil tankers and reinforce territorial claims.

Finally, who the intended audience is for these narratives and their associated behaviors matters (audience effects likewise do not exist just as outputs, but provide systemic feedback in ways that may affect drivers and even motivations). Emphasizing its Arctic identity for a domestic audience is certainly part of the appeal of increasing regional involvement, but Russia’s actions also concurrently function to send messages to neighboring states and other countries interested in the Arctic. However, not only does the content of these dual communication streams vary (as they are expected to perform differing functions), but dealing with this “lack of alignment” and the consequent “potential for counter-productive setbacks caused by inconsistencies between them” poses a significant political challenge (Gorenburg, 2014). Illustrating this, there is a tension between Moscow’s hardline domestic
rhetoric concerning issues such as NATO’s holding of military exercises in the region and the multi-track diplomatic cooperation Russia continues to exhibit in its relations with other northern NATO-member states, both bilaterally and through organizations such as the Arctic Council.

This mode of argumentation is informed by the theoretical framework of social constructivism, an underlying premise of which is that intersubjectively constructed identities affect how national interests are defined (Ruggie, 2000: 14). The “social facts” that emerge from this process may “differ fundamentally from material facts, the reality that exists irrespective of collective beliefs about its existence,” but they do not lack causal power (Abdelal, Blyth & Parsons, 2005: n.p.). With regard to economics, this approach holds that the perception of material interests is not universal, but rather the product of specific contexts and actors, with ex-ante collective identities and beliefs “endowing the economies in which they are embedded with social purposes” (Abdelal, Blyth & Parsons, 2010: 9). It would therefore be a mistake to interpret what is happening in the Russian Arctic only through the prism of realpolitik and a rationalist, material ontology that overlooks the ability of social agency to create meaning. Factors other than objectively knowable, tangible facts may serve to accentuate or attenuate the attractiveness of various economic options, allowing, for example, fiscally sub-optimal projects to be pursued if they satisfy status-seeking demands. Exactly this tendency is today being evinced in Moscow’s economic vision for the Far North, where state-led development goals are not only determined by straightforward economic calculations, but also take into account more subjective geopolitical motivations intended to buttress Russia’s international prestige and reinforce its self-concept of being a key global player.

Conclusion

Former Canadian Prime Minister Stephen Harper liked to remind audiences that “the first principle of Arctic sovereignty is use it or lose it” (cited in Austen, 2007). Russia has taken this admonition to heart, intent on asserting itself as the leading northern power. However, whether Russia will be able to achieve the full scope of its Arctic ambitions is still very much uncertain, as there exists a wide disconnect between Moscow’s sanguine pronouncements and the rate at which investment capital is flowing into the region. So, while likening the Kremlin’s Arctic development plans to a “Potemkin village” (Medvedev, 2016: 5) is overly pessimistic, the fact remains that bold statements about the region’s potential have thus far proven more bluster than prediction.

Indicative of this, in March 2016 Aleksandr Tsybul’skii, Russia’s Deputy Minister of Economic Development, stated that implementing Russia’s Arctic development goals through 2020 would cost 260.2 billion rubles (“Minekonomrazvitii,” 2016), a modest increase from the 222 billion rubles Dmitrii Rogozin had previously cited for this same period (“Rogozin,” 2015). However, after a May 2016 Arctic Commission meeting, it was announced that 145 priority projects (no date was specified for their
completion) would alone require investments totaling around 4.8 trillion rubles, of which about 3.75 trillion would have to come from off-budget sources (Pravitel’stvo, 2016). Finally, on September 7, 2016, Alexei Uliukaev reported that some 150 Arctic projects would require investments totaling 5 trillion rubles by 2030 (Ofitsial’nye, 2016). Even this latter sum, however, may prove too low to build-out the comprehensive infrastructure required to achieve Moscow’s aggressive development targets. Nor can foreign investment or financing be counted on in the present geopolitical climate.

Western sanctions have hurt Russia not only by restricting the availability of external capital, but also by making it more difficult to access the expertise and equipment needed to tackle demanding Arctic projects. The need for foreign technology and services is especially acute for offshore drilling in the region, with one expert estimating that Russia will not be able to muster domestic equivalents before 2020-2025. Meanwhile, replacing the required equipment with Chinese or other third-party substitutes is risky (Panichkin, 2015). Collapsing hydrocarbon prices have only exacerbated the situation, making many long-planned ventures, like the development of the gargantuan Shtokman gas and condensate field in the Barents Sea, economically unfeasible. Lower energy prices, along with heightened political risk, have also reduced the NSR’s allure. China, meanwhile, has proven more reluctant to invest in Russian oil and gas ventures than homegrown proponents of the “Asian pivot” had initially anticipated, although it continues to actively explore the possibilities for Arctic shipping.

In conclusion, Russia’s growing Arctic presence is being propelled by a re-imagining of its commercial and strategic possibilities, a move that is predicated not only on the rise of the Asia-Pacific region and an ensuing recalibration of trade relations, but also Moscow’s estrangement from the West. This leaves the Kremlin balancing between the nationalistic appeal the Arctic holds for its domestic constituents and the critical skepticism with which many international observers have greeted Russia’s plans for regional development. While the reputational costs of failing to deliver on economic promises differ based on the audience in question, Moscow is currently unwilling to pay either price. As the Russian Minister of Natural Resources and the Environment, Sergei Donskoi, stated in May 2016, postponing regional development until macroeconomic conditions improve will not happen “under any circumstances” (cited in “Neft’ i gaz,” 2016). Plainly, the Kremlin does not want to lose its hard-won share of the global hydrocarbon market, but such categorical pronouncements also implicitly concede that status-related concerns have, at least temporarily, eclipsed objective material realities. This should not surprise us, as the Arctic represents a region where operating even under optimal conditions requires considerable technical competence and resources, rendering it a geographic canvas upon which states can project power and signal their rising international stature.
1. Military and Security:


Overview:

The world’s largest satellite ground station, on the Svalbard archipelago off Norway, is used by Western space agencies to gather vital signals from polar-orbiting satellites. This January, one of two fiber-optic cables on the Arctic seabed connecting Svalbard to the mainland was severed. Norway was forced to rely on a back-up link.

In April 2021, another cable – one used by a Norwegian ocean research laboratory to monitor activity on the Arctic seafloor – was ripped away.
“This could have happened by accident,” Norway’s defense chief Eirik Kristoffersen told Reuters in response to the ruptures, which received little media coverage outside Norway. “But the Russians are capable of cutting cables.”

He was speaking generally and did not offer any evidence to suggest deliberate damage, but months later, in September, saboteurs caused major leaks to suddenly erupt in gas pipelines from Russia to Europe on the floor of the Baltic Sea. Russia’s defense ministry did not respond to a request for comment.

As Russia’s invasion of Ukraine ends a post-Cold War era of low tension and cooperation, such events highlight how hard it is for states to monitor their own waters – particularly in the Arctic, an ocean one and a half times the size of the United States, where satellites are crucial to allow real-time detection and monitoring of activity.

Over recent years, NATO allies and Russia have scaled up military exercises in the region; Chinese and Russian warships conducted a joint exercise in the Bering Sea in September. Norway raised its military alert level in October.
But the West trails Russia in military presence.

Since 2005, Russia has reopened tens of Arctic Soviet-era military bases, modernized its navy, and developed new hypersonic missiles designed to evade U.S. sensors and defenses.

Four Arctic experts say it would take the West at least 10 years to catch up with Russia’s military in the region, if it chose to do so.

“The Arctic is currently a dark area on the map,” said Ketil Olsen, formerly Norway’s military representative in NATO and the European Union, who heads Andøeya Space, a Norwegian state-controlled company that tests new military and surveillance technologies and launches research rockets.

“It’s so vast and with few civilian surveillance resources.”

The chief of the U.S. Northern Command, General Glen VanHerck, told a Senate hearing in March the United States needed better Arctic “domain awareness” to detect and address Russian and Chinese capabilities to launch advanced missiles and destroy communications infrastructure. In a Pentagon strategy document released in October, the United States committed to improving early warning and surveillance systems in the Arctic, but the pace of the planned modernization is unclear.

At the same time, fast-rising temperatures are creating problems for some U.S. military infrastructure built on permafrost foundations, which are melting. Coastal erosion could also impact U.S. radar sites, the Pentagon says.

There are few risks in the near term, U.S. officials and military analysts say: The West is far stronger than Russia in conventional forces and Russia’s limited success in Ukraine exposed weaknesses many in the West had not expected.

Russia’s military efforts are currently mostly focused on Ukraine, leaving “very limited strength of personnel on the army side” in the Arctic Kola Peninsula, which is home to its Northern Fleet navy and nuclear submarines, according to Kristoffersen.

U.S. missile defenses are designed to defend against a limited attack from a rogue state, and the United States has expressed confidence in its ability to deter a nuclear attack by Russia or China. But insufficient visibility in the Arctic could limit U.S. response time in a crisis, a situation VanHerck and other officials want to avoid.

“What you can't see and what you can't determine, you can't defend from,” VanHerck told the Senate.

Police investigating the Norwegian cable ruptures interviewed the crew of Russian fishing trawlers that had been nearby, but dropped the investigations without charge for lack of evidence of what happened; the government said it brought forward a planned upgrade of the back-up line.
If a sabotage attack were to happen in Norway, it would likely be difficult to hold anyone accountable for it, Hedvig Moe, deputy head of Norway’s PST police security service, told Reuters. “We call it a deniable attack in our world,” she said.

“NATO is increasing its presence in the Arctic with more modern capabilities,” NATO chief Jens Stoltenberg told Reuters. “This is of course a response to what Russia is doing. They have significantly increased their presence … and therefore we also need greater presence.”

**Current & Relevant Information:**

**Tensions**

As a shrinking ice cap opens up new sea lanes and resources, the Arctic is becoming strategically more important.
Parts are accessible in a few months in summers as the sea ice melts, unlocking opportunities.

A couple of sea routes are in use.

The Northern Sea Route runs along Russia’s northern coast from the Bering Sea to the Barents Sea. Russia aims to develop this for shipments from Asia to Europe.

The Northwest Passage, on the other side, is less frequently travelled.

For Russia, vast oil and gas resources lie in its Arctic regions, including a liquefied natural gas plant on the Yamal Peninsula.

The shortest path by air to North America for Russian missiles or bombers would be over the North Pole.

The waters between Greenland, Iceland and the UK - known as the GIUK Gap - are the only way Russia’s northern-based ships can reach the Atlantic.

For the NATO allies, the GIUK Gap is crucial for links across the North Atlantic.

There are oil and gas fields too: Norway is now Europe’s largest gas supplier.

If Sweden and Finland join the Alliance, seven out of eight Arctic countries will be members.

Also at risk today are communications cables and satellite systems including the global positioning system (GPS) linking both civilian and military users, Andrew Lewis, former commander of NATO’s Joint Task Force in Norfolk, Virginia, told Reuters.

In July, President Vladimir Putin launched a new naval strategy pledging to protect Arctic waters “by all means."

Russia usually tests its nuclear deterrent in the Arctic in the autumn. This year, that happened on Feb. 19, five days before its Ukraine invasion.

“This was of course a signal,” said Norway’s defense chief Kristoffersen.

Diplomacy in the region was thrown into disarray in March when seven members of the Arctic Council, a forum for international cooperation, said they would boycott talks in Russia, which currently holds the body’s chairmanship.

An incident on Oct. 15 underlined the sharpening tone. In a speech at an Arctic forum in Iceland, the chairman of NATO’s military committee, Rob Bauer, criticized China for not condemning Russia’s invasion of Ukraine. China calls itself a near-Arctic state and Beijing’s envoy to Reykjavik, He Rulong, was in the audience.
He stood up and said Bauer’s speech was “full of arrogance” and “paranoid,” accusing him of heightening tensions. NATO and the Chinese embassy in Iceland declined to comment on the exchange.

**Russia’s dominance**

“At the moment, the military balance in the Arctic is heavily weighted towards Russia,” said Colin Wall, research associate at Center for Strategic and International Studies in Washington.

Russia's bases inside the Arctic Circle outnumber NATO's by about a third, according to data compiled by the International Institute for Strategic Studies (IISS) and Reuters.
Russia has invested heavily in ports, infrastructure and vessels to develop and protect the Northern Sea Route. Last year, it upgraded the Northern Fleet to make it the country’s fifth military district.

A string of new and upgraded Soviet-era air strips along its northern coast has improved Russia’s ability to operate in the Arctic. In March 2021, a pair of MiG-31 fighter jets made a demonstration flight from Nagurskoye, its northernmost base, to the North Pole and back.

Russia also has more ground-force bases than NATO within the Arctic Circle. According to the IISS, several non-operational bases on both sides could host military assets in the future or be logistically relevant in a conflict. More of these are on the Russian side.

Russia now has 11 submarines capable of launching long-range nuclear weapons for use in an all-out nuclear war, eight of them based in the Arctic Kola Peninsula, according to the IISS. NATO has 22 between the United States, France and the UK.

In July, Russia’s navy took delivery of a new submarine, Belgorod, which can carry the Poseidon torpedo, a new, nuclear-armed stealth torpedo designed to sneak past coastal defenses by travelling along the seafloor. Russian state media have said Poseidon could cause a giant tsunami that would turn the coastline into a “radioactive desert.”

Moscow also has over the last two years tested a hypersonic glide missile, Zircon, which Putin said in 2019 can reach nine times the speed of sound, making it the world’s fastest. In February, it said the missile was launched in the Arctic waters between mainland Norway and Svalbard.

“We are starting serial production of Zircon missiles, and we have actually put it into service,” Defense Minister Sergei Shoigu was quoted as saying by military news outlet Zvezda on Aug. 20. Russia’s defense ministry did not respond to a request for more details.

Russia’s icebreaker fleet vastly outnumbers those of other nations, according to the IISS. Official data shows it has seven nuclear-powered icebreakers and around 30 diesel-powered ones. The United States and China each have two diesel-powered icebreakers in operation.
Icebreakers play a limited role in military operations, but they are necessary to maintain an Arctic presence.

**NATO invests**

For decades, Arctic NATO allies stuck to a belief that conflicts with Russia would not spill over into their region: With overall defense budgets capped, investments in military hardware and surveillance and communication capabilities were often considered too expensive.

Now NATO and Arctic allies are changing their stance.

Since Russia launched its “special operation” in Ukraine, Canada has pledged to boost military spending by some C$13 billion ($10 billion) including an upgrade of an early warning radar system with the United States, the North American Aerospace Defense Command, or NORAD, and new surveillance planes capable of detecting submarines.

The first planes will be delivered in 2032. Given the challenges of the harsh environment, it will take decades to be ready, Canada’s Chief of Defense Staff General Wayne Eyre told a parliamentary committee in October.
Eyre says one reason NORAD’s research and development component needs modernizing is to track hypersonic missiles better.

“That is of great concern – the ability to detect hypersonics coming from any country – and we’ve seen some technological advances from some of the competitors out there,” Eyre told reporters in November.

He said it was difficult to judge the effectiveness of Russia’s hypersonic missiles based on those used in Ukraine, because the distances in Ukraine were far shorter than any that could be used to target North America.
Since 2020 a joint force command in Norfolk, Virginia in the United States has been monitoring the Atlantic, but the Atlantic Council, a U.S. think tank, says there are not enough satellites above the North Pole to give a complete picture. General VanHerck said in May that the military is testing some of the hundreds of polar-orbiting satellites launched in recent years by commercial providers SpaceX, owned by Elon Musk, and Britain’s OneWeb.

The U.S. military says it is planning “major investment upgrades” at a U.S. base at Thule, Greenland to fix ageing infrastructure. A U.S. delegation travelled to Greenland in May to explore radar locations, a diplomatic source told Reuters.

Sweden and Finland have begun investing in surveillance and deterrence capabilities and military hardware including jets so their air forces can fight alongside Arctic NATO allies. Denmark has set aside some $200 million to improve its Arctic military capabilities, including satellites and surveillance drones capable of flying up to 40 hours, and is reopening a Cold War era radar on the Faroe Islands between the UK and Iceland.

Norway, whose maritime areas spread across 2 million sq km (770,000 square miles), has four satellites to help monitor the Arctic. It is launching four more, two in 2023 and two in 2024. It is also investing $35 million in Andoeya Space to set up a spaceport. Sweden and Canada are also planning Arctic spaceports.

Andoeya Space is a partner in an Arctic surveillance and sensing project led by U.S. aerospace company Boeing Co. Based on satellites, unmanned aircraft, drones, ships and unmanned submarines developed for the Arctic environment, the project - under development since 2018 - says it is ready to offer NATO allies real-time updates in the north, including surveillance of enemy vessels, aeroplanes and submarines.

The U.S. Department of Defense is installing a long-range radar system allowing satellites and other ground-based radars to work together in Alaska that it says will “be able to address hypersonic missiles in future configurations.” It is due for completion in 2023, but the Missile Defense Agency declined to comment on whether it would be able to intercept the Zircon.

More answers may come in a stand-alone Arctic strategy document the Pentagon is expected to publish next March, a U.S. military official said, in what would be the first update since 2019. It would come as the Pentagon tries to better define what capabilities are needed for American warfighters at dangerously low temperatures.

“When it's dark all the time in the winter and it's 50- to 60-below-zero or even more, it is just brutal,” the official told Reuters.

“Russia’s Military Posture in the Arctic: Managing Hard Power in a ‘Low Tension’ Environment,” Mathieu Boulègue, Chatham House: The Royal Institute of
Summary:

• Russia’s military posture in the Arctic is informed by the changing geopolitical environment, and can no longer be considered in isolation from the country’s growing tensions with the West. In this sense, the period of ‘Arctic exceptionalism’ – in which, by convention, the region has been treated as a zone of depoliticized cooperation – is coming to an end.

• Certainly, the Russian Arctic is not exceptional for Moscow in military-operational terms. Russia’s leadership has accorded the same threat perception to the Arctic as it has to other theatres of operation. It seeks consistent control over foreign military activity in the Russian Arctic, and ensured access for Russian armed forces, particularly the Northern Fleet. Russia’s military build-up in the Russian Arctic and the Kremlin’s intentions are, at least for now, defensive in nature.

• Russia’s military build-up in the Arctic Zone of the Russian Federation (AZRF) primarily aims to ensure perimeter defense of the Kola Peninsula for the survivability of second-strike nuclear assets. Russia’s ‘Bastion’ defense concept consists of the projection of multi-layered sea denial and interdiction capabilities.

• Another Russian priority is to ensure the Northern Fleet’s access to, and passage along, the Northern Sea Route (NSR) from the Atlantic Ocean to the Pacific Ocean. This has hitherto been achieved through military infrastructure along the NSR. However, due to the receding ice, Moscow will seek to enforce ‘border control’ over a larger portion of its Arctic area in the future. The revamping of dual-use border control infrastructure and facilities is deemed a priority for safeguarding Russia’s vision of national security in the AZRF.

• Since the mid-2010s, Russia has deployed substantive force and capabilities along its northern border in the AZRF. Parts of the armed forces, such as the Arctic Brigade, are now Arctic-capable and have developed concepts of operations tailored to that environment. The Northern Fleet has been repurposed with the Arctic environment in mind, and has been provided with Arctic-specific military technology and training.

• Russia acts as a status quo power and a reluctant rule-follower in the Arctic, partly because international law there plays in its favor, and partly because it is in Russia’s interest to do so. Despite growing tension, cooperation between Russia and other Arctic nations is likely to endure.

• Russia’s military leadership rules out starting a conflict in the Arctic, and would push any Arctic-based conflict towards sea lines of communication between the North Atlantic and the Baltic Sea. However, the risk exists of escalation and miscalculation around incidents at sea.
• In dealing with Russian ambition in the region, Western military and policy planners should seek to maintain the convention of treating the Arctic as a 'low tension' area. However, planners must also acknowledge the existence of pressing military security issues in the wider Arctic. A more inclusive debate and the establishment of a regulatory framework around military security in the Arctic would be useful. As Russia will chair the Arctic Council and the Arctic Coast Guard Forum between 2021 and 2023, this is a window of opportunity to address military security in the region.

• Innovative efforts can be made to strengthen military security and domain awareness in the region, without militarizing the issue. This should start with the creation of a military code of conduct for the High North. This would send a powerful signal that cooperation should remain an absolute priority for all Arctic states, and that maintaining the region’s ‘low tension’ status requires action, not just words.

Current & Relevant Information:

Introduction

Ever since Mikhail Gorbachev’s ‘Murmansk speech’ in 1987, in which he defined the Arctic as a ‘zone of peace and cooperation’, the region has been widely understood by coastal states to be an area of ‘low tension’. In other words, it has been seen as a place where great-power politics between coastal states should be set aside and replaced with practical, depoliticized cooperation.

However, the Arctic is not insulated from global security challenges, especially those around the impacts of climate change. ‘Arctic exceptionalism’ is coming to an end. Despite its unique geography, the Arctic does not exist in isolation from the wider international context, or away from the pressures around the strained relations between Russia and the West.

After the fall of the Soviet Union, the Kremlin paid little attention to the Arctic. During the 1990s, the Russian Arctic was at best considered a burden fraught with socio-economic problems. Little was done there until an ‘Arctic revival’ began in the 2000s, focused on reinvesting in a region that had previously been abandoned for more than 15 years. Russia has been described as a ‘confused Arctic superpower’, balancing cooperation and competition with other Arctic nations as part of its efforts to reassert its role as a great power.

Moscow’s intentions for the Arctic are not Arctic-specific, but are related to the Kremlin’s global ambitions for reviving Russia as a great power. Russia’s force posture in the Arctic is informed by the changing geopolitical environment around its strained relations with the West. This explains why growing tension with the West and the risk of miscalculation could lead to a more assertive Russian posture in the Arctic in the future.

What happens militarily in the Russian Arctic has little to do with the region itself. In that sense, the Russian Arctic is not exceptional for Moscow in military-operational
terms. The leadership has accorded the same level of threat perception to the Arctic as it has to other theatres of operation regarding NATO and the West. For the Kremlin, the Arctic is fundamentally Russian – especially since the four other coastal nations are NATO members.

This paper focuses on Russia’s military posture, force structure and military intentions in the Russian Arctic. It seeks to demystify Moscow’s military build-up in the region: it explains that if Moscow is indeed militarizing the Russian Arctic, the military build-up and the Kremlin’s intentions are, at least for now, defensive in nature.

A further section deals with the implications of Russia’s Arctic military posture for NATO and its key partners in the region, Sweden and Finland, arguing that all of these actors should address the issue of Russia’s increased military presence now. The paper also presents policy-relevant recommendations for NATO and its partners regarding military security in the Arctic.

In terms of geography, the paper considers the Arctic Zone of the Russian Federation (AZRF), from its territorial sea to the extended continental shelf. The analysis covers both the ‘High North’ (namely the European Arctic, where NATO and its Nordic partners are concerned with Russia’s presence) and the Pacific or ‘North American’ Arctic. The term ‘Arctic Eight’ refers to eight nations, consisting of a core of five ‘coastal’ states (Russia, the US, Canada, Denmark and Norway) plus three ‘non-coastal’ states (Iceland, Sweden and Finland) – the latter being states that are not bordering the Arctic Ocean.

**Conclusion**

It is no longer quiet on the Northern Front. Because climate change is not a linear process, annual variations in the extent of ice floes will be unpredictable, and this will have an impact on coastal states in unprecedented ways. The Arctic today will not be the same as the Arctic that Russia and other coastal states will experience by the 2040s and 2050s, when the Arctic Ocean will be navigable.

It seems that the golden era of ‘low tension’ is slowly coming to an end: the Arctic is now a place of growing military security wariness, albeit with enduring scope for cooperation. It is time to puncture the myth of ‘Arctic exceptionalism’ and recognize that the region can no longer be insulated from the broader military security context.

It is yet to be determined whether Arctic nations will continue their cooperative course, or whether strategic competition will increase in the polar seas. Just as space conquest was a venting mechanism for great-power competition during the Cold War, the Arctic could very well become the arena for the new ‘Great Game’ of the 21st century.

Arctic matters will remain on the Russian policy agenda and will outlast the tenure of President Vladimir Putin. The nature of economic and military activities, however,
will depend on how the Kremlin manages to turn political and symbolic rhetoric into economic dividends. In the future, this could push Moscow into altering, to an extent, its cooperative approach with other Arctic nations. This would have serious security implications. Although not a given, military build-up could very well become an escape strategy for the Kremlin, or even potentially an end in itself. The ‘militarization’ of the Russian Arctic, for now defensive in nature, would then have a more offensive contour in respect of NATO and its partners.

So far, Russia has been acting as a status quo power and a reluctant rule-follower in the Arctic, partly because international law plays in its favor, and partly because the Kremlin values a cooperative stance and it is in its interest to preserve the current arrangements. Despite growing tension, cooperation is likely to endure. For the West, working continuously with Russia, especially on military security affairs, will avoid transferring the current security tensions into the Arctic.

Russia will chair the Arctic Council and the Arctic Coast Guard Forum (ACGF) between 2021 and 2023, taking over from Iceland. There might now be a window of opportunity to prepare the ground for a more inclusive debate around military security in the region. This would send a powerful signal that cooperation should remain an absolute priority for all Arctic states, and that maintaining the ‘low tension’ status takes action, not just words.

“Russian Military Activities in the Arctic: Myths & Realities,” Alexander Sergunin and Valery Konyshev, Arctic Yearbook, 2015 [51]
https://core.ac.uk/download/pdf/236381835.pdf#page=404

Overview:

The outbreak of the Ukrainian crisis has spurred new accusations of Russia as being an aggressive and militarist power not only in East Europe but also in the Arctic (in addition to the charges brought earlier with regard to the planting of the titanium flag on the North Pole in 2007, resumption of naval and air patrols in the region and military modernization programs of the Russian conventional and nuclear forces deployed in the Far North). It was expected that in the wake of the crisis Moscow would dramatically increase its military activities and presence in the region as well as accelerate its military modernization programs. Some experts paid attention to the fact that Russia’s new maritime doctrine (July 2015) has identified the Arctic (along with the North Atlantic) as priority areas for the Russian navy.

Current & Relevant Information:

However, these alarmist expectations were not fulfilled. First of all, there was no substantial paradigmatic shift regarding the Kremlin’s vision of the military power’s role in the Arctic. As before, Moscow’s military strategies aimed at three major goals: first, to demonstrate and ascertain Russia’s sovereignty over the Arctic Zone of the Russian Federation (AZRF), including the exclusive economic zone and continental
shelf; second, to protect its economic interests in the High North; and third, to demonstrate that Russia retains its great power status and has world-class military capabilities. In a sense, Russian military strategies are comparable with those of other coastal states (especially the U.S. and Canadian ones).

Still, some impact of the Ukrainian crisis could be seen in the increasing number and scale of the Russian military exercises in the Arctic. For example, in March 2015 Putin ordered to inspect the Northern Fleet for combat readiness. Some 38,000 soldiers, 3,360 vehicles, 41 naval vessels, 15 submarines and 110 aircrafts were involved in the inspection. In August more than 1,000 soldiers, 14 aircraft and 34 special military units took part in drills on the Taymyr Peninsula (northern Siberia).

However, it should be noted that the March combat readiness inspection was a response to NATO’s preceding drill in Norway which involved 5,000 troops, the largest military exercise on the NATO northern flank since 1967. As for the August exercise, according to the Northern Fleet Commander Admiral Vladimir Korolev, this exercise was purely defensive as it was done more than 3,000 km away from the Norwegian border and directed to protect economic security of the AZRF (to prevent poaching, smuggling, illegal migration as well as to conduct search and rescue operations) rather than to plan any offensive moves.

So far, Russia has responded to NATO’s moves with more rhetoric than action in the Arctic, notes Andreas Østhagen, an Arctic policy expert with the Norwegian Institute for Defense Studies. In contrast with the Baltic Sea region where the NATO-Russian tensions have obviously increased over the last year, “The situation in the High North is close to normal compared to the activity of the last years,” the head of the Norwegian Joint Command Headquarters, Lt. Gen. Morten Haga Lunde believes. “This is in spite of the tense situation that has evolved between Russia and NATO.”

According to official numbers from the Norwegian Joint Command Headquarters, there had been 43 scrambles and 69 identifications in international air space outside the coast of Norway in 2014. In 2013 there were 41 scrambles and 58 identifications, and in 2012 there were 41 scrambles and 71 identifications. The numbers are considerably lower than during the 1980s, when there could be as many as 500 to 600 identifications per year.

There was no dramatic increase in Russia’s naval and air patrolling of the North Atlantic and Arctic in 2014-2015. Moreover, after two catastrophes with the Tu-95 strategic bombers (Summer 2015) their flights were suspended for a while.

Russia’s military modernization programs in the Far North were implemented according to schedule. However, some Western military analysts tried to represent the deployment of the Pantsir S-1 shortrange air defense system on the Kola Peninsula, plans to replace S-300 long-range air defense system by a more advanced S-400 ‘Growler’ system, tactical training for fighter jet pilots in Arctic conditions, sea trials of nuclear submarines (most of which are designed for the
deployment to the Pacific Fleet), plans to establish 16 deep-water ports, 10 search and rescue stations, 10 air defense radar stations, and 13 airfields along its Arctic periphery as an evidence of Russia’s growing military ambitions in the High North.

These experts tend to ignore that fact that the Soviet-time military machine has significantly degenerated in the 1990s and early 2000s and the Russian conventional and nuclear forces badly need modernization to effectively meet new challenges and threats.

To reorganize in a more efficient way the Russian land forces in the Western part of the AZRF there were plans to transform the motorized infantry and marine brigades located near Pechenga (Murmansk region) to the Arctic special force unit, with soldiers trained in a special program and equipped with modern personal equipment for military operations in the Arctic. The Arctic brigade should be operational by 2016. There were also plans to create another Arctic brigade somewhere in the Arkhangelsk region. All conventional forces in the AZRF should form an Arctic Group of Forces (AGF) to be led by the joint Arctic command (to be established in 2017).

However, the Ukrainian crisis has made adjustments to Russia’s military planning. While two Pechenga-based brigades were left in place, the Arctic brigade was surprisingly created ahead of schedule (in January 2015) and deployed in Alakurtti which is close to the Finnish-Russian border. Another surprise was that given an ‘increased NATO military threat’ in the North, President Putin has decided to accelerate the creation of a new strategic command ‘North’ which was established in December 2014 (three years ahead of the schedule). It was also announced that the second Arctic brigade will be formed in 2016 and will be stationed in the Yamal-Nenets autonomous district (east of the Ural Mountains in the Arctic Circle).

Another interesting structural change is an ongoing reorganization of the Russian Coast Guard (part of the Federal Security Service (FSS), successor of the KGB). Now the Coast Guard has a wide focus in the Arctic: in addition to the traditional protection of biological resources in the Arctic Ocean, oil and gas installations and shipping along the Northern Sea Route are among the agency’s new top priorities. For this purpose, the FSS has established two new border guard commands: one in Murmansk for the western AZRF regions, and one in Petropavlovsk-Kamchatsky for the eastern Arctic regions.

There are plans to equip the Coast Guard in the AZRF with the brand-new vessels of project 22100. The Okean-class ice-going patrol ship, the Polyarnaya Zvezda (Polar Star), is currently undergoing sea trials in the Baltic Sea. Vessels of this class can break up to 31.4-inch-thick ice. They have an endurance of 60 days and a range of 12,000 nautical miles at 20 knots. They are equipped with a Ka27 helicopter and can be supplied with Gorizont UAVs (unmanned aerial vehicles).

The attention which Russia pays now to the Coast Guard is in line with what other coastal states do (especially Norway and Denmark).
To conclude, serious international experts do not see any particular alarming trends in Russia’s military behavior in the Arctic in the aftermath of the Ukrainian crisis. According to the former Commander of the U.S. Coast Guard and current U.S. State Department Special Representative to the Arctic, Admiral Robert J. Papp: “Everything we have seen them doing so far [i.e. Russia], is lawful, considered and deliberative. So, we’ll just continue monitoring it and not overreact to it.” Papp noted that all countries have a responsibility to be able to provide search and rescue capabilities and navigation assistance in the area and Russia seems to be investing in that.


Overview:

Three critical ways the crisis in Ukraine will determine the region’s future.

The geopolitical importance of the Arctic region is coming back into focus as Russian troops further encroach into Ukraine. The Russian invasion is further deteriorating relations and highlighting critical fault lines between Russia and NATO-allied states. In determining their response to Russian aggression, NATO allies are weighing key considerations, including the various impacts from the potential use of force, balancing the use of sanctions with Europe’s reliance on Russian energy supplies, and addressing Russia’s strengthening ties with China.

The Arctic region is set to play a key role in each of these considerations. Abundant natural gas and energy reserves are concentrated in Russian Arctic territory, which European countries are highly dependent on for their energy supply. Meanwhile, Russia has made the Arctic a focal point of its military modernization efforts, leading to a steady buildup of Russian and NATO forces throughout the region. The widespread military buildup since 2007 amplifies the potential for a conflict between Russia and NATO-allied states to spill over into the region. Armed conflict in the Arctic could permanently damage regional cooperation, compromising coordinated efforts, dating back to 1996, among the Arctic states (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the U.S.) in search-and-rescue operations, environmental protection, and prevention of illegal fishing, among other issues. President Putin is also leveraging Arctic resources to strengthen his hand elsewhere, including deepening connections with China by announcing renewed cooperation in the Arctic and signing a new 30-year agreement on energy exports in early February.

As the Ukraine crisis evolves, the Arctic’s role and the impact the crisis could have on the region are broken down below.
Current & Relevant Information:

**Arctic Competition**

Rapidly receding sea ice is enabling access to a range of highly valuable resources across the Arctic. In addition to energy reserves, critical minerals, and fisheries, newly opened shipping lanes across the Arctic could potentially help to re-route global trade and enable high-speed internet connectivity between Europe and Asia. The ability to exploit newly available Arctic resources is drawing increasing interest from both commercial and national actors and is enticing nations, such as China and Japan, to pour both political and financial capital into the region.

As new commercial relationships emerge in the Arctic, Russia and China are increasingly collaborating on Arctic development—with China providing capital for Russian energy and infrastructure projects. At the same time, Russia has been militarizing its Arctic territory, re-opening Soviet-era military bases, investing in new Arctic-specific technologies, and conducting extensive war games across the region. This has prompted NATO countries, led by Norway and the U.S., to conduct their own war games in the region and has raised concerns over the potential emergence of a Russia-China alliance in the region.

Russia and China’s relationship is nuanced. The two countries have their own competing interests in the Arctic, with interactions between the two actors to proceed at a cautious pace for now. However, increasing military activity in the region continues to elevate the risk of a misunderstanding, or an outside conflict spilling over into the Arctic, particularly in the absence of an official security body for national actors through which to address regional defense issues.

With new players, commercial relationships, and extensive military buildup emerging in the Arctic, there has been an attendant increase in international tensions. Commercially, strengthening ties between Asian and European nations, deepening levels of Chinese investment across the region, and Russia’s emerging primacy are generating U.S. pushback. Militarily, Russia’s extensive defense buildup, and alternating military exercises by Russia and NATO actors have created a potentially more volatile region. Against a global backdrop of heightening U.S.-Russia tensions and the wider uncoupling of the U.S. and Chinese economies, the Arctic is emerging as an arena of great power competition.

“**Myth 8: ‘Russia’s military build-up in the Arctic is defensive’,” Katarzyna Zysk, Chatham House, 23 August 2022** [53]

**Overview:**
Although Russia claims that its expansion of military assets in the region is both a legitimate response to emerging threats and part of a necessary modernization process, offensive capabilities are also in evidence.

Current & Relevant Information:

What is the myth?

The narrative of a looming conflict over Arctic resources and territories, with Russia as the most likely aggressor, has been largely put to bed. At the same time, the claim that Russia’s Arctic military build-up is defensive or mainly defensive in nature continues to be perpetuated. The basic argument is that the development of Russian facilities and assets in the region is merely a necessary modernization after the decay of the 1990s, and that it aims to ensure safety and security for Russia’s legitimate Arctic interests. The argument often highlights Moscow’s cooperative and constructive policies toward regional relations, especially compared with the country’s behavior in other borderlands.

Who advocates or subscribes to it?

This argument has been at the center of the Russian official Arctic narrative since the early stages of the country’s military development in the region (set in motion in 2008). Senior figures, including President Vladimir Putin, Foreign Minister Sergei Lavrov and Secretary of the Security Council Nikolai Patrushev, have repeatedly stated that Russia’s Arctic military modernization is purely defensive, and that it provides a response to a spectrum of growing threats from both state and non-state actors. For example, Lavrov stated at the International Arctic Forum in St Petersburg in 2019: ‘We don’t threaten anyone. We ensure sufficient defense capabilities given the political and military situation around our borders.’ In a similar vein, Putin said in 2014: ‘We are not going to engage in militarization of the Arctic. Our actions in the Arctic are restrained and reasonable in scope but are absolutely necessary to ensure the defensive capability of Russia.’

Over the years, the Kremlin has been keen to maintain an image of Russia as a reliable and responsible Arctic leader. To this end, it has highlighted Russia’s interest in broad multilateral dialogue and cooperation, and has promoted the image of the Arctic as a ‘zone of peace and cooperation’ and ‘territory of dialogue’, where there are ‘no problems requiring a military solution’.

Similarly, analysis by various Russian and Western experts has held that ‘there is only a rather limited level of modernization and increases or changes in force levels and structures’, and that this constitutes ‘a correction rather than a wholesale militarization’. A recurrent justification for the ‘limited modernization’ program has been the decay in Russian defense infrastructure in the 1990s and early 2000s. Others have claimed that development in the region is no cause for alarm because modernization has also been ongoing in other Russian regions, and the build-up in
the Arctic is ‘roughly in line with other strategic directions’. Even if it is slightly larger, it is simply because the region was neglected previously.

**Why is it wrong?**

This argument is flawed for several reasons. First, it oversimplifies the military dynamics in the Arctic. The distinction between offence and defense is not clear cut in Russian strategic thinking. One example is the prominent role of pre-emption in Russian military theory, notably in the concept of ‘active defense’. This problem is also highly relevant when considering some of the Russian military capabilities, including a broad spectrum of nuclear weapons and long-range high-precision weapons; the Russian Aerospace Forces, which integrate offensive and defensive capabilities; and the offensive elements of Russian airpower, not least long-range and tactical-strike capabilities, which are integral to Russia’s air defense posture. Russia has also conducted numerous operations in the Arctic that can qualify as provocative or threatening to other countries, even if the level of such activities has generally been lower than in the Baltic and Black Sea regions. Hence, describing the Russian military posture in the Arctic as defensive does not explain much from the military strategy point of view. Likewise, claiming that Russian Arctic military investments are primarily designed to ‘protect critical economic and security infrastructure from attack by the United States, in a pre-emptive attack’ does not preclude offensive use of these capabilities.

Second, the geography is misunderstood. The Russian Arctic is often incorrectly treated as a monolithic space. Confusion about the character of Russian military modernization and activity derives partly from a lack of, or insufficient, differentiation between the various Russian Arctic subregions that play different roles in Russian strategic thinking and defense policy. Russia expects different threats, often on different timelines, that call for different sets of missions and capabilities.

For instance, although Russia has increased its focus on the central and eastern parts of the Arctic, especially since 2010, the main center of gravity for military investments and activities has remained the High North, i.e. the European (or western) Arctic. In this part of the region, the Russian military presence is centered around the Northern Fleet deployed on the Kola Peninsula, just across the border from NATO member Norway. This remains the strongest part of the Russian Navy, which also constitutes the foundation of the fifth military district. The Northern Fleet hosts the largest share of Russian strategic submarines (SSBNs), in addition to modernized and new nuclear, strategic non-nuclear and other conventional forces that could threaten other states. In addition, Moscow considers security challenges and threats in this part of the Arctic, where Russia shares a border with NATO, an immediate security concern. Hence, this subregion plays a special role in Russia’s security and defense thinking, notably in nuclear and naval strategies, with missions extending beyond the Arctic region.
Conversely, key security challenges in the central and eastern parts of the Russian Arctic belong to the further future. They are expected to be generated by growing human activity, largely deriving from economic development, which, to date, has been non-linear and expanded below Russia’s expectations. The infrastructure Russia has been developing on the Arctic islands in the central and eastern part of the region has a predominantly defensive character and includes new radar stations, early-warning capabilities, and coastal and air defenses.

Third, the Arctic is strategically intertwined with other security spaces in Russian thinking. The Russian Armed Forces, in particular in the European part of the region, have possible roles assigned in the case of escalation of a major conflict involving another great power elsewhere. Russia sees the various regions along its western perimeter (the High North, the Baltic Sea and the Black Sea regions) as interconnected security spaces. As the ‘Zapad’ and ‘Kavkaz’ Russian annual large-scale exercises have demonstrated over the years, if there is a regional-level conflict along Russia’s western border, the Northern Fleet may not only deploy its ‘bastion defense’ concept to protect the bases and operational area for SSBNs, but also engage in horizontal and/or vertical escalation in order to pressure opponents from another strategic direction. In addition, Russian forces in the Arctic can be used in a conflict outside the region for pragmatic reasons. Despite extensive military modernization in all defense branches, Russia’s military capability remains limited. Russia has repeatedly drawn on these forces when necessary, as with the deployment of the 200th Motor-Rifle Brigade of the Northern Fleet to Ukraine’s Donbas region in 2014 and to northern Ukraine in 2022, or the participation of the Northern Fleet in large-scale military exercises in other regions (e.g. Vostok–2018).

**What is its impact on policy?**

One of Russia’s traditional policy objectives has been to limit any foreign military presence close to its borders. The Arctic myth helps the Russian authorities shift the blame and accuse NATO and the US of being the aggressive parties as the alliance responds to Russia’s policies by strengthening its presence. This inaccurate representation of Russia’s military development in the Arctic could lead to confusion and disagreements in NATO countries about what an adequate policy response should be. Russia could exploit these potential divisions.

**What would good policy look like?**

Nuances such as those discussed above matter. Neither exaggerating the extent of the Russian military build-up and overreacting as a result, nor underestimating its importance and responding inadequately, will serve Arctic security and stability. The state and composition of Russian military capabilities, their geographic distribution, the underlying threat perception and patterns of military operations are variables that can, and probably will, change over time.
They will be further influenced by spill-over effects from international security, economic and other global dynamics, including Russia’s policies in other regions, not least the direct and indirect consequences of the 2022 full-scale invasion of Ukraine. To avoid succumbing to disinformation and creating artificial debates and disagreements, Western actors must correctly assess the Russian military build-up – its strengths, weaknesses and the intentions behind it – in the Arctic and elsewhere.


Overview:

In contrast with the internationally widespread stereotype of Russia as a revisionist power in the Arctic, Moscow’s future actions in the region are more likely to be fairly pragmatic in nature.

Is Russia igniting a new arms race in the Far North or taking justifiable steps to defend its interests in a changing environment? The answer to that question depends greatly on whom you ask, where they are, and just how much they appreciate the range of issues that factor into Russia’s Arctic policy.

Current & Relevant Information:

In the West, some analysts believe that Russia, due to economic weakness and technological backwardness, tends to privilege coercive military instruments to protect its interests in the Far North. Western mass media and, to a lesser extent, politicians portray the modernization programs and changes in Russia’s military capabilities within its Arctic territories as a possibly game-changing buildup that increases the risk of conflict. They often trace the start of their concerns to 2007, when Moscow resumed naval and air patrols in the Arctic and North Atlantic regions and planted a flag under the North Pole, staking a major land claim. The Ukraine crisis has only fed Western skepticism of Russia’s true aims.

Moscow insists that its intentions, as articulated in the Arctic doctrines of 2008 and 2013, are inward focused or purely defensive, and aimed principally at the protection of the country’s legitimate interests. Primary among those interests, it says, is the development of the Arctic Zone of the Russian Federation (AZRF), already a vital region for the national economy and one with great promise for further development in energy, mining, infrastructure, communications, and beyond. The Kremlin also maintains that it is not pursuing a revisionist policy, but rather wishes to resolve all disputes in the Arctic by peaceful means, relying on international law and organizations. Military strategists generally insist that the country must be prepared for contemporary and emerging security issues, no aggression implied.

Certain Russian actions and activities in the Arctic do support officials’ stated determination to stick to a soft-power approach, in a context of dialogue and
diplomacy. At the same time, the cold, hard facts of increasing military assets in the Russian Arctic suggest that the government is making sure it is well prepared to flex its northern muscle. When the balance sheet is tallied, there are grounds to believe that Moscow will pursue fairly pragmatic and responsible policies in the region for the foreseeable future.

Between the collapse of the Soviet Union and the early 2000s, the Kremlin paid little attention to the North. The end of the Cold War meant that the region was no longer a zone of possible confrontation with NATO and the U.S. In the Yeltsin era, the economic potential of the region was underestimated, and Russia’s northern reaches were perceived by the federal government as a burdensome source of socio-economic problems. Almost abandoned by Moscow, these areas had to rely on themselves (or foreign assistance) for survival. Things began to slowly change when the general socio-economic situation in Russia improved, and the Putin government, with its ambitious agenda of national revival, came to power.

The industrial base in the AZRF currently accounts for up to 20 percent of the entire Russian GDP – even if only about 1.6 percent of the country’s population lives there.

Today, Russia has enormous national interests in the Arctic region. The industrial base in the AZRF currently accounts for up to 20 percent of the entire Russian GDP – even if only about 1.6 percent of the country’s population lives there – and nearly a quarter of Russia’s export revenues. Fueling these figures is the fact that the region produces no less than 95 percent of the country’s gas and approximately 70 percent of its oil. Russian geologists have discovered some 200 oil and gas deposits and there are more than 20 large shelf deposits in the Barents and Kara Seas which are expected to be developed when prices rise. The AZRF’s mining industries yield 99 percent of Russia’s diamonds, 98 percent of its platinum, and the majority of other rare metals. Reduced ice coverage due to global warming will mean increasing access to these natural resources and correspondingly increasing significance for the AZRF. The Russian federal and regional governments, along with the private sector, have articulated plans to further develop the industries and infrastructure of the region, including hundreds of billions of dollars in Russian and foreign direct investment in energy, mining, transport, and communications.

Moreover, as the Arctic’s sea ice coverage continues to drop, Russia stands to earn considerable economic benefits from the development of the Northern Sea Route (NSR) – which, when navigable, is the shortest shipping route between European and East Asian ports. Important domestic routes connecting the full length of the country’s enormous northern border should also expand. Moscow believes that by improving NSR infrastructure and safety, the NSR will be attractive not only to Russian business, but also to foreign shipping companies. When the eagerly anticipated Yamal liquefied natural gas plant becomes operational next year, shipments to East Asian markets, and potentially to Europe and North America, will
be facilitated. In a sign of more to come, the new Christophe de Margerie gas tanker made it through the NSR in August 2017, becoming the first ship of this type to do so without needing an icebreaker escort.

With this vast commercial potential as a backdrop, Russian Defense Minister Sergei Shoigu announced that two new Arctic coast defense divisions are to be established by 2018 as part of an effort to strengthen security along the NSR. One is likely to be stationed on the Kola Peninsula, in addition to existing military units there, while the other will be in the eastern Arctic. The new forces can cover anti-assault, anti-sabotage, and anti-aircraft defensive needs. Given the trend of increasing Arctic access, the government has also made strengthening the Border Guard Service a top priority for High North security. The Border Guard has been assigned to deal with new soft security threats and challenges, such as the establishment of reliable border-control systems, the introduction of special visa regulations to certain regions, and the implementation of technological controls over fluvial zones and sites along the NSR. All in all, Moscow plans to build 20 border guard stations along its Arctic Ocean coastline.

On these fronts, the deployment of new assets and the expansion of security mandates in the Russian Arctic appear to be reasonable and practical steps to support Russia’s plans for developing the region.

Another change is the ongoing reorganization of the Russian Coast Guard, a part of the Border Guard Service, which now has a wide remit in the Arctic; in addition to the traditional protection of biological resources in the Arctic Ocean, oil and gas installations and shipping along the NSR are among the agency’s new priorities. The attention that Russia is now paying to the Coast Guard is in line with what other coastal states do, especially Norway and Denmark. Moreover, Russia actively partook in the creation of an Arctic Coast Guard Forum, which was established by the coastal states in November 2015.

On these fronts, the deployment of new assets and the expansion of security mandates in the Russian Arctic appear to be reasonable and practical steps to support Russia’s plans for developing the region.


Overview:

Chairman McCain, Ranking Member Reed, Members of the Committee, it is a privilege to speak to you this morning as well as join with my fellow panelists to discuss the evolving nature of Russia’s growing military threat which geographically stretches from the Kola Peninsula in the Arctic to the Mediterranean coast of Syria.
Current & Relevant Information:

Russia is back as a geopolitically destabilizing state actor. After experiencing a period of relative peace and security in Europe over the past 25 years – and with the exception of the brutality of the conflicts in Bosnia and Kosovo in the 1990s – the transatlantic community believed that these twenty-five years were the new, post-modern norm. Unfortunately, I believe we will come to view this post-Cold War period as an exceptional moment of security that has now passed. We have returned to balance of power politics where Russia – with increasing frequency – uses military means to achieve its political objectives. The transatlantic community’s response to Russia’s invasion of its neighbors – and indeed its first talking point – is to take the military option immediately off the table. The West then seeks to establish a diplomatic course guaranteed to ensure the intractability of the very problem that Russia has created, eventually hoping to “reset” its troubled relationship and achieve agreements on broader strategic issues.

Russia’s military modernization in the Arctic is a perfect example of how this new curtain or, as I suggest in a new CSIS report – an ice curtain – has being formed. Russia has held three major military exercises in the Arctic over the past 24 months. The first instance was a simultaneous exercise around the Kola Peninsula which was part of the larger, Zapad 2013 military exercise, which demonstrated a more streamlined command structure, more efficient tactical units and the ability to deploy a large scale, complex military operation that is coordinated with other areas of operation. This exercise demonstrated that Russia has a larger spatial definition of its theatre of operations, extending from the Arctic to the Black Sea.

The second exercise, in September 2014, was the largest post-Soviet military exercise and was held in the Russian Far East. Preceded by a snap military exercise, Vostok-2014 involved over 100,000 servicemen and a complex display of air, maritime and land components. This exercise was partly conducted on a new military base in the Russian Arctic New Siberian Islands and Wrangel Island which some analysts believe simulated Russian forces repelling a U.S. or NATO invasion. This exercise focused on rapid mobilization, combined operations and demonstrated use of both conventional and unconventional forces. The third and culminating exercise occurred in March 2015 when President Putin announced a snap military exercise that consisted of 45,000 Russian forces, 15 submarines and 41 warships at full combat readiness in the Arctic. This extraordinary exercise tempo, the three-fold increase in Russian air incursions over the Arctic, Baltic and North Seas over the past twelve months and Russia’s announcement that it will have a total of 14 operational airfields in the Russian Arctic by the end of this year, 50 airfields by 2020 and a 30 percent increase of Russian Special forces in the Arctic suggests that the Arctic has emerged as a major theatre of operations for Russia. Defending against future military threats, the Arctic region has now been included in Russia’s amended
military (December 2014) and maritime (July 2015) doctrines and will be coordinated by a new Russian Northern Fleet-United Strategic Command for the Arctic.

The conclusions that we draw from Russia’s military behavior in the Arctic over the past 24 months are that Russia is increasingly able to project significant anti-access/anti-denial capabilities in the Arctic, the North Atlantic and increasingly in the North Pacific while demonstrating the ability to rapidly deploy both conventional and nonconventional forces throughout the theatre. What is perhaps most disturbing has been Russia’s focus on enhancing its nuclear deterrent in the Arctic which it has simulated massive retaliatory attacks in the Barents Sea. Our Norwegian and British allies have also witnessed a surge in Russian submarine activity in the North Atlantic.

From the Arctic, Russia’s military presence increases along the new ice curtain south to the Finnish – Russian border. Russia has returned to its abandoned military base 50 kilometers from the Finnish border where the first Russian infantry brigade has arrived with 3,000 soldiers anticipated at the base. The curtain proceeds to the Russian exclave of Kaliningrad, home of the Russian Baltic Fleet, where vessels from the fleet have delivered fighter jets and Iskander missile launchers capable of launching both conventional and nuclear missiles. Russia has recently installed new S-400 missile batteries and increased its force presence. The arming of Kaliningrad is part of a 19 trillion-ruble plan to increase the share of modern weapons in the Russian armed forces’ arsenal from 10% to 70%.

“Regional Security Patterns in the Arctic,” Barbora Padrtová, Management in the High North: Young researchers’ contribution Collection of essays Volume 3, 2017

Overview:

In recent years, the Arctic region has been attracting serious attention from scholars. The opening of the Arctic Ocean brings new opportunities and challenges, many of which are depicted and presented as a security threat for Arctic society. The regional security in the Arctic is built around interdependence mainly on political, military, economic and environmental issues. The region exhibits clearly defined and interconnected relations of cooperation and confrontation with an evidence of strategic potential shared with all of the regional actors. The Arctic can be defined as an independent geopolitical region with specific conditions and shared history. The Arctic is a significant security region with the longest direct border between NATO and Russia. Thus, its geopolitical importance is fundamental for all Arctic states and is likely to increase in the future. Although the level of military tension in the region is higher at the time of writing, it is still much lower than it used to be, and lower still than in other parts of the world.
Following the introduction, the author looks at the importance of regional security and its role in the future of the Arctic. The paper describes how regional security is created and what the criteria are for the classification of the Arctic as an individual regional security complex. Later, the author briefly elaborates on the so-called ‘Russian factor’ and on Russia as a key player in the cooperative and peaceful development of the Arctic. Finally, the paper presents several thoughts on how the Arctic might look in the future, based on proposed scenarios.

Current & Relevant Information:

The “Russian Factor”

Current relations between Russia and NATO are at the lowest level since the end of the Cold War. The ongoing armed conflict in Ukraine undermined the perception of Russia as a reliable partner in the eyes of Western countries. Although there are different perceptions of the Kremlin’s foreign policy among particular Alliance members, there is a general consensus on the condemnation of Russian military activities in Ukraine. As a consequence of current security changes in Europe, it has been a great challenge to maintain the Arctic region as a zone of peace and cooperation.

Since 2013, Russia has been substantially restoring its old soviet military airfields and ports in the north. This has been followed by numerous military exercises (increased in number and scale), the modernization of military equipment and the deployment of two brigades with special training for operations in the Arctic environment. The first brigade was deployed in Alakurtti at the beginning of 2015 to the naval airbase with a strategic location, approximately 60 km from the Finnish border. The second brigade should be deployed behind the Ural Mountains in Yamal-Nenets Autonomous Area by the end of 2016. Furthermore, Russia’s controversial statements, non-transparent sources of capabilities and military plans could lead to a classic security dilemma and increase the securitization of the whole region (Padrtová, 2014). As members of NATO, the US, Canada, Norway and Denmark have a stronger joint position in the region; thus, Russia’s topmost priority should be avoiding any further escalation and potential confrontation with other states, as this would inevitably lead to its isolation, not only in the Arctic region.

Combined with political assertiveness, the intensified presence of the Russian naval and air forces has drawn much international attention. In a strategic context, Russia’s Arctic military capabilities and their modernization play a crucial role in their maintaining the current favorable status quo and deterring potential challengers. Following developments in Ukraine, it is expected that the Kremlin will continue to increase its military in the coming years.

The very significant increase in the military deployment of Russian forces, together with frequent maneuvers of bombers or fighter aircraft in the proximity or on the edge of Arctic states’ airspace, raises security concerns among other states in the
region. Those developments inevitably lead to the improvement of US-Canadian capabilities - including NORAD air defense system (North American Aerospace Defense Command) based at the Greenland airport base in Thule, as well as capabilities of Norway and Denmark. This, in turn, leads to increasing Russian perceptions of insecurity and thus creates a classical security dilemma. Although the Kremlin emphasizes the cooperation and peaceful approach in finding solutions to Arctic disputes, official documents show quite the opposite. The new military doctrine from December 2014 declares that “One of the main objectives of Russia’s Armed Forces is to secure the national interests of the Russian Federation in the Arctic.” For the first time in history, Russia included its Arctic interests in its military doctrine. These elements highlight the strategic importance of the region for Russia (Padrtová, 2014).

The first and most direct example of how the Ukraine conflict has started to impact Arctic cooperation was Canada’s decision to boycott an Arctic Council task force meeting held in Moscow in April 2014. This was followed by other similar meetings, where either Russia was not invited or Russian participation was boycotted by one or several Arctic states. Therefore, claims that there is no aggression in the north and that states are all cooperating fully on all levels is ignoring the reality.

Furthermore, NATO and the EU members expressed their adverse stance towards Russian military actions in Ukraine when they collectively imposed sanctions on Moscow. These restrictive measures have had a dramatic impact on the Russian economy.

Although it is unrealistic to isolate the Arctic from developments of the global security environment, it might serve as an exemplary laboratory for collaboration. The positive aspect of cooperation in the Arctic is that there is no need to open new channels of communication. Western countries can use the already established channels to maintain dialogue with Russia. One of the most functional platforms for cooperation is the Arctic Council (AC), which has been successful in several initiatives such as the oil spill response plan or the formation of the Arctic Economic Council in 2015.

Another success of Arctic cooperation was the establishment of the Arctic Coast Guard Forum in late October 2015. In addition, all Arctic states should cooperate in regard to the determination of the limits of the outer continental shelf. Specific areas identified by Canada, Russia and Denmark overlap; thus, negotiations to resolve differences will be inevitable (Sevunts, 2016).

Arctic relations to date have been mostly diplomatic and respectful of international law. On the one hand, all Arctic states should be able to prevent their disagreements on Ukraine and conflicts elsewhere from spreading north. On the other hand, the behavior of the actors of the international security environment in one region cannot be separated from their behavior in other regions. In contrast to Ukraine or Georgia,
the Arctic is the only strategically important region where Russia has not thus far violated the internationally recognized borders and status quo. For the time being, Moscow respects international law in the Arctic, and all her claims for territorial expansion have been addressed by means of international law. The reason for this is that, for Moscow, the current status quo is most favorable, and it is not in Russian interest to have any kind of military conflict in the north. However, the question is whether the Kremlin will also respect the boundaries set by international law once the status quo no longer suits Russia.


Summary:

The diminishment of Arctic sea ice has led to increased human activities in the Arctic, and has heightened interest in, and concerns about, the region’s future. The United States, by virtue of Alaska, is an Arctic country and has substantial interests in the region. The seven other Arctic states are Canada, Iceland, Norway, Sweden, Finland, Denmark (by virtue of Greenland), and Russia.

The Arctic Research and Policy Act (ARPA) of 1984 (Title I of P.L. 98-373 of July 31, 1984) “provide[s] for a comprehensive national policy dealing with national research needs and objectives in the Arctic.” The National Science Foundation (NSF) is the lead federal agency for implementing Arctic research policy. The Arctic Council, created in 1996, is the leading international forum for addressing issues relating to the Arctic. The United Nations Convention on the Law of the Sea (UNCLOS) sets forth a comprehensive regime of law and order in the world’s oceans, including the Arctic Ocean. The United States is not a party to UNCLOS.

An array of climate changes in the Arctic is now documented by observing systems, with more expected with future greenhouse gas-driven climate change. Observed physical changes in the Arctic include warming ocean, soil, and air temperatures; melting permafrost; shifting vegetation and animal abundances; and altered characteristics of Arctic cyclones. A monitoring report of the Arctic Council concluded in 2019 that “the Arctic biophysical system is now clearly trending away from its previous state [in the 20th Century] and into a period of unprecedented change, with implications not only within but also beyond the Arctic.”

Following the end of the Cold War, the Arctic states sought to maintain a tradition of cooperation, low tensions, peaceful resolution of disputes, and respect for international law in managing Arctic affairs. The emergence of great power competition between the United States, Russia, and China has introduced elements of competition and tension into the Arctic’s geopolitical environment. Russia’s invasion of Ukraine beginning in late February 2022 has substantially affected U.S., Canadian, and Nordic relations with Russia in the Arctic.
The Department of Defense (DOD) and the Coast Guard are devoting increased attention to the Arctic in their planning and operations. Whether DOD and the Coast Guard are taking sufficient actions for defending U.S. interests in the region is a topic of congressional oversight. The Coast Guard has two operational polar icebreakers and through FY2021 has received funding for procuring two of at least three planned new polar icebreakers.

The diminishment of Arctic ice could lead in coming years to increased commercial shipping on two trans-Arctic sea routes—the Northern Sea Route close to Russia, and the Northwest Passage close to Alaska and through the Canadian archipelago—though the rate of increase in the use of these routes might not be as great as sometimes anticipated in press accounts. International guidelines for ships operating in Arctic waters have been updated.

Changes to the Arctic brought about by warming temperatures will likely allow more exploration for oil, gas, and minerals. Warming that causes permafrost to melt could pose challenges to onshore exploration activities. Increased oil and gas exploration and tourism (cruise ships) in the Arctic increase the risk of pollution in the region. Cleaning up oil spills in ice-covered waters will be more difficult than in other areas, primarily because effective strategies for cleaning up oil spills in ice-covered waters have yet to be developed.

Large commercial fisheries exist in the Arctic. The United States is working with other countries regarding the management of Arctic fish stocks. Changes in the Arctic could result in migration of fish stocks to new waters, and could affect protected species.

Current & Relevant Information:

Introduction

During the Cold War, the Arctic was an arena of military competition between the United States and the Soviet Union, with both countries, for example, operating long-range bombers, tactical combat aircraft, maritime patrol aircraft, nuclear-powered submarines, surface warships, and ground forces in the region. The end of the Cold War and the collapse of most elements of the Russian military establishment following the dissolution of the Soviet Union in December 1991 greatly reduced this competition, leading to a post-Cold War period of reduced emphasis on the Arctic in U.S. military planning. In more recent years, the emergence of great power competition and a significant increase in Russian military presence and operations in the Arctic has led to growing concerns among U.S. officials and other observers that the Arctic is once again becoming a region of military tension and competition, and to a renewed focus on the Arctic in U.S. military planning. Department of Defense (DOD) officials have stated that U.S. military operations in Alaska can play a role in countering China’s activities in the Arctic and the Indo-Pacific region.
As mentioned earlier, the Interim National Security Strategic Guidance document released by the Biden Administration in March 2021 does not specifically mention the Arctic. An unclassified summary of the National Defense Strategy released by the Trump Administration in January 2018 does not specifically mention the Arctic.

**Russia’s Arctic Military Modernization**

Russia since 2008 has adopted a series of strategy documents outlining plans that call for, among other things, bolstering the country’s Arctic military capabilities. Among other actions, Russia established a new Arctic Joint Strategic Command at Severomorsk (the home of the Russian navy’s Northern Fleet), upgraded to the command to the full status of a Military District in 2021 (making it the country’s fifth Military District), reactivated and modernized Arctic military bases that fell into disuse with the end of the Cold War, assigned upgraded forces to those bases, and increased military exercises and training operations in the Arctic.

Some observers have expressed growing concern at these developments, particularly following Russia’s invasion of Ukraine beginning in late February 2022. Other observers have noted the cooperative aspects of relations among the Arctic states, including Russia, and have argued, at least prior to Russia’s invasion of Ukraine beginning in late February 2022, that the competitive aspects have been overstated. Some observers argue that Russia’s military investment in the Arctic is sometimes exaggerated, reflects normal modernization of aging capabilities, or is intended partly for domestic Russian consumption.

2. **Geopolitical Environment:**


**Abstract:**

The melting Arctic serves as a precursor for a renewed geopolitical contest among the great powers. Russian policy posture of developing Yamal LNG and opening of the Northern Sea Route (NSR) as a global shipping artery sets the course for Russia on the Arctic’s chessboard. Similarly, the revival of the Northern Fleet shows Moscow’s anticipation to counter the maritime threats coming from the United States. Meanwhile, the US approach is likely to challenge the Russian claims on NSR and Arctic militarization in the context of Sino-Russian cooperation. Finally, using the qualitative content analysis, the article argues that the melting Arctic has enabled Russia to increase its geopolitical influence due to its topography and military might, which has intensified geopolitical competition in the region.

**Current & Relevant Information:**
The Arctic is an ample tale of economics and oil, territories, and politics, particularly the Russian reassertion on the Arctic region. Climate change is a precursor for the new geopolitical contest as the dawn of global warming is changing the peaceful pace of the region. The unprecedented changes in the Arctic are setting the course for a challenging geopolitical situation for Russia vis-à-vis other major competitors, including the United States, collaborating with its allies to counter the Russian territorial claims and maintain a free and open Arctic.

Russian Arctic strategy aims to develop untapped energy reservoirs to elevate its economy. This includes the interrelated projects of Yamal LNG (liquified natural gas) and the Northern Sea Route (NSR), which are strengthening the Russian economy, reducing maritime routes, and assisting Russia to become a dominant power in the region. Besides this, Russian attempts to develop and utilize the NSR as a global shipping artery raise the value of the Arctic in the Kremlin’s geopolitical calculus. Moreover, Russia perceives the United States as a geopolitical competitor in the Arctic. Thus, Moscow is undergoing an overhaul of the Soviet-era bases to counter threats to its oil and gas terminals and reinforce its position as a maritime power. Russia’s declining energy assets and its status of an energy superpower as its foreign policy tool are the motives to maintain its hold on the untapped energy reservoirs in the region. Therefore, the interplay of economics and geopolitics has transformed the region into a hotspot for a renewed geopolitical competition among the great powers.

The United States has been the least active in the Arctic region after the Cold War. Nevertheless, it holds important strategic interests in the growing Russian and Chinese presence in the region. Washington’s approach is likely to discourage the Russian claims on the NSR and militarization of the Arctic. Similarly, the United States is actively building the icebreakers to counter the Russian superiority in the icebreakers fleet. Moreover, the US collaboration with its regional NATO allies aims to establish security equilibrium against the growing Sino-Russian cooperation in the region.

The shift in the geopolitical landscape of the Arctic has posed several challenges to the Russian dominance. These challenges will likely hinder the Russian economic and geopolitical ambitions. Thus, the changing dynamics requires Russia to undertake a comprehensive approach regarding the United States and its allies. Likewise, Russia must utilize Sino-Russian cooperation prudently in its shared animosity with the United States, coupled with balancing Chinese cooperation by solving out the legal discrepancies. Thus, a coherent approach will enable Russia to pursue its broader economic and geopolitical goals.

The growing Russian activities in the region are knotted with its broader geopolitical and economic goals. Therefore, to understand Russia’s interplay of politics and economics, this article is divided into four parts. The first part undertakes an in-depth analysis of the changing dynamics in Russia’s Arctic policy.
policy actions including Yamal LNG, the opening of the NSR, and the revival of the Northern Fleet. The second part will analyze the role of the United States as a geopolitical competitor as it is concerned with the Russian and Chinese presence in the Arctic. The third part analyzes Sino-Russian cooperation in the Arctic region. The last part concludes the article by discussing challenges and the way forward.

**Russian Arctic Policy**

The Arctic has gained prominence to the Russian international agenda. The resource competition in the barren region can easily be a source of conflict in the near future. The upsurge in the Russian activities can be seen in the revival of the Northern Fleet, development of new oil and gas terminals including Yamal and Shtokman, and expansions in Russian exclusive economic zones by taking approval from the United Nations Commission on the Limits of the Continental Shelf.

The continuous warming of the Arctic coupled with aspects of national security and Russia’s deteriorating relations with the West, especially after the Ukrainian crisis, have forced Russia to look for alternative options. Meanwhile, the increasing significance of the Indo-Pacific is reflected in Russian policy documents that indicate the priority of a “turn East.” These drivers of the Russian Arctic strategy determine the main objectives, primary goals, and strategic policies of the Russian Federation. Also, it validates the measures regarding the strategic planning of social and economic development and preserving Russia’s national security and territorial integrity. The Arctic zone of the Russian Federation comprises the areas of Sakha Republic, Arkhangelsk, and Murmansk. Additionally, Krasnoyarsk territory, Nenets, Yamal-Nenets, and Chukchi districts are the areas where Russia advocates for autonomous rights and jurisdictions under the perspective of international law.

**Russia Arctic Policy 2020–2035**

The policy posture adopted by Moscow as its Arctic strategy 2020 includes the utilization of the Arctic as a strategic resource base to fulfill the country’s socioeconomic needs. It also centers on using the NSR as a national transport route for Russia in the Arctic. The strategic priorities of the Russian Federation can be seen in the expansion of the resource base region to fulfill its energy needs. It is not surprising that the Arctic accounts for 10 percent of Russia’s GDP and 20 percent of its exports. Therefore, the region is crucial in the strategic designs of the Kremlin.

While dealing with military and security, the Russian government favors an auspicious operating regime, including the army and other military formations. Therefore, the deployment of the Northern Fleet demonstrates the Russian intent to protect the NSR. Meanwhile, the policy posture of 2035 shows the Kremlin’s urge to access the naval chokepoints in Greenland, Iceland, and the UK to demonstrate the significance of Russia’s sea power. Hence, the opening of the NSR and the revival of the Northern Fleet is transforming Russia from a continental to maritime power in the region.
The parallels in the policy postures of 2020 and 2035 exist in the Russian national interest in naming the Arctic as a strategic resource base. Moscow is aiming to utilize the opportunity to develop energy reserves, including 85.1 trillion cubic meters of natural gas and 17.3 billion metric tons of crude and condensate oil. Moreover, it is also trying to intensify its LNG production to 91 million tons by 2035. Furthermore, it is planning to increase the role of the Arctic in crude and condensate oil production to 20 percent in 2024, 23 percent in 2030, and eventually 26 percent in 2035. However, these economic gains are highly dependent on the successful functioning of the NSR.

The strategic plan to develop the NSR as a global shipping route will allow the Kremlin to play a dominant role in Arctic geopolitics. While referring to the security interests linked to the NSR, the role of the Northern Fleet cannot be overlooked to intercept the aggressive actions by NATO countries in Norway. Therefore, the intensified activities of the Northern Fleet to establish an effective monitoring system for surface and underwater activities show how regulation and control of shipping along the NSR is a priority for the military as an effective stakeholder.

Opening of the NSR: A Strategic Enabler for Yamal LNG and the Northern Fleet

The development of the NSR is crucial for the Kremlin's strategic designs and the Arctic's future geopolitical course. The NSR remains closed for eastbound shipping for half of the year due to Arctic ice. The change in the climate patterns unlocked the NSR much earlier during the past year, which significantly reduced the time for Yamal LNG cargoes to reach East Asian markets. The success of Yamal LNG endeavors on developing the Arctic infrastructure depends upon the functioning of the NSR because it can assist the Kremlin in extending its influence to the Asia-Pacific. Yamal LNG will allow the Kremlin to attract potential customers by offering them the Arctic LNG at a low cost. Moreover, Novatek's smooth price enhances the company's portfolio in global market positioning. James Henderson has argued that the NSR not only provides a shortcut from Yamal to Asia, but also provides an alternative to the US-controlled maritime routes. He further asserts that the Russian military modernization along the NSR has made it a “potential leverage point” amid growing geopolitical competition.

The Northern Fleet remains a focal point when it comes to maritime shipping in the NSR. The Kremlin has elevated the significance of the Northern Fleet by upgrading its status to a military district. According to Matthew Melino and Heather A. Conley, Moscow's ambitions to project Russian power in the Arctic is an “avenue of approaches” for United States. The Murmansk-based fleet is crucial for safeguarding maritime shipping in the NSR. Moreover, the addition of offensive and defensive capabilities to the Northern Fleet includes the equipment of S-400 and hypersonic missiles, which shows the Kremlin's concern regarding the security of the route. Moreover, the induction of the Knyaz Vladimir, a Borei-A strategic missile submarine armed with Bulava ICBMs and 667BDRM Delfin submarines equipped with Sineva...
ICBMs, is a powerful signal to other actors regarding the Russian defense planning of the Arctic and the NSR.

The growing Russian military presence along the NSR is due to the evolving security concerns revolving around the defense of Russian national security and the denial of US maneuvers. The Kremlin's Northern Fleet is crucial to deny the US claims of freedom of navigation and maintaining Russian status quo in the region. Although the NSR is a strategic enabler for the Kremlin, it however requires the Northern Fleet to deter the United States, a geopolitical challenge for Russia. Thus, the success of the Kremlin's policy is dependent upon the successful functioning of the NSR.

**Policy Actions**

**Yamal LNG:** Gas has remained a strategic element for the Kremlin’s economic and political interplay. Russia has used gas as a geopolitical weapon for many years. The project of Yamal LNG is believed to harness 926 billion cubic meters of natural gas. The construction began in 2012 and will last till 2021, costing 27 billion USD. Perhaps it is the most successful LNG project during the last decade regarding projects and cost management. Moreover, the efficacy of Yamal LNG can be assessed through its efforts to fetch an international consortium. It comprises the French company with LNG expertise (Total), a major consumer of LNG in the form of the China National Petroleum Corporation (CNPC), and a major financing source in the Silk Road Fund. Similarly, Yamal’s success in buying sales contracts from customers in the Asia-Pacific, Europe, and South Asia has enhanced the project to take its final investment development in 2013. However, with a high pace in accordance with its schedule, the rapid development of the project had put its international and domestic rivals in disrepute.

Yamal LNG has directly attracted the Kremlin’s support, which can be seen in the proposal of the Russian energy minister, Dmitry Medvedev, who ensured the Kremlin’s support for the LNG project, which includes a tax exemption for the first 250 billion cubic meters of natural gas, 20 million tons of condensate and exemption of property tax under the Mineral Resource Extraction Tax regime for 12 years. Similarly, the project also reaped $19 billion—the largest ever project financing in Russia. This leap forward has presented Russia and China with limited choices: either to defect or cooperate. Russian dependence on East Asian markets for the sale of LNG products and Beijing’s dependence on Russia to take its expeditions in the Arctic makes it evident that both players cannot get an optimal outcome while deviating unilaterally from the game. Meanwhile, the interstate agreement between Russia and China had also assisted in attracting Chinese shareholders and loans from the Chinese Development Bank. Therefore, Yamal LNG’s efficacy in developing hydrocarbon reserves makes it a significant part of Russia’s geostrategic calculations.
The rationale behind the Kremlin’s support of the project lies in the fact that it has been trying to expand the scope of the LNG industry to reduce its reliance on European markets. Additionally, the development of infrastructure, notably the Sabetta port, airfield, and the construction of LNG tankers and icebreaker fleet that will perform 200 voyages per year, requires direct and indirect support from the government. Despite the failures of the Kahrasavey, Baltic LNG, and Shtokman projects, it is necessary for the Kremlin to support Yamal LNG because it enables the Kremlin to achieve its various economic objectives. Nevertheless, Russia knows that without the intensification of the activities on the Arctic and attracting foreign customers it will be difficult for Russia to utilize the region as a strategic resource base. Hence, the Yamal LNG has secured various deals to sell LNG products to its European and Asian customers on a durable basis. Similarly, the NSR, with its east- and westbound routes, makes the European and Asian markets accessible. Therefore, the LNG exports coupled with Russian influence over the NSR acts as an enabler for the Kremlin to enhance its status as an energy superpower and utilize its geopolitical and economic interplay efficiently.

Opening of the Northern Sea Route: The opening of the NSR is part of the Kremlin’s strategic priorities, providing it a shortcut from Europe to Asia. The route significantly reduces the distance from Yamal to Asia as compared to the Suez Canal route. It connects the Atlantic and Pacific oceans and is considered an important trade route for Europe and Asia. The route runs from the Russian coast of Novaya Zemlya in the west to the Bering Strait in the east. However, the route remained neglected after the demise of the Soviet Union, both domestically and internationally. Nonetheless, the commencement of climate change compelled the Putin administration to revive the route, which can be seen in a policy document of 2008 explaining the “exploitation of Northern Sea Route as a national unitary transport communication,” which prioritizes the NSR in Kremlin’s strategic domain. The functioning of the NSR will reduce the geographical limitations on the Kremlin’s sea power while easing its access to the sea. From the Baltic front, Russian ships have to face the sea power of Nordic states in the Gulf of Finland and the Danish straits. Moreover, the Black Sea Fleet had to pass through the Dardanelles strait or Suez Canal route. Hence, the opening of the Northwest Passage and the shipping between the Eurasian land and the Arctic has enabled Russia to become a dominant maritime power. The Kremlin’s strategic designs, as aforementioned, are to utilize the NSR as a global shipping artery under its jurisdiction concerning the international treaties of the Russian Federation.

The NSR is a fuel-efficient alternative for shipping between Far East and Europe and decreases the peril of piracy. The Kremlin is setting out its desire to increase the traffic in the NSR to 80 million tons per year by 2024. The timing of the goal may not seem realistic; however, by 2030, the NSR will emerge as a key trade route. The available statistics of 2018 depict a significant increase in the gross revenue of transportation by 84 percent per annum. The turnover via the NSR amounted to 19.7
million tons, among which Novatek’s project accounted for 8.4 million tons, crude oil and refined products for 7.8 million tons, and gas condensate for 0.8 million tons. It shows that hydrocarbons comprised 86 percent of total transportation in 2018. Nevertheless, 2019 statistics witnessed a significant surge in the transportation turnover to 31.5 million tons that marked an increase in maritime cargo traffic. Therefore, the NSR is among the crucial strategic calculations of the Kremlin’s policy postures.

The interrelated projects of Yamal LNG and the opening of the NSR are crucial for the commercial and geopolitical future of the country. The opening of the NSR will strengthen the Russian influence in the Arctic and provide short access to Asia-Pacific and European markets. Moreover, the strengthening of Russian presence in the Arctic and supplementing the socioeconomic conditions of the region depend upon the Kremlin’s strong influence on the NSR.

**Revival of the Northern Fleet:** Since the Cold War, the Arctic has held a geopolitical significance in the systemic competition between the Soviet Union and the United States. However, it lost its geopolitical relevance in the 1990s after the demise of Soviet Union, but again reemerged due to Russia’s determination to reinstate its military prowess soon after the North Pole expedition in 2007. The Russian Arctic strategy aims to sustain Russia’s status as an energy superpower by developing its oil and gas terminals. Similarly, the refurbishment of the NSR is linked with the Russian objective to preserve its “territorial integrity.” The yoke between these policy postures resonated in Putin’s statement during his election campaign of 2011 that “We will also beef up our military bases there, and we will certainly increase national security in the north.” However, the economic concerns of Russian Arctic policy are knotted with the matter of prestige that ultimately relies on military might. The Northern Fleet and its nuclear-powered submarines equipped with ballistic missiles consolidate the Kremlin's beliefs on the primacy of “hard power.”

The privilege of the Northern Fleet not only enhances the Kremlin’s geographical position but also grants it a “strategic advantage” to conduct hostile operations against its adversaries. Geostrategists acknowledge the significance of the Northern Fleet by addressing Russia’s lack of access to the sea. This is evident from H. P. Smolka’s analysis of the Russian fleet stationed at Murmansk, which has access to the high seas thus transforming Russia from land to naval power.

The Kremlin has recently upgraded the status of the Northern Fleet amid the growing significance of the Arctic in its policy circles. The presidential decree signed by Putin granted the Northern Fleet the status equivalent to the existing four military districts of East, West, and South. Rob Huebert analyzed this move as “…a recognition that offensive and defensive capabilities of the Northern Fleet represent one of the most important elements of the Russian military.” The Kremlin’s modernization of the Northern Fleet aims to protect its oil and gas terminals, which are strategic assets for the Kremlin. This development includes the stationing of the
S-400, which strengthens the Russian air defense capabilities. Moreover, the Kremlin has increased its offensive capabilities by equipping the MIG-31 of the Northern Fleet with Kh-47M2 Kinzhal missile, which will project the military prowess of the Kremlin in the Arctic.

The security concerns linked with the NSR revolve around preserving Russian territorial integrity and denying foreign incursions. The Northern Fleet remains at the center when it comes to the regulation of shipping in the NSR. Moreover, the Kremlin is also intensifying its presence to intercept the actions of the foreign military forces in the region, which includes the joint exercises of the United States, Norway, and NATO above the Arctic Circle in 2018. The access of the Northern Fleet to the High Seas will provide it an offensive capability, while the functioning of the NSR will put Russia in a position to control the traffic in the region. Hence, the Kremlin’s aggressive military buildup in the Arctic is to contain NATO and respond to the US maneuvers.

The United States as the Primary Geopolitical Competitor

The emergence of Russia as a militarily and strategically dominant power has conflicted with the US interests in the region as Washington views the growing Russian influence as a threat to its national security. The changing dynamics are the prelude for the United States to counter Russian military presence in the region. Russian flexing of military muscle has raised worries among the Arctic states, including US allies. Biden’s administration therefore is concerned by enhanced Russian military capabilities. Similarly, increased Sino-Russian cooperation has raised alarms in Washington, evident in the newly published US Arctic Strategies—notably the US Navy’s A Blue Arctic Blueprint and the US Army’s Regaining Arctic Dominance.

The US Department of Defense’s Arctic Strategy 2019 identified three threats to the US national security interests in the region. The first threat is the possibility of an attack on the US homeland, made more likely by increasing cooperation between Russia and China. The second threat is the challenge to the rules-based order from Russia and China by using the NSR and possible use of force against foreign vessels operating against Russian regulations. That is why American officials have regarded the region as “nobody’s lake.” Finally, the third threat is the possibility of “strategic spillover” from rising tensions in the Arctic. To counter these threats, a response is expected from US military presence in the region, specifically by the US Coast Guard. However, as per the hearing on maritime security, the US Coast Guard is regarded as weak compared to the Russian Navy. This position has concerned the United States over aggressive actions of Russia and China. However, it also shows the gaps in the US ability to maintain its rules-based order in the Arctic.

Russia’s large icebreaker fleet, increasing investment of China in Greenland, and the declaration of the NSR as a “polar silk road” has alarmed the policy circles in
Washington. Washington is eager to build icebreakers, evident as the United States lacks the “hard power” in the region as compared to the Russian icebreaker fleet. However, this will remain the case because the United States will not be able to create its “largest icebreaker” until 2024.

The US strategy in the Arctic will be moving on the three lines of action. First, it will aim to enhance the capabilities of the US Coast Guard in the Arctic. Therefore, the United States will be using the International Maritime Organization to adopt international code for ships operating in polar water and to question Russian maneuvers in the region. Second, to strengthen the rules-based order, the United States will be eager to cooperate with NATO allies in the region. It is evident from Biden's faith in the alliance and the most recent discussion over US-Canadian defense cooperation. Yet, it will be based on adding strategic and operational depth to the regional position of Arctic allies. The Trump administration debated Greenland's sovereignty, Denmark's role as a strategic enabler for US interests in the region, and surveillance of Russian actions. Third, the United States will aim to promote resilience and prosperity in the region. Hence, US promotion of Arctic values is evident from Trump's approach toward the Arctic Council. Despite the reluctance of Trump's government toward multilateralism, he was vocal about promoting cooperation among Arctic states through the Arctic Council. However, while conceptualizing Biden's climate policy and his approach toward multilateralism, his actions will be aiming to use the “Arctic Council to strengthen US relations with allies.”

Historically, US ties with regional allies go back to 1867, when the United States acquired Alaska and fostered economic, diplomatic, and strategic ties with the Arctic states that are the part of NATO. These allies have been supportive of US military presence since WWII, especially Denmark and Canada. The United States was able to establish bases that were critical to the war effort in the High North and the Arctic, hence adding to the strategic depth of the United States in case of any escalation. These strategic points are marked as critical ventures to the US strategic calculations that will create a geopolitical challenge for Russia and China.

The United States has been skeptical toward China’s Belt and Road Initiative (BRI), which has gained a new dimension due to the melting Arctic. The Chinese investments in technological and environmental domain have posed a challenge for the United States in the region. Moreover, China’s plan to gain a military base in Greenland in 2016 has signaled to the United States that China is using the cover of its investments to plant a military toehold in the region. Therefore, the United States is incentivizing the region by building three Greenland airports to pressure the government against the Chinese deal. Moreover, the strengthening of diplomatic and commercial relations with Greenland is to diversify the economic prospects beyond fishing, strengthening ties, and to counter expanding Chinese influence in the region. Similarly, Pompeo’s bid for European and North American states to form a coalition
against Russian and Chinese interests in the region increases the geopolitical competition between the regional players.

In an interview, Carla Sands, US ambassador to Denmark, stated that Denmark is “willing to fight with Americans shoulder-to-shoulder and do things that many of our allies won’t.” Thus, Washington’s decades-long disinterest in the Arctic is reversing and leading toward strong US-Danish cooperation against Russia. At the same time the Pentagon can be seen rallying its allies, indicated by Pompeo’s statement that “. . .we are counting on our partners in Greenland and Denmark to lead with us.” On the other hand, Norway’s government requested the United States to increase the number of marines from 330 to 700, which has matched Washington’s desire to intensify military presence in the region. Hence, geopolitical proximity of these actions will increase hostility between Norway and Russia, as Russia has warned Norway that such actions would have “consequences.” Therefore, it is evident that the stage is heating up for competition in the region.

Despite the military superiority that Russia enjoys in terms of icebreakers, US military actions cannot be sidelined. In October 2018, the USS Harry S. Truman and its associated escort sailed above the Arctic Circle, the first such strike group to do so since the Cold War. This operation in the Norwegian Sea means that Washington is raising its game in the Arctic. Moreover, VADM Linda L. Fagan, who oversees Coast Guard operations in the Arctic and Pacific, states that “we’re obviously watching both the Russians and the Chinese quite closely.” Despite the vitality of the geopolitical competition, the difference in military power might hurt the United States.

The weak US naval presence can be observed from statement offered by Coast Guard Capt. Gregory Tlapa, who commands the lone USS military icebreaker traveling to the Arctic each year. He stated that, “The nation doesn't have deep-bench strength in terms of capabilities to operate up here and project power and protect our national interests.” This is why the US Navy, like the other branches of the US armed forces, has introduced a new Arctic strategy. The United States has maintained its military presence in the northern base of Thule, Greenland, which is 750 miles north of the Arctic, hosting radar systems that will scan for any nuclear missiles launched against the United States. Although the United States lacks the deep-bench strength in the Arctic, recent steps are raising its influence in the region.

The US contestation for military dominance in the region will be facing hindrance from the ground and sea routes, due to unavailability of icebreakers and the increasing necessity of strategic cooperation with regional actors. Therefore, the United States is planning to introduce air combat planning in which the United States will have two squadrons of F-35-A in Alaska by 2022, joining the two squadrons of F-22 Raptors already there.

Strategically, the United States might deploy a nuclear submarine fleet due to the rising tensions and disparity in the military capability. The deployment of the large
surface warships and sea-based ballistic missile defense systems in the Arctic is due to the periodic visits of US submarines. Furthermore, the United States will enhance its capabilities to intercept Russian intercontinental ballistic missile (ICBM) launches at the initial phase and making a preventive strike by ICBMs, submarine-launched ballistic missiles, and cruise missiles, irrespective of their nuclear or nonnuclear nature. However, the execution of these plans will create a hard security threat in the region, which can be observed from the negative response of Russia over joint UK-US naval exercises in the Norwegian and Barents seas in May 2020.

Furthermore, in October 2019, the largest Russian military exercise in the Arctic since the end of the Cold War was held, which further exacerbated the growing complexities of the region's militarization regardless of global warming. These strategic actions, along with the weakening position of the United States and intensified Sino-Russian economic cooperation will compel the United States to maintain a military toehold in the region.

According to Ambassador David Baltonn, from “America First” to a policy orientation focused on “becoming less isolationist,” Washington is keen to cooperate with more than just NATO members in the Arctic. In comparison to Biden, Trump was more vocal toward strategic engagement in the region while Biden tends to be less aggressive. Ulf Sverdrup, director of the Norwegian Institute of International Affairs, is of the view that despite the change in administration, Washington’s policies will reflect a “continuity to US foreign policy rather than a change to it.”

The United States shares considerable territory with the Arctic, and the region’s security environment is tied with the matter of homeland security and national interests. Russia’s attempt to utilize the region as a strategic resource base is dragging the region toward geopolitical and resource competition. US rivals Russia and China are utilizing their economic and military power to maintain and enhance their influence at the expense of US national interests. The significance of the region for the Russian military power and development of the oil and gas reserves compels Russia to pursue goals contrary to those of the United States. Similarly, Chinese ambitions to gain access to the Arctic’s resources and sea routes to enhance its rise is concerning for the United States. Therefore, Russian interrelated economic and political interests coupled with the extended strategic and geopolitical competition are an irritant to the US interests in the region.

**Sino-Russian Cooperation and the United States**

The United States as a geopolitical competitor provides a pretext for Sino-Russian cooperation in the region. Russia’s domestic challenges catalyzed by its international image due to the Ukrainian crisis ask for greater economic cooperation with the world. Therefore, the Kremlin requires military superiority as well as economic well-being of state activities in the region. Thus, political incentives are
only achievable if Moscow can create opportunities for the world to accept the rules-based order Russia has envisioned to support its regional goals.

Sino-Russian cooperation has entered from two fronts—economic and diplomatic—which is observed in the collaboration over Yamal LNG and the acceptance of China as a “near-Arctic state.” The acceptance of China as a near-Arctic state shows Moscow’s determination to strengthen their already 110-billion-dollar trade relationship by adding the Arctic as another area in which to cooperate. Moreover, economic investments such as the Belkomur railway, the harbor in Arkhangelsk, and the 1161km-long railroad construction from the western Siberian town of Solikamsk through Syktyvkar to Arkhangelsk, are some of the most important infrastructural development to strengthen bilateral ties in the region. This enthusiasm of the Russian officials shows the prospects for the cooperation, but the ball still remains in Russia’s court; the cooperation enables Russia to expand its economic activities and allows strategic engagement with other regional players. Thus, it will enable Russia to encircle the US activities in the region.

Sino-Russian relations are decades long: the first cooperative effort in the Arctic was observed in 2013 when the CNPC contracted with Rosneft to survey three areas of the Arctic in the Pechora and Barents Seas. Russia’s oil and gas cooperation with China in the Arctic is comprehensive, which remains to be balanced and pragmatic. Russia is eager for an economic boost, and China wants to expand economic cooperation to avoid the “Strait of Malacca Dilemma,” which is mutually inclusive for both. The Russian Far East has provided grounds for increasing the value of cooperation. Furthermore, the expansion of BRI projects in the region will open doors for “China’s Arctic Silk Road” while compelling the policy makers to expand partnership beyond the Arctic Circle.

Sino-Russian cooperation is expected to increase regional economic integration. The 2017 development to enhance shipping via the NSR through joint conjunction of the Eurasian Economic Union and BRI provides both sides a chance to align their mutual interests along the NSR. Despite US hostility toward Sino-Russian cooperation, both sides have aimed to cooperate with regional actors. This is evident in 2019’s joint statement that cooperation will be “based on the rights and taking into account the interests of the coastal state.” These efforts lift the scope of the mutually recognized principle of cooperation; along with this, it improves the chances for Russia to mitigate legal discrepancies that, if supported by the regional actors, will ardently create a Russian-based order.

The shared interest in the technological development of the Arctic Ocean has forced both states to join the international trans-Arctic cabling scheme. Furthermore, both are interested in remote sensing between GLONASS—a space-based satellite navigation system—and the Chinese satellite navigation system BeiDou. This joint endeavor will improve the navigation situation in the Arctic.
Russia remains the anchor of China’s engagement in the Arctic. Certainly, the nature of cooperation will have implications for the region, more specifically the United States. However, there exist reasons for such a bond between Putin and Xi Jinping. First, the Chinese desire for “near-Arctic state” status requires Russia’s partnership. Russia’s status as an Arctic superpower and its ability to influence regional affairs will intensify the nature of Sino-Russian cooperation. Second, Russia is eyeing Chinese financing to commercialize its underdeveloped Far North, especially along the NSR. Hence, these activities will certainly intensify the Sino-Russian cooperation in the region.

Both states cooperate on joint gas projects, including the Sila Sibiri (Power of Siberia) pipeline, which will link the Chinese Irkutsk region with the Siberian gas field in the Yakutia Republic. The agreement was signed between Putin and Chinese Vice Premier Zhang Gaoli, which includes other possible explorations, notably Vankor field, which will be linked by an agreement with CNPC. Furthermore, the joint effort to transfer 3 million tons of liquefied natural gas from their collaborative Yamal LNG project for the next 20 years shows the bolstering economic cooperation. These efforts are viewed as the Kremlin’s urge to find compliant partners to lift its economy while improving Russia’s position in the region.

Moreover, strategic cooperation between Russia and China aims to increase counter actions against the US Navy along the NSR. Hence, the increasing Sino-Russian cooperation raise the concerns for the United States as Beijing's cooperation with Kremlin will not be stopping anytime as no official agreement exists between Russia and China over the limits of Chinese presence in the region. Thus, Washington is pressured to expand its role in the region.

However, there exist several divergences in Sino-Russian cooperation. Despite the strategic reproachment, China neither shares Russian ambitions to confront the United States directly, nor is it willing to harm its relationship with the United States for the sake of the Russian Arctic agenda. Aglaya Snetkov has termed Russia as a “loud dissenter” and China as a “cautious partner.” It is evident in the statement of Chinese diplomat Fu Ying who stressed that “China has no interest in a formal alliance with Russia, nor in forming anti-US or anti-Western bloc of any kind.” Similarly, despite China’s growing bilateral engagement with Russia, it is still cautious and has sought ways to steer itself out from the international security crisis with Russian involvement, notably in Ukraine and Syria.

Despite the optimism regarding Sino-Russian cooperation, there exist various limitations to Sino-Russian cooperation. The grievances and mistrust rooted in the history and differences in the strategic culture, particularly on the Russian side regarding the shift in relative power. Similarly, China’s priority regarding its economic growth compels her to align with the United States, which is Beijing’s trading partner. Bobo Lo has argued that China and Russia “share neither a long-term vision of the world nor a common understanding of their respective places in it.” Hence it can be
argued that Sino-Russian cooperation is more like a flexible strategic partnership in which both states are pursuing a pragmatic approach of cooperation on mutual strategic interests. Nevertheless, there exists no long-term strategy to assist or defend each other.

**Challenges**

The engagement of Russia in traditional political cooperation can be a prelude to the prudent deployment of NATO forces in Iceland, which can create a security situation in the region while hindering the economic incentives that remain to be the Kremlin’s major interest. Similarly, the United States will be eager to create a regional rift in the Arctic through its NATO allies and its Coast Guard activities in the Bering Sea, which is threatening to the Kremlin’s socioeconomic and geostrategic interests.

Similarly, China’s eagerness to access Arctic resources at the expense of Russia will allow it to hold an upper hand in a relationship between the two. China’s short-term goals have clearly been supported by the Kremlin. However, there is no mutual agreement over long-term strategy, which can temper the Sino-Russian partnership as a result of unfulfilled expectations.

Moreover, Beijing’s influx in the region by the stratagem of investment, trap, and rule can threaten the Kremlin’s orientation in the region. Despite Sino-Russian cooperation, the Chinese role remains skeptical as it desires to maintain a military foothold in the region, which is evident in the Chinese urge to buy a military base in Greenland.

A possible sanction over Russia is expected as discussed in the Report of the Congressional Research Services, which can trigger the prospects for Russian economic gains. Paradoxically, the relation could deteriorate if Russia is unable to balance out its economic cooperation between China and other actors. China’s rise and Russia’s need of capital for its Arctic project could pose another obstacle for the Kremlin in Sino-Russian cooperation. This orientation is not only expanding the right of the non-Arctic states but threatening the Kremlin to create a Russian-centric regional order. Russia’s sovereign claim over the NSR is not legally acceptable as per the United Nations Convention on the Law of the Sea (UNCLOS), hence viewing the NSR as part of its territorial waters unravels the legal discrepancies.

**Way Forward**

The increasing geopolitical competition in the Arctic has posed several challenges to Russian interests in the region. Therefore, the changing dynamics require Russia to undertake a comprehensive approach to overcome the challenges posed to its dominance in the region.

Sino-Russian cooperation is based on shared animosity toward the United States, which is a prelude for the Kremlin to cooperate with Beijing by transforming short-term strategy into a long-term strategy to hold the regional stage. If both states can
introduce a joint statement over regional cooperation for a longer run, then it will allow Russia to understand the long-term ambitions of China.

To keep the pawns under the Kremlin’s control, Russia must balance its cooperative efforts with China against the possibility of falling into a debt-trap. Therefore, Russia must add other players such as India, South Korea, Japan, and Saudi Arabia to diversify its capital pool. For this the ministry of the Russian Far East and Arctic development must be utilized to untangle the potential of the High North and its combination with the Asian states. This is where China must be involved to utilize transport corridors Primorye 1 and 2 (Ministry of Commerce of the PRC 2018) to increase trade, hence opening the European and Central Asian markets for Russia. However, this long-term strategic goal is plausible only if Russia is able to prevent any escalation of conflict with the United States, which will be eager to create a regional rift either through regional platforms, the NATO alliance, or Coast Guard activities in the Bering Sea.

Despite of the growing ante over military competition and the unprecedented naval prowess of Russia in the region, the Kremlin must have an offensive-defensive policy action in the region. Maximization of power is important, yet it is also important to maintain Russia’s leading status quo in the Arctic. Hence, it is important to keep the area free of conflict to reap the benefits from the NSR and allow maximum cooperation in the region.

The NSR provides the Kremlin with an opportunity for economic gains and indicates the Kremlin’s commitment to the multipolar world. The crisis in Ukraine hurt Russia’s global reputation. Therefore, the opening of the NSR, its commitment to build projects in the High North, and the creation of opportunities for international businesses must be utilized to improve its global standing. To achieve these interests Russia must avoid military confrontation of any length with regional players, specifically the United States, which will increase the trust deficit that exists between the Kremlin and the world. Russia plays a vital role in the Arctic by providing icebreaker and navigation support as well as energy production. This will allow regional actors to increase their trust in the Kremlin’s position which is plausible only through trade, in the region.

Similarly, while joint military exercises can act as a counterweight to US pressure, the Kremlin must keep Chinese military presence out of the region. This doesn’t mean that China’s desire to hold a military base in the region must meet a green signal from the Kremlin. The maintenance of security in case of confrontation with the United States depends on Russia; China has no interest in being drawn into military conflict with the United States in the region. The Kremlin must assure China that any cooperation in the sphere of maritime security will be to protect mutual economic activities.
Moreover, Russia must solve the legal discrepancies in the region because China, in the interim, is not questioning Russia’s position in the Arctic. The right to passage along with Russian definition of the NSR is viewed as a violation of UNCLOS by Chinese experts. Despite the increasing cooperation, Russia must ask China to support its position as the dominant regional power by accepting the jurisdiction of the NSR as Russia’s territorial waters. It is possible because China’s claim of the nine-dash line in the South China Sea (SCS) is somewhat similar to Russian claims over the NSR; so, a possible trade-off between the two is possible regarding the acceptance of jurisdictions over the NSR and SCS, respectively. Hence, Russia must increase its acceptability even if it requires supporting the Chinese claim over the SCS.

**Conclusion**

The melting Arctic and resource competition have allowed Russia to gain grounds in the region. The Kremlin’s dominance due to its unique topography and overwhelming military presence has made it impregnable in the Arctic. Moreover, the interrelated projects of Yamal LNG and opening of the NSR to enhance Asia-Europe maritime shipping and cooperation with Beijing on the “Polar Silk Road” is a part of the Putin’s “Russia’s Grand Arctic planning.” Meanwhile, the multibillion-dollar investment from Beijing in Yamal is healing the Kremlin’s wounds sustained from Western sanctions following its annexation of Crimea. Great-power competition in the Arctic sphere demands that the United States counter growing Sino-Russian cooperation in the region. Putin’s hawkish attitude in the Arctic has upped the ante for a stronger policy response from Biden.

Nevertheless, Russia is confronted with the geopolitical challenge of US and NATO allies that are concerned regarding the Arctic militarization and Russian claims over the NSR. Even though the US military position in the Arctic is comparatively weak, US plans to station F-35s in Alaska to augment already-stationed F-22s and the installment of radar systems in Greenland shows the dissatisfaction of the West toward “dissenter Russia.” On the other hand, balancing Sino-Russian cooperation and solving the legal discrepancies is necessary for Russia to keep the situation under control. Thus, the changing dynamics of the region require Russia to carefully tackle the challenges and exploit the opportunities to utilize the region as its strategic resource base.


**Overview:**
Alexandra Land, an island in the Franz Josef Land archipelago that lies at 80°N in the Arctic Ocean, is home to Russia’s northernmost military facility. The Nagurskoye air base is of great importance to Russia because of its location in the High Arctic, a region which has received increased attention in recent years as international tensions and military activity in the area have heightened. This shift is in large part due to the extensive melting of sea ice, which has opened up the Arctic Ocean to shipping as well as to oil and gas exploration. The melting of the glaciers which surround Nagurskoje uncovers land space for human infrastructure whilst simultaneously increasing the runoff in nearby streams and accelerating permafrost thaw, which could destabilize the foundations of infrastructure and profoundly disrupt landscapes.

Current & Relevant Information:

Military activity on Alexandra Land was first established by the former Soviet Union during the Cold War, when a dirt runway served as a small airbase, adjacent to a meteorological station. Its usage substantially dwindled following the collapse of the Soviet Union in late 1980s and early 1990s but was restored in 2008 following Russian interest to protect its long northern coastline and vast energy and mineral resources, as well as to better monitor passage in the Northern Sea Route (NSR), which links Europe and East Asia. In 2013, the Russian Defense Ministry announced plans to form more permanent military facilities on Alexandra Land, including a new and larger air base as well as support installations. The base was designed to support a greater range of military aircraft, including bombers.

The island lies at 85° 45’ N, close to the North Pole. It is largely covered by ice, and the few ice-free areas consist of permafrost. It lies within the NSR passage, with Norwegian archipelago Svalbard 260 kilometers to its west, and the Russian coastline 360 kilometers to its south. It houses two sizable ice caps, the larger Lunar Ice Cap and the smaller Kropotkin Ice Cap, which during the 1990s covered 74 percent of land area. There are many lakes across Alexandra Land which are fed by glacial meltwater or seasonal permafrost thaw.

Warming air temperatures have accelerated melting of the glaciers in recent decades. Warming is especially striking in the Arctic because of polar amplification; the region has warmed at twice the global average rate over the last 30 years. A study found that mass loss from glaciers across Franz Josef Land doubled between 2011 and 2015 compared to the 1953 to 2011 average. Increasing meltwater feeds the lakes that lie within a few kilometers of Nagurskoje base, increasing their volume and potentially altering their configuration, which could spill over to the air strip, causing problems for military operations there. On the other hand, receding glaciers will open up ice-free space on the island that could be utilized for Russian military infrastructure.
Permafrost underlies much of the ice-free land that the air base is situated upon. Stephen Gruber, a geoscientist at Carleton University who has conducted research in a number of high latitude permafrost sites (although not in Russia) mentioned that no matter where you go in the Arctic, big changes will come in the next decades due to warming. Gruber noted that many engineered structures in the Arctic, such as the air base on Alexandra Land, will undergo changes, some of them unexpected, because the current practice was based on past experience, which was not challenged by long-term warming and ice melt.

In an interview with GlacierHub, Alexander Sergunin, a Russian national, professor at Saint Petersburg State University and author of Russia in the Arctic, stated that “I don’t see any specific implications of climate change, such as bringing Arctic states into war or military tension, but I think that climate change necessitates cooperation rather than confrontation.” Now that the Biden administration has returned to the Paris Agreement, Sergunin believes key players in the Arctic can cooperate on the issue of climate change. When Biden and Putin met in June for historically significant talks, Arctic matters were discussed, and although resolutions were likely not found, both leaders expressed their interest to cooperate.

Russia’s interest in Franz Josef Land stems from its desire to enhance territorial defense in the Arctic, across its exclusive economic zone, and improve control over activity in the NSR. The archipelago’s location makes it a useful location to retain power in the Arctic and increase surveillance of international activity, especially that of NATO forces. A recent article by the Centre for Strategic and International Studies speculates that the recent growth of the Nagurskoye air base suggests that Russia is seeking to expand their future military and offensive capabilities, to expand the geographical range that could be reached by aircrafts from Alexandra Land to US and other NATO bases in the Arctic. However, in his interview, Sergunin stated “the mission in the Arctic has changed compared to the Cold War period. Now the main mission is protection of the exclusive economic zone, Russian sovereignty, and coping with non-traditional threats such as illegal migration, pollution and smuggling.”

Offering a different perspective, Rasmus Bertelsen, a political scientist at The Arctic University of Norway and of Nordic nationality, explained “looking at this air base it is very important that we in the West don’t only think about the offensive potential, but from a Russian perspective, how useful it is to defend the Russian Arctic.” Because of Alexandra Land’s central location he added “they [Russia] can really defend a large part of the Arctic Ocean from Nagurskoye.”

In addition, Bertelsen believes that questions surrounding geopolitics in the Arctic very much center on nuclear weapons. “The Russian nuclear weapons are based in the Arctic, so conventional forces are largely to protect the nuclear forces,” he explained. This concern explains why Russia is keen to build a bastion from Alexandra Land, as declining sea ice opens up the Arctic Ocean to NATO forces,
Russia must protect its nuclear armed submarines. “The Nagurskoye base is incredibly useful for defending these waters where the Russian missile submarines are hiding,” Bertelsen told GlacierHub.

The modernization program of Russia’s military, which included the expansion to Nagurskoye station, is in line with the efforts of other Arctic nations. “Russia had a special military modernization program, in general, but also in the Arctic specifically, it started in 2007 and is almost complete,” Sergunin told GlacierHub. From Sergunin’s perspective, “Russia is trying to restore its armed forces which we [Russia] had before, make them more capable of coping with new threats and the Arctic cold weather conditions, but that’s it, Russia doesn’t plan to use military force, they don’t plan to conduct any operations in the Arctic itself”.

The rapid loss of sea-ice that has long acted as a physical barrier to the northern Russian coastline is now opening up the High Arctic to increasing maritime activity. Loss of sea ice is the most prominent and concerning change to the Arctic cryosphere under climate change. “The Northern Sea Route is part of the Russian exclusive economic zone; currently many parts of the zone are covered by ice even in the summertime,” explained Sergunin. But this is likely to change under global warming, opening up the zone to international vessels, which is a concern to Russia. “Russia is extremely eager to develop international shipping on the NSR, but the double-edged sword is that the less sea ice there is, the more vulnerable Russia becomes,” Bertelsen adds.

Melting glaciers on Franz Josef Land will present challenges for human infrastructure and activities on the archipelago, which have proved extremely important to Russian strategy in the High Arctic. Increasing meltwater runoff and permafrost thaw threaten the longevity of the Nagurskoye air base on Alexandra Land. Coupled with the threat of declining sea ice opening up Russian waters to international vessels, this small island deserves attention as climate change complicates the cryosphere within a region of huge geopolitical importance.


Overview:

Arctic cooperation is on ice following the most recent phase of Russia’s invasion of Ukraine.

Current & Relevant Information:

The Russo-Ukrainian War has altered the trajectory of international cooperation in the circumpolar Arctic. Regardless of whether Russia’s invasion of Ukraine – which began in 2014 – ultimately ekes out some form of victory for Moscow, or is beaten back by Ukrainian resistance with support from the West, it has redefined Arctic geopolitics, and its outcome will shape its future. In this, the war threatens to undo
30 years of progress on pan-Arctic cooperation and institution-building that have been a central achievement of the post-Cold War international order.

Until recently, circumpolar politics has been guided by the idea of the region as ‘One Arctic’ characterized by peaceful cooperation based on similar social, economic and ecological foundations. Since the collapse of the Soviet Union, all Arctic states have committed to the maintenance of a rules-based region, founded on multilateral cooperation, consensus decision-making and non-violent dispute resolution. This regional order has been built on three pillars: privileging the role and interests of the eight Arctic states; emphasizing the Arctic Council as the premier forum for regional cooperation; and limiting the role and activities of NATO – founded, after all, as a defensive alliance against the Soviet Union – in the circumpolar region.

All three pillars have been strained before. Over the past two decades, there has been significant growth in interest in Arctic politics from non-Arctic states. Thirteen non-Arctic states have been granted observer status at the Arctic Council since its establishment in 1996, including seven since 2013. In that year, Asian countries including China, India, Japan, South Korea and Singapore all became observers, significantly globalizing the composition of actors participating in the council’s activities. The EU also observes meetings, although a final decision on its contentious application has been deferred. China’s interests and ambitions in the Arctic have attracted particular attention and some concern from Arctic states, which have acted to prevent Chinese investment in potentially sensitive or strategic infrastructure in Canada, Greenland and Finland. China has nonetheless met with some support for its polar activities from Iceland and Norway, while investing considerable resources in its own Arctic icebreaking, scientific and diplomatic capabilities. However, although the door to Arctic cooperation has been opened slightly to the outside world, the Arctic states have remained at the centre of polar politics and firmly in control of its regional institutions.

The Arctic Council has also been challenged as the premier forum for Arctic cooperation. For instance, in 2008 and 2010, the five Arctic coastal states (Canada, Denmark, Norway, Russia and the US) held a pair of high-level meetings without including either the remaining Arctic states (Finland, Iceland and Sweden) or representatives of the Arctic’s diverse Indigenous peoples. The so-called ‘Arctic 5’ have not met without all their Arctic neighbors since 2010, when then Secretary of State Hillary Clinton criticized such ad hoc meetings as ‘creating new divisions’ by excluding legitimate stakeholders in the region. Other forums have been established as alternative sites of regional cooperation, some with looser criteria for inclusion which make them more welcome to non-Arctic and non-governmental actors.

Likewise, debates for and against an expanded Arctic role for NATO have been actively underway since 2007, when relations between the West and Russia began to deteriorate following the planting of a Russian flag on the ocean floor at the geographic North Pole. Some allies, such as Norway, have been supportive while
others, such as Canada, have been more skeptical, but increased tensions have fueled more allied training activities in the region. NATO has undertaken regular multinational military exercises in the European Arctic theatre on a scale not seen since the Cold War, but overall its Arctic role has remained limited.

However, in the wake of Russia’s war with Ukraine and the ensuing collapse in its diplomatic relations with European and other Western states, all three of these pillars of regional geopolitics are poised for significant revision. Sanctioned and isolated from access to Western investment capital and technological resources, Russia has become even more reliant on its relationship with China. Already, Sino-Russian cooperation has been a defining feature of the Eurasian Arctic subregion, namely Chinese investment in Russian fossil fuel exports and increased shipping along the Northern Sea Route. The longer Russia is cut off from Western capital, the more reliant upon China it becomes. All this means that as China seeks to grow its polar influence and activities in line with its Arctic strategy, Russia will likely be a compliant partner.

The Arctic Council, meanwhile, has been a casualty of the war. At the start of Russia’s expanded invasion on 24 February, the seven other member states issued a rare joint statement pausing their involvement in all council activities. They announced they would not attend any meetings in Russia, which, given that Russia currently holds the council’s rotating chair, effectively suspended the political activities of the Arctic Council indefinitely – though some scientific-technical cooperation does continue.

But in the absence of conditions that permit cooperation directly with Russia, the other Arctic countries should reiterate their commitments to peaceful and collaborative regional relations by maintaining a diplomatic infrastructure for regional governance. This bloc – in essence an ‘A-7’ group of Arctic democracies – should maintain financial and logistical support for as many of the Council’s projects as possible. Their officials should also meet regularly to sustain a framework for Arctic cooperation until such time as the Western Arctic states normalize relations with Russia and the full Arctic Council is reactivated. The vision of One Arctic may have guided the region for many years, but the geopolitical reality of Arctic cooperation for now is one in which the members of the A-7 are engaged alongside other Western states in a multilateral effort to isolate, sanction and punish Russia for its violations of Ukrainian sovereignty and alleged commission of war crimes and genocide in that country.

To underscore this new reality, NATO is likely to expand its activities and deepen its strategic posture in the Arctic. Since its founding in 1949, NATO has comprised five Arctic states (Canada, Denmark, Iceland, Norway and the US), balanced against the neutrality of Sweden, Finnish accommodation with the Soviet Union, and the Soviet Union itself, succeeded by Russia. The Arctic was thus divided throughout the Cold War among West, East and officially neutral states. In the 1990s, Finland and
Sweden both became NATO partners, but refrained from pursuing membership due in part to opposition from post-Soviet Russia. The deterioration in relations between Russia and the West after 2014 led Finland and Sweden to increase their defense cooperation with NATO and multilaterally among their Nordic and Baltic neighbors.

Now, despite Russian threats of potential nuclear escalation, both Finland and Sweden have rapidly reconsidered their strategic positions and are expected to pursue NATO membership. With the Alliance signaling support, their accession could occur within months, not only expanding the border of NATO eastward and doubling its length with Russia, but also deepening the regional strategic realignment in the Arctic of the A-7 versus Russia. With seven out of eight Arctic states in NATO, the region will effectively be partitioned into roughly equal halves by area and population: seven allied, democratic and capitalist societies sharing broadly liberal values; and a geopolitically isolated, strategically handicapped and Sino-dependent Russia. Incidentally, more NATO involvement in the Arctic to ensure the defense of the A-7 will also increase the participation of non-Arctic states in the region. While China enters the Arctic through its partnership with Russia, powerful non-Arctic European states which are already Arctic Council observers – such as France, Germany and the UK – will gain greater relevance through their leading contributions to NATO.

The war appears likely to transform strategic relations among the Arctic states, binding the A-7 even closer while widening the gap with outlying Russia. This is the new geopolitical reality in the circumpolar Arctic, and is a direct consequence of Russia’s aggressive behavior. Pan-regional cooperation and the restoration of the Arctic Council should remain the long-term goals for the A-7, but for now the Arctic is fundamentally divided, and will remain so until Russia’s war is resolved, one way or another.

“The Arctic as a Geopolitical Bond among the European Union, Norway & Russia,” Matthaios Melas, Arctic Yearbook, 2016 [61]

Abstract:

If there is a place of common ground between the European Union and Russia, it is on the fields of energy, environment and migration. The Arctic binds together the EU with its two major energy suppliers, Norway and Russia. In 2014 the EU imported almost 70% of its total natural gas from Norway and Russia and 44% of its crude oil. The EU, Norway and Russia are also bound together by common efforts to protect the Arctic environment. Moreover, the recent migration crisis in Europe not only rattled the foundations of the Schengen treaty but also raised tensions between Norway and Russia especially at their borders. After two world wars, Europe has sought for stability. Moving forward from the difficult past, geopolitical issues were put to the side, but it was Ukraine that violently reintroduced geopolitics in European
international relations. This paper seeks to analyze the common – and not so common – ground of these three major actors on contemporary Arctic issues. Energy exploitation and distribution, environmental protection and migration flows are the new geopolitical elements of the “European” Arctic. With my research, I want to present the Arctic as an example of cooperation and mutual understanding rather than a boiling pot. I am going to argue that violence is not inherent to geopolitics but, as the name itself implies, geopolitics explain how politics and international relations are affected by both human and physical geographical factors. The last point that I will make is that geopolitical analysis is crucial for identifying important underlying issues that could lead to political, military or economic destabilization if disregarded.

Current & Relevant Information:

Introduction

The purpose of this article is to examine the emerging geopolitics of the “European” Arctic as demonstrated through energy, environment and migration. The Arctic environment is harsh and unique compared to the rest of the European continent. However, in the last decade, the decrease in sea ice and the development of new technologies have enhanced human accessibility to the living and non-living resources of the Arctic. Moreover, new navigation routes, the Northwest Passage and the Northern Sea Route, are coming forth. Despite the fact that the Arctic is considered one of the most unspoiled and untouched regions on Earth, it is facing increasing risks both from climate change and human activities. It is time to put aside the reluctance to use geopolitical analysis on contemporary issues, as once again geopolitics could help to foresee and address upcoming adverse developments before they escalate.

After the end of WWII and successful cooperation in Arctic waters between the U.S. and Canada for shipping bulk supplies of military and humanitarian cargoes via the Northern Sea Route to support the Soviet Union and the Allies against the Axis, the Arctic became the center of the Cold-war confrontation. The two adversaries deployed their state-of-the-art army units; submarines and nuclear deterrence facilities were developed in the Arctic, as it was the shortest route between them. The Arctic was valued for its strategic utility, and neither side valued sovereignty of it (Mychajlyszyn, 2008; Beixi, 2016). Soon after the end of the Cold War though, the disputes in the Arctic were forgotten and cooperation thrived among its nations and indigenous populations. In the last twenty years the potential for conflict in the Arctic has risen due to increased accessibility of its abundant resources, climate change, migration flows and the increasing global interest for the region and its resources (Heininen, 2011; Østerud & Hønneland, 2014).

Norway, despite being a small country in terms of population and territory relative to the EU and Russia, is a major actor in the Arctic compared with Iceland, Sweden, Denmark and Finland, with more than 470,000 of its population living above the
Arctic Circle. Furthermore, it has strategic territories like the Svalbard Archipelago and the island of Jan Mayen which grant to Norway a maritime area in the Arctic of about 1,500,000 km², equal to the area of Germany, France and Spain combined (Arctic Council, 2015b). Additionally, it is a major actor concerning its abundant energy reserves and its exports to the EU. Norway is the third largest exporter of natural gas and oil after Saudi Arabia and Russia. 31% of all gas imports of the EU and 11% of all oil imports came from Norway in 2012. From 2004 until 2014 Norway was consistently the second largest supplier of natural gas and oil to the European Union (European Commission, 2016b; Eurostat, 2016b).

The word “geopolitics” is the combination of the Greek words for “land/earth” (γη) and “politics” (πολιτική). Put simply, geopolitics deals with the impact of human and physical geography on international politics and relations (Devetak, 2012: 492). In this study, the “land/earth” factor consists of two components. On one hand is the Arctic, which, strictly geographically, could be defined as the area north of the Arctic Circle – 66° 33’ 39” North. On the other hand, is climate change. Climate change has a bifunctional role in this case, as it is not only a geographical aspect but also the catalyst for emerging international relations and security studies, as it facilitates the exploration and the exploitation of Arctic resources, which under different (colder) conditions, would be inaccessible. But now the Arctic is melting, it is melting fast, and abundant fossil fuel resources are at the sovereign states’ fingertips.

Concerning the “political” aspects of this study, the factors that are emerging extend not only among the Arctic rim states – Norway, Russia, USA, Canada and Denmark – but further south to actors like China, Japan, India and the European Union (EU). These actors are very keen to exploit the new energy potential of the Arctic. Recent estimations revealed that the Arctic holds about 30% of the world’s undiscovered natural gas and 13% of undiscovered oil (USGS, 2008; Gautier, et al., 2009; Hong, 2012). However, these resources and the processes of extraction and distribution are mutually dependent on developments miles away from the Arctic. The clearest example of such bilateral reliance is the annexation of Crimea from Russia on March 18th, 2014 (Walker & Traynor, 2014; BBC, 2014), which was followed by sanctions from the EU on Russia on July 2nd, 2014 (European Council, 2014), after a list of sanctions from the US was implemented in March 2014 (U.S. Department of State, 2014). These developments hindered Russia’s plans for the Yamal LNG mega-project, as the Russian companies were in great need of European and US technology, knowledge and funding (Vazard, 2014a; Vazard, 2014b; Marson & Williams, 2015; Reilly, 2015; Māe, 2016). As a consequence, Russian firms leant on Chinese banks and funds for financial support (Kuersten, 2015). Novatek, the major shareholder of the Yamal LNG project, ensured funding for the project from two Chinese banks. The Export-Import Bank of China and the China Development Bank signed two 15-year loans, for €9.34bn and €1.3bn (Farchy, 2016; Yamal LNG, 2016). This relatively simple example outlines nicely how contemporary geopolitics function. Ongoing climate change provides access to untapped resources by the shrinking of the sea ice, and actors from all over the
globe are gathering around the Arctic waters, seeking their share on these resources. Arctic geopolitics are starting to affect areas further away from the geographical Arctic Circle, not only the EU and its sanctions but also countries like China, which are willing to fund risky infrastructures in order to fulfil their energy demands. So, the emerging geopolitics of the Arctic are advancing to global geopolitics.

In this paper, I present how the EU, Norway and Russia are geopolitically bound by three major Arctic matters. The bond is so deep and strong that it could be argued that in the fields of energy, environment and migration these actors could comprise a security complex “whose major security perceptions and concerns are so interlinked that their national security problems cannot reasonably be analyzed or resolved apart from one another” (Buzan, Waever, & de Wilde, 1998: 12). The article is divided into three parts. In the first part, the aspect of energy is analyzed as one of the three major geopolitical bonds. Energy extraction in the Arctic is a crucial test that humanity is about to win against the relentless environment of the High North. Extraction of energy and its distribution are equally significant. As there are more and more political and technological issues around the distribution of energy, geopolitics offer great opportunities for in depth analysis of the element of energy. Arctic environmental aspects were high in the policy agenda of the EU (European Parliament, 2008) and Norway (Norwegian Ministry of Climate and Environment, 2001). Russia also contributed to the protection of the Arctic environment in 2011 by giving 10 million Euros for pollution prevention initiatives (Arctic Council, 2011). The efforts for the Arctic's environmental protection are continuous. In 2015 for example the Arctic states and indigenous organizations agreed on a common effort to reduce black carbon and methane emissions, which directly affect the Arctic environment (Arctic Council, 2015a). Last but not least, the so-called “polar route,” used mainly by refugees fleeing the civil war in Syria, but also by refugees and migrants from other countries of Asia and Africa, depicts clearly the size of today’s globalization. Furthermore, this extreme refugee route is an addition to the well-known fact that in the contemporary world, the institutions of the traditional state of the 20th century have been eroded and, as a result, known concepts, such as borders, territories and distance are collapsing faster than predicted (Huysmans, 1997: 350-351; Ó Tuathail, 1998: 16-34; Huliaras, 2004). For example, where the iron curtain once stood, one could now cross on a bike without any border control. Nowadays, the threats come from global factors, such as terrorism, piracy, drugs trade, human trafficking and cross-border environmental risks, to name a few. In the 21st century there are many threats that do not take into account borders such as environmental disasters, (i.e. a potential oil spill) or irregular migration at the Arctic. On the other hand, cooperation for the development of vulnerable populations and protection of the environment, are reasons to put disputes aside. Geopolitics, which is fundamentally engaged with borders, resources, flows, territories and identities, could provide the means for critical analysis and understanding on places and communities (Doss, 2007: 3).
Conclusion

The concept of Arctic Geopolitics was forgotten, after the Cold War. New developments that concern EU territory, such as the Crimea crisis, the migration crisis, energy and environmental security, have brought geopolitics back into the spotlight in the past five years. Developments in the Arctic, such as the shrinking of sea ice, the presence of fossil fuels and new shipping routes, brought geopolitics into this region as well. As the Arctic becomes more and more militarized, compared with the post-Cold War period, many have argued that a new Cold War is coming to Arctic waters. Nevertheless, during the Cold War the Arctic was an area of interest not because of which country it belonged to but merely due to its proximity to both USA and Russia. Nowadays, the biggest concerns in the Arctic are not the military developments, but the cooperation to protect the environment and overcome the challenges in energy exploitation. There are already the Search and Rescue Treaty and the Oil Spill Response Treaty, signed in 2011 and 2013, respectively. After the Cold War, the security agenda has been broadened to other issues, more prominent than military conflict, such as human security, environmental security and energy security. Another parallelism that should be avoided is the comparison of the Arctic Ocean with the Mediterranean Sea in terms of geopolitics. Comparisons to the Mediterranean may have the same meaning as the “Balkanization” has for continental areas. Balkanization – and Mediterraneanizing? – is inherited with instability, border disputes, fatal interventions, drowning of thousands of refugees and violations of national sovereignty. There is only one common political characteristic between the Arctic and the Mediterranean; both the USA and Turkey have not ratified the UNCLOS. It would be preferable to build on the already robust, peaceful cooperation on the Arctic and then to try and disseminate the model rather than trying to downgrade all the important efforts that have led to the current cooperative status in relation to the Arctic.

In terms of energy, one could argue that it is not geopolitically ‘clever’ to transfer or spread the turbulence of one region – Crimea – to another – the Arctic – as the EU does due to implementation of sanctions which hinders Arctic energy exploration and exploitation. Of course, among the great powers involved in the Arctic terrain – the EU, USA and Russia – there are areas of cooperation and fields of conflict. The Arctic is a case that includes both. Cooperation in the field of energy should be promoted as in the fields of environment and migration. The Arctic and especially Arctic energy are rising in global geopolitics. This is an important reason for the EU to cooperate with Russia, despite ongoing conflicts between them.

As it was predicted in May 2016, the two parties – EU and Russia – extended their sanctions (Stratfor, 2016; Pettersen, 2016b) in late June-beginning of July. Russia on June 29th, 2016 announced the expansion of the counter-sanctions till December 31st, 2017 (TASS, 2016) and the EU extended the sanctions on Russia on July 1st, 2016 until January 1st, 2017 (European Council, 2016b). Taking these
developments into account, the EU is not going to be a permanent Observer in the Arctic Council in the near future. With oil prices rising slowly, and with renewables not yet a sufficient source of energy, the EU has to push for cooperation with Russia on energy matters. The Arctic could be an exception to the EU’s sanctions in order to develop sufficient and environmentally friendly extraction fields. This will benefit the EU, ensuring its energy supplies despite global disruptions. While the demand of energy in Europe is inherently connected with the energy on offer from Russia, cooperation is the only way to ensure mutual profits.

The Arctic migration route made clear that migrants and refugees will take whatever route is possible for fleeing war and poverty. Migration flows are as flexible as water; if you close one road, they will just find another one; and to raise walls to stop migration it is like raising walls to protect from the rising sea levels. In the Arctic, due to cooperation among neighboring countries, the flow was treated adequately, despite misunderstandings and temporary tensions. Nevertheless, the EU and Russia have to find solutions not only for the flows but also for the reasons that produce these flows, which means that they have to cooperate on establishing peace in Syria and tackle poverty and instability in the Middle East and Africa. Again, Arctic developments and fast reactions on migratory legislation could be a great example for the rest of Europe. Respect for the Arctic rim states’ sovereignty and strong cooperation in the Arctic concerning environmental protection, search and rescue, human mobility, energy technology and infrastructure will not abolish security concerns, but could at least minimize them.

“Telling domestic and international policy stories: The case of Russian Arctic policy,” Daria Gritsenko and Veli-Pekka Tynkkynen, helsinki.fi, 2018 [62]  

Overview:

Governments have a broad variety of tools to communicate their aspirations and plans with domestic elites, as well as with governments abroad. In the policy process, in order to bring up a new or redefine an old issue on the agenda with the ultimate goal of changing policy, media conventionally becomes a venue where policy images and narratives are mobilized (Jones and Baumgartner 2005). Domestic policy communication usually aims at informing citizens of the existence of a certain policy and gaining their support in pursuing this policy, for instance, comply with the policy requirements, participate, approve of budgetary transfers and the like (Ahn 2012). In their international political communication, governments are aiming at foreign governments and publics to inform them regarding their policy goals, intentions and activities, as well as to build a certain image using public diplomacy and soft power tools (Nye 2004; Sherr 2013).
In Russia, the Arctic policy has witnessed a revival in the past 15 years. The Russian strategic documents present ambitious plans to make the Arctic a profitable part of the Russian state, energy powerhouse, and a source of increased geopolitical power. The realization of Arctic policies is envisioned through state support in the sphere of resource development, transport and power infrastructure, as well as through tax arrangements and co-financing from budgets of various levels and off-budget sources (Arctic Strategy 2008). In other words, the state guarantees financial support to the numerous industrial developments in the High North. While the Russian government has been experiencing problems with maintaining the country’s welfare system (Cook 2013), the government could be expected to enhance popular sentiment with regard to Arctic development through communicating its policy aspirations as a compelling narrative.

Internationally, the growing importance placed on the Arctic in contemporary Russian domestic political speech and international rhetoric posed the question regarding its ambitions and plans, as well as speculations about its readiness to use military strength (Cohen, Szaszdi and Dolbow 2008). Some commentators concluded that Russia is being a ‘troublemaker’, pursuing aggressive and expansionist politics that will eventually lead to conflict (Kraska 2009; Aron 2013). Others regarded Russia as a ‘status quo seeker’ interested in maintaining the region as an area of international cooperation and in preserving its most important asset as the country’s future economic engine – its stability (Overland 2010; Keil 2014; Heininen, Sergunin and Yarovoy 2014).

Previous research emphasized that the Western media tend to over-interpret the official Russian statements and called for a more nuanced scholarly understanding of Russian policy in the Arctic (Piskunova 2009; Lackenbauer 2010; Laruelle 2011a, 2011b, 2013; Johnston 2012). Wilson Rowe (2013) showed that Russian media coverage framing the Arctic as a zone for cooperation rather than conflict grew steadily during 2008–11, so that by 2011 articles with a conflict-oriented tone had almost disappeared. Gritsenko (2016) demonstrated that hydrocarbon energy development has dominated the Russian Arctic policy agenda mediated through the mainstream Russian media outlets during 2011–15. Khrushcheva and Poberezhskaya (2016) argued that Russian leaders use symbolic means to frame Russia’s Arctic policy to the Russian public in order to justify Russia’s claim to the Arctic region and the development of abundant Arctic resources.

Based on extensive empirical analysis of policy communication, this chapter investigates the difference between the Arctic narratives presented by the Russian government to the domestic and foreign audiences. We apply narrative policy analysis (Nye 2004; Jones and McBeth 2010) to demonstrate how the Russian government offers two separate, yet intersecting policy stories. For the domestic audience, it highlights the socio-economic significance of natural (hydrocarbon) resources to the development of the Arctic region and Russia as a whole, and
demonstrates persistence in turning the Arctic into the primary resource base ‘against all odds’ (such as the Western economic sanctions and low price of oil). For the foreign publics, it presents the narrative of the Arctic as a territory of peace and stability, emphasizing adherence to the norms and principles of the international law.

Current & Relevant Information:

Russia has a long history of economic (including maritime, fisheries, and extractive industries) and scientific activity in the region located above the Arctic Circle and usually referred to as ‘Far North’ (Krayniy Sever) in Russian. The collapse of the Soviet Union caused significant disinvestment into the Russian Arctic region, which resulted in decreasing activity, deteriorating infrastructure, and massive outwards migration. During the 1990s, Russian Arctic policy was not a coherent set of activities, but rather a response to economic and social crises. This situation was unfavorable from the Russian point of view as it complicated access to the Arctic riches (in particular, mineral energy resources) and undermined potential benefits from the development of commercial maritime activities.

In 2001, the Russian Cabinet approved the draft of a document titled “Foundations of the State Policy of the Russian Federation in the Arctic,” outlining the Russian national interests in the Arctic, which can be regarded as the beginning of the modern era of Russian Arctic policy. Between 2008 and 2015, a series of new concepts, strategies, and doctrines were adopted to frame plans of the Russian government in the Arctic in the long term, as well as within specific policy sectors, such as energy, transport, and security. In order to improve administrative support for Arctic zone development, the State Commission for the Development of the Arctic was established in 2015 by the RF Government, institutionalizing the preceding strategic communications.

Besides the orientation towards the Arctic in Russian domestic politics, another facet of the Russian Arctic policy is international cooperation on Arctic-related issues. From the very beginning, Russia was an active member of the intergovernmental Arctic fora, in particular the Arctic Council (Heininen 2013). In 1997, Russia ratified The United Nations Convention on the Law of the Sea, which has become the basic international regime governing the Arctic. Recently, Russia actively participated in Arctic cooperation by entering into bilateral and multilateral agreements with other Arctic states.

The escalation of the Ukrainian crisis, especially Russia’s intervention in the Ukraine in early 2014, has raised questions regarding the future of international cooperation in the Arctic (Klimenko 2014). In the light of the Ukrainian situation, increasing Arctic militarization has been perceived as a sign of Russia’s readiness to use military force to achieve its geopolitical ambitions (Norris 2014). The sanctions imposed by the EU, the United States, and some other countries have created constraints for the implementation of Arctic energy projects previously envisaged as cooperation
between Russian and Western companies (Aalto 2016). Generally, the scholars provide reassurances that the Arctic is not the Ukraine and that Russia will ‘play by the rules’ in the Arctic as its material and political interests will come first: success in attaining sustainable economic growth and development in the Arctic depends upon its ability to align with other powers.


Abstract:
The Arctic’s key role in the modern global environment is obvious. Several leading economies have been battling for the right to gain control over this region. The article is focused on the content and approaches to the analysis of Arctic policies of China, South Korea and Japan through the prism of Russia’s economic and geopolitical interests. The authors analyzed and summarized data, expert assessment of activities carried out by the three Eastern Asian countries in the Arctic, reflected the key stages of Russia’s negotiations and cooperation with these countries in the issues pertaining to the development of the Arctic. The conducted analysis showed that the Arctic’s development is possible provided that all parties to the process comply with international laws while making use of innovative technologies and establishing principles of global effective policy. Under the circumstances, Russia needs to take concerted efforts to enhance the models of regional and international cooperation with the countries concerned with a view to protecting and promoting their rights and national interests in the Arctic as an area of the country’s direct presence and borders.

Current & Relevant Information:

Introduction

The Arctic is generally accepted as a unique territory with strong economic potential. Sustainable and gradual development of the Arctic area is an objective which the scientific community has been discussing over the past few years.

Attention paid by the Russian leaders to the Arctic has been constantly rising, with targets set to improve the living conditions of the locals, new mining and offshore projects getting under way, transportation systems spreading, environmental and safety issues resolved in all respects. Nowadays Russia’s Arctic generates over 11% of the country’s gross domestic product and accounts for around one-quarter of Russian exports.

When determining regional development policies, Russia adopted such key documents as the “Development Strategy for the Arctic Area of Russia and Ensuing
National Security for the Period until 2020”, Russia’s government program “Socio-Economic Development of the Arctic of Russia for the Period until 2020” and some others.

A comprehensive program is being prepared as part of the Strategy for the Country’s Spatial Development to renovate and expand the country’s pipeline infrastructure, implementation of which allows Russia to turn into a key logistics and transportation hub of the planet, with global technology changes to be taken into account. The Northern Sea Route plays the most significant role in the development of the Arctic area, and there are plans to make it “a truly global, competitive thoroughfare”.

The concept of the project “Strategy of Spatial Transportation & Logistics Corridors in Russian Territory that Unite the Asia-Pacific Region and the European Union” has been developed. Alexander Sergeyev, President of the Russian Academy of Sciences, explained that “the concept provides for creating conditions for the comprehensive development of Siberia, the Far East and the Arctic by establishing two spatial transportation and logistics corridors to be based on a new high-speed railway and the Northern Sea Route”.

Efforts taken to solidify scientific, transportation, navigation, and military infrastructure in the Arctic and Russia’s water area of the Arctic Ocean make it possible to cement Russian interests in this strategically important region. When addressing the Federal Assembly of Russia on March 1, 2018 Russian President Vladimir Putin pointed out that “the Russian Arctic fleet remains the most powerful worldwide”.

For the purpose of solving economic, defense and geopolitical targets in the Arctic, and to strengthen Russia’s presence in the region as “a leader of polar sciences” a project has been launched to design and build a North Pole self-propelled platform.

Meanwhile, Russia remains committed to developing this region peacefully while observing its own national interests and respecting unconditionally those of other countries.

The Russian president officially set the vector of foreign policy in the region in a letter to the Arctic Council members dated August 30, 2016. It states that “the Arctic should be approved as the space for an open and equal dialogue based on the principles of general and indivisible security, with no room for geopolitical games of military blocs, cozy deals and division of spheres of influence”.

The state policy of this kind contributes to forming a new model of Russia’s regional cooperation with the countries concerned, inseparable elements of which are a constructive dialogue, creativity and equal cooperation. Moreover, as the Russian presidential address states, “Russia sticks to the viewpoint that the Arctic has no potential for conflicts”.

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The purpose of this research work is to analyze the latest trends and prospects of how East Asian countries – China, Japan and South Korea – can influence the situation surrounding the Arctic, ways for Russia to protect interests in relations with these countries in the region under study.

The hypothesis of the research is the assumption that there is a trend of stability, “a resource of joint development” in the region which prevails over those of destabilization and relations of competitiveness. This can lay the groundwork for interaction and mutually beneficial relations between Russia and other countries concerned, including China, Japan and South Korea.

The study of Russian relations with the three East Asian countries in the Arctic substantially confirms the hypothesis that the countries are in search of compromise ways of deepening relations and interaction and takes into account current objective trends of globalization and benefits of integration.

There is a reason to believe that Russia’s cooperation with China, Japan and the Republic of Korea with respect to the Arctic’s development can become a key factor fostering stability and deepening international cooperation in the Arctic.

**Conclusions**

Russia’s cooperation with China, Japan and the Republic of Korea in developing the Arctic, being a key factor of regional development, has evolved dramatically.

The research work gives reason to conclude that there are prerequisites allowing Russia and its East Asian partners to make efforts to build a new model of cooperation in the region. The emerging model takes full account of the diversity of the national interests, competition among countries, the difference in their socio-political structure, political and economic environment, amasses various resources that make it possible to ease or nullify confrontation among the parties, thus promoting stabilization of the global system as a whole, as well as its regional and country segments.

With a focus on cooperation with East Asian countries, including China, Japan and the Republic of Korea, Russia aims to create external conditions for its innovative and technological development. In relations with its Eastern partners, Russia is interested in solidifying consistently mutual trust, helping citizens, economic and political elite of member states form a stable positive image of a member country, convincing that the current quality of bilateral, trilateral and multilateral relations is not an artificial, politically cyclical structure, but an enduring value meeting vital interests of nations.


[64] https://carnegieendowment.org/2021/03/29/russia-in-arctic-critical-examination-pub-84181
Summary:
Russia has big Arctic plans, but how they will be realized is uncertain. For the United States this will likely mean the return to a Cold War–like environment rather than a new chapter in great-power competition in the Arctic.

Russia’s Arctic ambitions have attracted increasing attention in the West over the past decade as climate change opens up new opportunities in the region for navigation and exploration of its riches. For its part, Moscow casts a wary eye on what it sees as a challenge from the United States and the North Atlantic Treaty Organization (NATO) to its position and ambitions there. The Kremlin’s rhetoric about Western encroachment has become more strident, in sync with its enhanced military posture and ambitious economic and infrastructure projects.

THE DRIVERS OF RUSSIA’S ARCTIC POLICY

Russian interest in the Arctic has deep historic roots that extend all the way to the sixteenth century and the conquest of Siberia driven by the never-ending quest for more resources and secure trading routes. Modern-day Russian posture in the Arctic is integral to its overall confrontation with the West, in which Europe is the principal theater. The saber-rattling in the Arctic and threatening rhetoric are driven by several factors: preparations for the unlikely, but potentially catastrophic contingency of war in Europe, the need to secure its second-strike nuclear capabilities (the bulk of which is based around the Kola Peninsula), and the quest for resources to pay for the proverbial guns and butter as the competition with the West shows no sign of abating. Great-power ambitions and the interests of powerful bureaucratic elites and business interests also play a role.

AMBITIONS VS. REALITY

It remains to be seen whether Russia will be successful in realizing these ambitions. Its nuclear and conventional naval forces in northwest Russia are increasingly vulnerable to NATO’s long-range precision weapons. It is unclear whether the development of the Northern Sea Route (NSR) along Russia’s northern coastline into a major shipping route between Europe and Asia and the associated commercial projects are feasible and sustainable in the face of high costs and logistical complexity of operating in difficult climatic conditions with limited infrastructure, increased commercial competition from other countries, uncertain demand for hydrocarbons as the world shifts to green technologies, and the possibility of additional Western sanctions. The Kremlin’s posture in the Arctic is likely to continue as it enjoys backing from President Vladimir Putin and top military, government, and business actors. Its ability to achieve these broad ambitions for the region, however, is questionable at best.

IMPLICATIONS FOR THE UNITED STATES AND NATO
Russia’s conception of its security requirements and NATO’s mutual-defense and deterrence commitments on the other hand have resulted in a tense standoff along the alliance’s northern flank as their forces operate in close proximity. Tempting as it may be to view the Arctic through the prism of great-power competition—which undoubtedly would fit with Russia’s quest for recognition as a great power—there is little to suggest that its military posture in the Arctic is a fundamentally new undertaking. Rather, it signals the return to a version of its Cold War–era posture centered around long-standing missions of protecting the sanctuaries of its ballistic missile submarine fleet and operations in the North Atlantic in the event of a war in Europe. Yet the Russian military is resuming these missions with fewer resources and facing a more formidable array of adversary capabilities than during the Cold War.

Russia has staked out ambitious territorial claims in the Arctic. Its rhetoric notwithstanding, it has thus far pursued them through legal means in compliance with the terms of the United Nations (UN) Convention on the Law of the Sea, which it has signed and ratified.

Russia’s actions in the Arctic—its aggressive rhetoric and its far-reaching territorial claims—have done little to improve its diplomatic position there vis-à-vis other Arctic states and only antagonized them. Its only partner in its Arctic pursuits has been China, which claims that it is a “near-Arctic” state—a claim rejected by the United States and likely viewed with suspicion by other Arctic nations.

Considering the long-term nature of Russia’s confrontation with the West, the return to the relatively benign geopolitical environment in the Arctic that existed there in the 1990s is unlikely. Moreover, the current situation is not due to a misunderstanding, but rather to a clash of the two parties’ interests. That leaves two broad avenues for managing the standoff:

- **Diplomacy:** Although Russia may not prove receptive, the United States and NATO should seek areas of cooperation where there is a convergence of interests, as well as to devise rules of the road similar to those that existed during the Cold War to reduce tensions, avoid or manage crises, and mitigate the risks of conflict through an accident or miscalculation.

- **Deterrence:** The United States and NATO should continue to improve their defenses to discourage Russia from harassing their military and commercial aircraft and ships in and around the Arctic, and to ensure that the alliance maintains the capability to execute its wartime reinforcement plans for its northern and eastern flanks.

The alliance should continue to manage competition with Russia through a combination of resolve and restraint, improving and demonstrating its capabilities for defense and deterrence, but without overreacting to Russian muscle-flexing. Striking the right balance will be difficult and will require communicating to Russia clearly...
where the allies’ interests, objectives, and redlines are. The allies have been there before.

Current & Relevant Information:

INTRODUCTION

During the first post–Cold War decade, Russia approached the Arctic as an area of low tensions, where cooperation with other powers in addressing common challenges was desirable and feasible.1 Gradually, however, as relations with the West deteriorated, and especially since its 2014 invasion of Ukraine, Russia has adopted a much more competitive, even confrontational, perspective on the Arctic. Instead of emphasizing the benefits of cooperative engagement, its leaders have articulated their view of the Arctic as a sphere of military and economic expansion, and an arena for their great-power ambitions.2 As a result of this changing attitude, Moscow has prioritized military superiority to counter what it claims is a growing U.S./NATO challenge to its interests there.

By any objective standard, U.S./NATO military deployments in the Arctic do not currently represent a threat to Russia’s Northern Fleet or to its other military assets there. The region possesses an abundance of natural resources, especially oil and gas, but these are available elsewhere in Russia. Exploring and extracting them in the Arctic requires huge capital investments and modern technology that would stretch its capacity. Global warming is opening up new commercial opportunities for shipping and fishing, but there is scant infrastructure in the region to capitalize on these opportunities, and rectifying this deficiency will be costly.

Russia’s evolving Arctic ambitions have engendered growing concerns among other Arctic nations, yet surprisingly little is known about the basis for these ambitions. This paper therefore addresses the following questions: What are the drivers of Russia’s Arctic policy? How does it define its interests in the region and what tools does it employ to advance them? Who are the Russian stakeholders that would benefit from the exploitation of the region? What are the prospects for Russia realizing its ambitions? What are the implications of its actions and ambitions for U.S./NATO interests and policy?

CONCLUSION

In responding to Russia’s ambitions in the Arctic, it is important for the United States and NATO to base their plans on a realistic assessment of its posture there, its drivers, and its capabilities. Tempting as it may be to view the Arctic through the prism of great-power competition—which undoubtedly would fit with Russia’s quest for recognition as a great power—there is little to suggest that its military posture in the Arctic is a fundamentally new undertaking. Rather, it signals the return to a version of its Cold War–era posture centered around long-standing missions of protecting the sanctuaries of its ballistic missile submarine fleet and operations in the
North Atlantic in the event of a war in Europe. The Russian military is resuming these missions with fewer resources and facing a more formidable array of adversary capabilities than during the Cold War.

Some hedging against a greater-than-anticipated Russian threat should be one element of the United States’ and NATO’s overall approach to the Arctic Region. But pursuing the goal of winning a great-power competition with Russia in this region is likely to be a distraction from other, more important U.S. pursuits. The alliance should act with prudence, realism, and restraint in protecting its core interests in the Arctic and carefully manage competition with Russia to avoid destabilizing consequences.

Even though their tense standoff is likely to continue, some cooperation between Russia and other Arctic nations, in practical areas that are largely depoliticized, is probably possible. These include climate change, search and rescue operations, and scientific research. Other opportunities for cooperation should be explored on issues of common concern, such as the safety of maritime shipping, environmental remediation, protection of fisheries, and incident management. In addition, it is essential for NATO allies to find potential diplomatic avenues for managing the standoff—that is, rules of the road to mitigate the risks of crises or incidents with the potential for escalation.74 No matter how unpromising they may seem, they should be explored. The allies have been here before.

“Property and government interests of Russia under globalization: The Arctic case,” Nikolay D. Eletsky, Arctic and North, 2018 [65]
http://eletskiy.narod.ru/1/35.pdf

Abstract:

Modern processes of the global property and governance formation are contradictory combined with the preservation and reproduction of economic interactions within the framework of individual States, regions and inter-state relations. The actualization of these processes in the Arctic region is due to its transformation into a place of focus and the most acute manifestation of the new contradictions between globalization and nation — state interests. The author concluded that the implementation of the Russian Arctic strategy is complicated by the uncertainty of prospects and the variation of possible vectors of the new globalization. The article substantiates the need for drastic measures to strengthen the Russian position in the Arctic due to the current strengthening of regionalization and fragmentation of the world economy. The geo-economic and geopolitical configuration of international cooperation in the Arctic may change in the near future due to the transition from of a unipolar to a multipolar model of the world order and the growing threats of a new hybrid cold war. It’s shown that the contradictions between the Arctic powers are complicated against the background of the desire of the non-Arctic countries to participate in the exploitation of the region's resources.
The author reveals the issues related to the search of the optimal balance between the objective imperatives of globalization and the protection of nation — state and regional interests of Russia as the largest Arctic power.

Current & Relevant Information:

Introduction

At the present stage of development of the world civilization, one of the most acute contradictions is the contradiction between globalization and existence of nation-states. The depth and role of this contradiction, the diverse and comprehensive nature of its influence on social relations in the modern world are due to the objective nature of the factors and patterns of globalization, and the need for state-organized forms of economic and political interactions. The objectivity of these phenomena and, at the same time, their heterogeneity, multidirectional, and (in some substantive and functional respects) opposites, give rise to the issue of protecting nation-state interests in the context of expanding globalization, which by its nature not only genetically indifferent about these interests, but in many cases opposes them.

At the same time, the globalization of production forces and the reproduction process as a whole becomes a key. We observe an expanded reproduction of global value chains that constitute the material basis for deepening economic globalization. It is essential that the Russian economy is not only deeply integrated into global value chains, but also plays a prominent role in their reproduction, being, according to the ECB, among the six most significant participants in these processes and ahead of the integrative influence of the UK, France, Italy and all the BRICS countries except China. Since the production process that forms the global value chains takes place, as a rule, within the TNCs framework, it enhances their global role, contributes to the transformation of the largest TNCs into global corporations. The latter are now transformed into the main modern form of primary economic activity (more precisely – an integrative industrial, scientific, financial and commercial complex). At the same time, these processes increase the contradiction between the orientation of global corporations towards the unification of production and commercial due to functioning in the “world without borders”, on the one hand, and the national-state discreteness of the world economic system, on the other. In the current system of geo-economic and geopolitical relations, the Arctic turns into a region of localization of the most significant forms and mechanisms of the global contradiction.

Conclusion

The crisis of the modern globalism does not abolish the laws of globalization but contributes to a change of its forms. At the present stage of the development of transition to neo-globalization, regionalization of the world economy has intensified, in the form of globalization mainly. Glocalization is manifested in the strengthening of
the local, incl. regional, interests and peculiarities, but reflects the dominant influence of globalization. In the Arctic region, globalization is manifested in the fact that global governance there is exercised in interaction through structures, mechanisms and institutions of regional governance.

Also, we cannot ignore the uncertainty of the prospects and the variability of the development scenarios for neo-globalization, as well as the fact that the formation of global property and management is a long process that will take several centuries. This time is going to be used to search for the optimal relationship between the objective and the imperatives of globalization. Protection of nation-state interests will remain relevant. The complication of geo-economic and geopolitical problems and contradictions in the Arctic require their comprehensive scientific research. At present, we observe the crisis of the US-centered model of globalism and the transition from a unipolar to a multipolar system. New aspects of the protecting Russia's interests are identified, considering the trends of property globalization and management. Formation of multipolarity means overcoming the unipolar-hegemonic monopoly on the right to formulate, represent and protect universal goals and interests, and therefore act as the main subject of global governance and the "ultimate beneficiary" of the appropriation of world profits. In the connection to the transition to a multipolar world, the global importance and functional content of the modern sectoral division system in the Arctic water area and the special powers of coastal states is increasing. These states are designed to maximize the actions on "common human" interests in the international development of the Arctic’s wealth and the efficient use of globally significant resources of the region, combined with their own interests through the development of resources in exclusive economic zones and offshore fields and observing the rules of international shipping.

Considering the impossibility of ensuring full sovereignty over the Russian polar ownership with the understanding of their status before 1991, this system can be viewed as a palliative model of protecting the interests of our state in the Arctic region in the case of unconditional abandonment of the unilateral concessions, which in turn requires the all-round expansion of effective economic management in the region and the strengthening of its military defense potential due to the new hybrid Cold War. The palliative and transitional nature of the protecting Russian interests in the Arctic region is objectively determined by both the current problems of the Russian state and the contradictions of the global ownership and governance genesis.


**Summary:**

The diminishment of Arctic sea ice has led to increased human activities in the Arctic, and has heightened interest in, and concerns about, the region’s future. The United States, by virtue of Alaska, is an Arctic country and has substantial interests
in the region. The seven other Arctic states are Canada, Iceland, Norway, Sweden, Finland, Denmark (by virtue of Greenland), and Russia.

The Arctic Research and Policy Act (ARPA) of 1984 (Title I of P.L. 98-373 of July 31, 1984) “provide[s] for a comprehensive national policy dealing with national research needs and objectives in the Arctic.” The National Science Foundation (NSF) is the lead federal agency for implementing Arctic research policy. The Arctic Council, created in 1996, is the leading international forum for addressing issues relating to the Arctic. The United Nations Convention on the Law of the Sea (UNCLOS) sets forth a comprehensive regime of law and order in the world’s oceans, including the Arctic Ocean. The United States is not a party to UNCLOS.

An array of climate changes in the Arctic is now documented by observing systems, with more expected with future greenhouse gas-driven climate change. Observed physical changes in the Arctic include warming ocean, soil, and air temperatures; melting permafrost; shifting vegetation and animal abundances; and altered characteristics of Arctic cyclones. A monitoring report of the Arctic Council concluded in 2019 that “the Arctic biophysical system is now clearly trending away from its previous state [in the 20th Century] and into a period of unprecedented change, with implications not only within but also beyond the Arctic.”

Following the end of the Cold War, the Arctic states sought to maintain a tradition of cooperation, low tensions, peaceful resolution of disputes, and respect for international law in managing Arctic affairs. The emergence of great power competition between the United States, Russia, and China has introduced elements of competition and tension into the Arctic’s geopolitical environment. Russia’s invasion of Ukraine beginning in late February 2022 has substantially affected U.S., Canadian, and Nordic relations with Russia in the Arctic.

The Department of Defense (DOD) and the Coast Guard are devoting increased attention to the Arctic in their planning and operations. Whether DOD and the Coast Guard are taking sufficient actions for defending U.S. interests in the region is a topic of congressional oversight. The Coast Guard has two operational polar icebreakers and through FY2021 has received funding for procuring two of at least three planned new polar icebreakers.

The diminishment of Arctic ice could lead in coming years to increased commercial shipping on two trans-Arctic sea routes—the Northern Sea Route close to Russia, and the Northwest Passage close to Alaska and through the Canadian archipelago—though the rate of increase in the use of these routes might not be as great as sometimes anticipated in press accounts. International guidelines for ships operating in Arctic waters have been updated.

Changes to the Arctic brought about by warming temperatures will likely allow more exploration for oil, gas, and minerals. Warming that causes permafrost to melt could pose challenges to onshore exploration activities. Increased oil and gas exploration
and tourism (cruise ships) in the Arctic increase the risk of pollution in the region. Cleaning up oil spills in ice-covered waters will be more difficult than in other areas, primarily because effective strategies for cleaning up oil spills in ice-covered waters have yet to be developed.

Large commercial fisheries exist in the Arctic. The United States is working with other countries regarding the management of Arctic fish stocks. Changes in the Arctic could result in migration of fish stocks to new waters, and could affect protected species.

Current & Relevant Information:

U.S., Canadian, and Nordic Relations with Russia in the Arctic

Overview

A key issue for U.S., Canadian, and Nordic policymakers—one that has been affected by Russia’s invasion of Ukraine starting in late February 2022—concerns the mix of cooperation and competition to pursue (or expect to experience) with Russia in the Arctic. In considering this question, points that can be noted include the following:

• Russia has identified the Arctic as a high-priority region critical to the country’s prosperity and security. Starting in 2008, and most recently in 2020, the Russian government has adopted a series of strategy documents outlining plans to bolster the country’s Arctic military capabilities, strengthen territorial sovereignty, and develop the region’s resources and infrastructure. Over the past several years, Russia has invested in the construction of ports and search-and-rescue facilities, some of which are referred to as dual use (civilian-military) facilities. Russia also has reactivated and modernized Arctic military bases that fell into disuse with the end of the Cold War, assigned upgraded forces to those bases, and increased military exercises and training operations in the Arctic.

• Geographically, Russia is the most prominent of the eight Arctic states. According to one assessment, Russia “has at least half of the Arctic in terms of area, coastline, population and probably mineral wealth.” About 20% of Russia’s land mass is north of the Arctic Circle. Russia has numerous cities and towns in its Arctic, uses its coastal Arctic waters as a maritime highway for supporting its Arctic communities, is promoting the Northern Sea Route that runs along Russia’s Arctic coast for use by others, and is keen to capitalize on natural resource development in the region, both onshore and offshore. A substantial fraction of Russia’s oil and gas production and reserves are in the Arctic. In this sense, of all the Arctic states, Russia might have the most at stake in the Arctic in absolute terms.

• As noted earlier in this report, Russia in May 2021 assumed the chairmanship of the Arctic Council. Russian officials have stated that sustainable development,
economic growth, and national security concerns will be a priority for Russia during its two-year chairmanship period.

- As noted later in this report (see “Commercial Sea Transportation”), the Northern Sea Route (NSR) along Russia’s coast accounts for the vast majority of large cargo ship transits in the Arctic.

Cooperation with Russia

On one hand, the United States, Canada, and the Nordic countries have cooperated with Russia on a range of issues in the Arctic. One example is cooperation on Arctic search and rescue (SAR) under the May 2011 Arctic Council agreement on Arctic SAR that is discussed later in this report. The United States, Canada, and the Nordic countries also cooperate with Russia through the Arctic Coast Guard Forum (ACGF), an organization intended to “foster safe, secure, and environmentally responsible maritime activity in the Arctic.” The United States and Russia in 2018 cooperated in creating a scheme for managing two-way shipping traffic through the Bering Strait and Bering Sea, and in February 2021, the U.S. Coast Guard and Russia’s Marine Rescue Service signed an agreement updating a 1989 bilateral joint contingency plan for responding to transboundary maritime pollution incidents.

An August 2021 press report stated that “the U.S., China, Japan and Russia are among the countries planning to conduct joint research in the Arctic Ocean in a step toward preventing overfishing in the region…. Representatives from nine countries and the European Union aim to meet in South Korea early next year to discuss exploratory fishing based on similar treaties covering other regions.” Some observers see possibilities for further U.S., Canadian, and Nordic cooperation with Russia in the Arctic. One observer stated in 2021 that “Russian wariness of China’s Arctic ambitions could provide novel opportunities for warming ties between Moscow and Washington.”

Tension and Competition

On the other hand, as discussed later in this report, the increase in Russian military presence and operations in the Arctic has prompted growing concerns among U.S., Canadian, and Nordic observers that the Arctic might once again become a region of military tension and competition, as well as concerns about whether the United States, Canada, and the Nordic countries are adequately prepared militarily to defend their interests in the region.

In February 2020, a disagreement arose between Norway and Russia regarding Russia’s access to the Norwegian archipelago of Svalbard under the terms of the Svalbard Treaty of 1920. Russia has objected to certain Norwegian actions regarding Svalbard and reportedly is taking steps within the terms of the treaty to enhance its presence in Svalbard. Norwegian officials have also discussed tensions with Russia on other issues. Even so, a February 11, 2022, press report quoted the chief of Norway’s intelligence service as stating: “We see that Russia acts more
carefully, with self-restraint here [in the north] compared with what they do in the Baltic Sea and especially in contrast to the Black Sea.... It is our understanding that Russia wants low tensions and stability in the north. This is in the interest of both countries.... This is what we strive for and also why we are predictable. We inform, behave professionally and polite when we meet Russian units. We believe this contributes to Russia finding it appropriate to do the same to Norway.”

Russia’s government considers certain parts of the Northern Sea Route (NSR)—the Arctic shipping route linking Europe and Asia via waters running along Russia’s Arctic coast—to be internal Russian waters and has asserted a right to regulate commercial shipping passing through these waters—a position that creates a source of tension with the U.S. government, which considers those waters to be international waters. The U.S.-Russian dispute over this issue could have implications not only for U.S.-Russian relations and the Arctic, but for other countries and other parts of the world as well, since international law is universal in its application, and a successful challenge to international waters in one part of the world can serve as a precedent for challenging it in other parts of the world. The issue of the NSR was reportedly discussed in detail at the June 2021 U.S.-Russian summit meeting in Geneva.

Russian actions outside the Arctic can affect relations between Russia and the other Arctic states. In 2014, for example, in protest of Russia’s forcible occupation and annexation of Crimea in 2014 and its actions elsewhere in Ukraine, Canada announced that it would not participate in an April 2014 working-level-group Arctic Council meeting in Moscow.

Impact of Russia’s 2022 Invasion of Ukraine

Russia’s invasion of Ukraine beginning in late February 2022 has substantially affected U.S., Canadian, and Nordic relations with Russia in the Arctic. On March 3, 2022, in response to Russia’s invasion, the seven Arctic states other than Russia issued a joint statement in which they announced that they would be “temporarily pausing participation in all meetings of the Council and its subsidiary bodies.” The announced pause in participation came in the midst of Russia’s two-year chairmanship of the Arctic Council, which began in May 2021. Russian officials reportedly called the pause in participation “regrettable” and said it would “inevitably lead to the accumulation of the risks and challenges to soft security in the region.” The text of the joint statement is as follows:

Canada, the Kingdom of Denmark, Finland, Iceland, Norway, Sweden, and the United States condemn Russia’s unprovoked invasion of Ukraine and note the grave impediments to international cooperation, including in the Arctic, that Russia’s actions have caused.

We remain convinced of the enduring value of the Arctic Council for circumpolar cooperation and reiterate our support for this institution and its work. We hold a
responsibility to the people of the Arctic, including the indigenous peoples, who contribute to and benefit from the important work undertaken in the Council.

The core principles of sovereignty and territorial integrity, based on international law, have long underpinned the work of the Arctic Council, a forum which Russia currently chairs. In light of Russia’s flagrant violation of these principles, our representatives will not travel to Russia for meetings of the Arctic Council. Additionally, our states are temporarily pausing participation in all meetings of the Council and its subsidiary bodies, pending consideration of the necessary modalities that can allow us to continue the Council’s important work in view of the current circumstances.

The Nordic Council of Ministers similarly stated that it was suspending its cooperation with Russia and Belarus. A March 5, 2022, press report stated that “several major oil companies and investors have announced in recent days they are withdrawing from Russian resource development or not pursuing new projects with Russia, including in the Arctic, after Russia’s invasion of Ukraine.”

A March 3, 2022, press report stated the following about the impact of the pause in participation in Arctic Council meetings on cooperation among the eight Arctic states:

The eight Arctic nations’ cooperation, even in times of disagreement or conflict elsewhere on the globe, is “over for now,” said Sherri Goodman, former U.S. deputy undersecretary of defense and a senior fellow at the Wilson Center’s Polar Institute.

The [Council’s] working groups may find ways to continue this work, but Russia’s chairmanship could make it more complicated.

And during the pause, “there’s no forum for dialogue and discussion with Russia, the largest Arctic country, on matters that affect the people, the ecology, the geography of the Arctic,” Goodman said.

In the longer term, the fallout of Russia’s actions may increases the risk of miscommunication and miscalculation in the North, at a time where Arctic activities are increasing, she said.

A March 9, 2022, press report stated the following about the impact on Arctic scientific research:

Right as Russia decided to attack Ukraine, a global consortium of permafrost scientists was poised to embark on a multi-year, Arctic-wide monitoring effort that would have helped provide crucial data on how the region is warming. But international uproar and financial sanctions over the unprovoked invasion put an immediate stop to any scientific collaboration with Russian researchers. And while climate scientists agree that the sanctions are necessary, they lament the
lost opportunity for vital research in the region—Russia accounts for half the Arctic land mass.

“At least half our work would have been in Russia, and now we can’t do any science there at all,” says Sue Natali, Arctic program director for the Woodwell Climate Research Center in Massachusetts, who now has a couple of pallets worth of methane and carbon monitoring equipment originally destined for Russian research stations lying unused in the back of her research center.

As the conflict progresses, experts worry that eroding political cooperation among Arctic nations could see environmentally-harmful Russian activities in the region go unchecked—further worsening the effects of climate change.

A March 18, 2022, opinion piece stated the following about the impact on Arctic cooperation with Russia both inside and outside the Arctic Council:

it is important to understand that a pause in the work of the Arctic Council does not end regional cooperation per se. While the Arctic Council is the most well-known and influential forum for Arctic cooperation, most cooperation in the region does not occur under its auspices. Tremendous amounts of Arctic-related scientific research occur within and among Arctic States not involving Russia or the council, supported by ties between institutions and relevant governments....

What has been disrupted is Arctic cooperation that directly involves Russia.

Any cooperation involving access to Russian territory (such as to obtain samples for research or make scientific observations) or with Russian institutions (at least if the government is involved) will be put aside. We’ve seen that even cooperation not involving the Russian government has been affected, such as when the organizers of the Arctic Science Summit Week decided to close its upcoming annual meeting to individuals representing Russian institutions, organizations, and businesses both on-site in Tromsø, and online. It’s not yet clear whether some unofficial contacts with Russian individuals can proceed in a meaningful way, despite travel bans and economic sanctions. And now the work of the Arctic Council has ground to a halt.

The question is, how can the valuable work being done within the Arctic Council and its working groups be salvaged, and what is the best way of going about that? If we want to ensure that the council is viable in the future, after the war in Ukraine subsides, how do we do that?

NATO

Five of the eight Arctic states—the United States, Canada, Denmark, Iceland, and Norway—are members of NATO. The emergence of great power competition has led to a renewal of NATO interest in the alliance’s more northerly areas.
During the Cold War, U.S. and allied political and military officials viewed NATO member Norway and its adjacent sea areas as the northern flank of NATO’s defensive line against potential aggression by the Soviet-led Warsaw Pact alliance. The North Atlantic waters stretching from Greenland to Iceland to the UK, which were referred to as the GIUK gap, were viewed as a key maritime chokepoint or battle zone in the event of a NATO-Warsaw conflict. With the end of the Cold War and the shift to the post-Cold War era, NATO planning efforts shifted away from defending against potential aggression by Russia, which NATO officials considered highly unlikely, and toward other concerns, such as the question of how NATO countries might be able to contribute to their own security and that of other countries by participating in out-of-area operations, meaning operations in areas outside Europe.

With the emergence of great power competition, NATO is now once again focusing more on the question of how to deter potential Russian aggression against NATO countries, including in the Arctic. As one consequence of that, Norway and its adjacent sea areas are once again receiving more attention in NATO planning. In September 2020, NATO established a new Atlantic Command in Norfolk, VA, called Joint Force Command Norfolk, as NATO’s first command dedicated to the Atlantic since 2003. Co-located with the U.S. Navy’s reestablished 2nd Fleet for the Atlantic, NATO states that Joint Force Command Norfolk is to “provide coherent command arrangements for Allied forces, maintain situational awareness, conduct exercises, and draw up operational plans covering vast geographic areas, from the US East Coast, past the Greenland-Iceland-U.K. gap and into the Arctic.”

The question of NATO’s overall involvement in the Arctic has been a matter of debate within NATO and among other observers, and could be affected by Russia’s invasion of Ukraine beginning in late February 2022. Russia has expressed opposition to the idea of NATO becoming more involved in the Arctic.

3. Economic Activities:


Overview:

A decline in conventional hydrocarbon resources and increasing energy scarcity, along with geopolitical changes, shape today’s global energy governance; at times, pressuring corporations to seek resources in precarious regions like the Arctic. The Arctic is the presumed home of a vast amount of fossil fuels (Carmack et al., 2012). Ongoing research shows that rapid biophysical change continues to open the region to new extractive opportunities and risks. While drilling off the coast of Alaska is halted for the foreseeable future – due to low global oil prices, disappointing
exploration outcomes, and vocal public opposition – the development of hydrocarbon resources off the coast of Norway and Russia continues. Russian corporations are particularly active in the Arctic with large hydrocarbon projects like Yamal liquefied natural gas (LNG) acting as testing grounds for both Russian institutions and corporations.

New extractive opportunities in the Arctic are open to actors both in- and outside the region; with the role of foreign investors increasing in the Russian Arctic. China, for instance, is gradually turning to the Arctic to support Beijing’s political ambitions and to sustain its economic model, dependent on foreign natural resources (Sun, 2014: 40). Concurrently, ongoing economic and political pressures on Russian oil and gas projects have shifted energy cooperation eastward. Sino-Russian collaboration in the exploration of Arctic hydrocarbon resources, started expanding in 2013; when the China National Petroleum Corporation (CNPC) bought a 20 percent stake in the Yamal LNG project.

With such developments in mind, important questions arise across multiple governance scales: globally, in terms of the global geopolitical climate; nationally, in terms of tax incentives in large-scale extractive projects in the Russian Federation; and locally, in terms of environmental governance and human rights. Now, more than ever, is a crucial time for scholars to better understand how these relations play out on the ground, and how this might impact the environment and inhabitants of the Russian Arctic.

Current & Relevant Information:

Russia’s Arctic strategy, put forward in 2009, identifies its Arctic zone as a core national interest and resource base for oil and gas development (President of the Russian Federation 2009). The strategy is motivated by Russia’s economic dependence on revenue from the oil and gas sector, which has been rising steadily from 2006. Currently, approximately 50 per cent of the federal budget is generated from energy exports (Ministry of Finance of the Russian Federation, 2015). Hydrocarbon resources also account for 68 percent of Russia’s total exports (PwC, 2016). Given Russia’s dependence on hydrocarbon revenue, it appears that Russia will be unable to sustain its economic development without developing its hydrocarbon resources.

The depletion of oil and gas resources in western Siberia forces Russian corporations to shift extractive activities northward to the Yamal peninsula. Their efforts are supported by the Russian government, which assumed a leading role in the Yamal LNG project through a public-private partnership scheme. The government invested public funds to build infrastructure in the Yamal Peninsula to stimulate the development of hydrocarbon resources. Media covering the Yamal project estimate that the government contributed over 47.3 billion RUB (approximately $843 million USD) and provided 150 billion RUB (approximately $2.7
billion USD) in loans through the National Welfare Fund of Russia (Soldatkin & Astakhova, 2016). The money was used to construct the sea port and adjacent infrastructure. By investing in the seaport, the government opened the door for subsequent construction of the LNG plant in Yamal. In addition to the generous financial support, Russia effectively subsidized portions of the project by adjusting taxation rates for extractive companies operating in the Yamal Peninsula. Russian President Vladimir Putin has approved an economic strategy promising zero tax on mineral extraction from fields located in the Yamal peninsula – for a duration of 12 years, or until a specified output is achieved (Gerden, 2016).

Yamal LNG is also the first Arctic LNG project to enlist the help of Chinese state-owned enterprises (SOEs). It is important to remember, however, that significant national incentives for such investment exist as well. Chinese SOEs participate in the construction of the Yamal LNG plant; winning tenders for specific aspects of the project. According to a news report by Klimenko and Sørensen (2017), Chinese corporations will be responsible for the production of around 80 percent of the equipment for the project. For example, CNPC and Magang Group Holding Company, took over construction of steel structures for the plant and delivered complete parts of the project to the Yamal peninsula. CNPC is completing four engineering packages for Yamal, one of which was recently shipped from Shandong Province in China to Yamal (CNPC, 2016). China’s Sinotrans Shipping Ltd. gained a contract to build tankers which will be operated by Russia’s Sovcomflot around the Arctic along with other corporations from Greece, Russia, and South Korea (Gerden, 2016).

**Conclusion: A Way Forward**

Yamal LNG project is one site where we can trace aspects of new policies in hydrocarbon and financial sectors in Russia. Current policies are influenced by Chinese SOEs forging close ties with Russian corporations to be able to participate in Arctic projects located in Russia. These Russian companies, with minority Chinese investment, are obligated to undergo a national environmental impact assessment and ecological assessment prior to project implementation “for any economic activity that holds potential risks for the environment, an assessment of the possible negative impacts should be done.” (Koivurova et al., 2016: 185-186). However, Russian environmental impact assessment processes have not been updated in 17 years (since 2000), and therefore reflect the practices of that time. The likelihood that future updates will be influenced by the cultural norms and values of the private sector, and multinational corporations, is thus highly plausible (Koivurova et al., 2016: 199) – an interesting prospect when considering Chinese investment and Russian national incentives.

Cooperation on the Yamal Peninsula aside, Russian and Chinese companies are still seeking further mutual ground for energy cooperation in the Arctic. It is plausible that other big Asian players, such as Japan, may be interested in partnering with
Russian hydrocarbon companies to develop new hydrocarbon projects (such as Arctic LNG-2) in the region. Further research is still required to trace the policies, goals, and investment commitments of new actors in the region. The investment flows will likely shape the future of extractive projects in the Arctic. They will thus require closer monitoring and oversight to ensure that human modification of the landscape does not harm local environment and security. Additional research and data can help provide better baselines.

“Russia’s Arctic economy is heading for decline,” Evgeny Gontmakher, Geopolitical Intelligence Services, 21 October 2022 [68] https://www.gisreportsonline.com/r/russia-arctic-economy/

Overview:

Although oil and gas reserves are massive in Russia’s vast Arctic zone, the unsanctioned Nornickel, a top global producer of nonferrous metals, is the only bright economic spot.

• Western sanctions are starting to cut oil and gas revenues
• Investment has dried up, making production goals unrealistic
• Trade partners are likely to bypass the Northern Sea Route

Current & Relevant Information:

By geographical good fortune, Russia is a great Arctic power. The length of its coast along the Arctic Ocean is 22,600 kilometers, almost 60 percent of the world’s Arctic coast. The entire Arctic zone is four million square kilometers and sparsely populated because of the severity of the climate. The three largest Arctic cities are in Russia: Murmansk (325,000 inhabitants), Norilsk (205,000 inhabitants) and Vorkuta (85,000 inhabitants). The fourth-largest city is the Norwegian city of Tromso (62,000 inhabitants). Overall, only 2.4 million people live in the Russian Arctic, of which 300,000 belong to 47 indigenous ethnic groups. The rest are migrants and their descendants from more southern regions of Russia and the former Soviet Union.

Two decades of slave labor

In the 1930s, people arrived in the Arctic territories to develop large deposits of discovered nickel, copper and gold. The Soviets decided to use the Northern Sea Route as the shortest shipping lane from the northern European part of the Soviet Union to the Far East, connecting the Atlantic and Pacific oceans when navigable in the summer and autumn.

The massive use of labor from the gulags began in these areas. For example, the construction of the Norilsk Mining and Metallurgical Combine – now known as Nornickel – was provided by hundreds of thousands of prisoners, many of whom died from diseases, malnutrition and the harsh climate. Prisoners who mined gold in the Kolyma River area suffered some of the worst conditions.
After Soviet dictator Joseph Stalin’s death in 1953, the gulags were liquidated. The development of the Arctic was carried out with a voluntary workforce enticed by higher salaries and the opportunity to retire early. These incentives are still being used today to attract workers to the Arctic.

**Vast oil and gas deposits**

The next stage of Arctic exploration began after the discovery of large oil and gas fields there, which formed the basis of Soviet and Russian exports. Although less than 2 percent of Russia’s 145 million people live in the Arctic zone, the region provides almost 10 percent of the country’s economic output. In 2020, 80 percent of Russian combustible natural gas (including gas liquids) and 17 percent of its oil were produced there.

The continental shelf contains more than 85.1 trillion cubic meters of natural gas and 17.3 billion tons of oil. The Strategy for the Development of the Arctic Zone of the Russian Federation and Ensuring National Security until 2035, approved by President Vladimir Putin in 2020, declares these resources to be a “strategic reserve for the development of the mineral resource base of the Russian Federation.”

**Lacking investment**

The development of the Northern Sea Route is an essential part of the Arctic economy’s success. For this purpose, the Russian government plans to invest $29 billion and take these steps:

- Development of the infrastructure of seaports and shipping lanes in the waters of the northern seas – from the Barents to the Chukchi
- Creation of a naval operations headquarters on the entire water area of the Northern Sea Route
- Integration of transport and logistics services provided in the waters of the Northern Sea Route, based on a digital platform designed for paperless registration of multimodal transportation of passengers and cargo
- Construction of at least eight nuclear icebreakers for year-round navigation

Significant investments were also expected in the development of the economy of the Arctic zone and, above all, the development of the extractive industry there.

However, even before 2022, achieving these goals was doubtful. This was due to two main factors. First, in the 2010s, there was a shortage of investment in the oil and gas sector. That was due to the long-term deterioration of the investment climate, including the first package of Western sanctions imposed on Russia in 2014 after the annexation of Crimea. Second, the emerging green transition of developed economies will cut the demand for nonrenewable energy sources by 2030.

The sanctions imposed on Russia after its February 2022 invasion of Ukraine have further complicated the prospects for Russian Arctic development. The gradual
embargo on oil and gas purchases from Russia is taking hold. Moreover, potential trade partners will likely reject the use of the Northern Sea Route for international transit of goods. This likelihood will sharply limit the demand for goods and services that the Russian Arctic can produce.

That is especially true for natural gas, whose production and transportation for export have already begun to decline. In the first half of 2022, Russia reduced natural gas production by nearly 7 percent compared to the same period in 2021. In June, Russia produced just over 39 billion cubic meters of gas – 23 percent less than in the same month a year ago.

Oil production has also begun to fall, and the European oil embargo starting in December will only strengthen this trend. Output in August decreased for the first time since April – by 170,000 barrels per day, to just under 11 million barrels per day. In August, revenues from Russian oil exports fell by $1.2 billion (to $17.7 billion). That took place despite an increase in exports by 220,000 barrels per day, up to 7.6 million barrels per day.


Abstract:

This paper attempts to consider a fundamental problem of ensuring sustainable development of the Arctic zone of the Russian Federation in the context of expanding economic activity. In August 2017, the new edition of the Russian state program on the Arctic's socio-economic development was released. At present, this is the main document regarding the development of the Arctic territories of Russia. The main idea of this document and the future law “On the Arctic Zone of the Russian Federation” is to create support zones, which will be complex projects of social and economic development of the Arctic territories where the Northern Sea Route will become the main navigable artery and the central project. According to the state program, one of the main tasks of the support zones is the use of best practices for creating favorable living conditions for the residents. This paper will examine the Russian Arctic's challenges and opportunities regarding sustainable development, including an analysis of the recent Russian plans in relation to the territorial development.

Current & Relevant Information:

Introduction

The 1992 Summit in Rio de Janeiro, following the Brundtland Commission, recognized the so-called sustainable development “that meets the needs of the present, without compromising the ability of future generations to meet their own
needs” (WCED, 1987). Since then, the concept of sustainable development has acquired global significance. It is a fundamental problem of our time. This concept is indeed applicable to such an essential region as the Arctic. Since its foundation in 1996, the Arctic Council has aimed to integrate sustainable development to the main areas of its activities. The forum unites the efforts of the eight member states to solve the challenges of the Arctic region to improve the economic, social and environmental well-being of the ecosystems and peoples living in the area. Therefore, the sustainable development of the Arctic is a global objective and requires the establishment of international cooperation.

Finland’s Chairmanship platform in the Arctic Council states that “the human dimension of the Arctic Council’s work covers such areas as health, water, energy, infrastructure, and Indigenous cultures and languages, and thus contributes to the implementation of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda. Finland proposes to explore how the SDGs can be further used in strengthening the economic and social progress and cultural self-expression of Arctic communities” (High North News, 2017). Meanwhile, the current global warming has economic consequences which could be beneficial for the Arctic states. A recent launch of industrial development in the Arctic shows the growing interest toward transport and energy opportunities in the region. Economic indicators are increasing; however, the growth of industry could lead to a high degree of negative impacts on the environment and residents.

The concept of the Russian Federation’s transition to sustainable development was released in 1996. Since the 2000s, there has not been a single document approved by Russia in the title of which there was a reference to “sustainable development.” It is especially interesting because Russia has declared a new stage of Arctic development. The new edition of the state program of 2014 “Socio-economic development of the Arctic zone of the Russian Federation for the period until 2025” (State Program) was published in August 2017. The updated State Program outlines the country’s major plans for the Arctic territories, and sets out complex projects for the social and economic development of the region.

**Economic Development of the Russian Arctic**

The Arctic has always been a reserve of natural resources for Russia. Since the 1930s, during the Second World War and then the Cold War, in connection with the international situation, the country’s economy began to need natural resources badly. So, in the 1920's and 1930's in the USSR, a program of government events was organized to study and develop the so-called Far North. The Soviet Union was eager to discover the resources of the rich Arctic quickly. There were issued orders for the construction of mines, power plants and factories near the Arctic deposits. Soviet development of the Arctic was intensive, large-scaled and based on free labor. In 1931, the first oil field in the Russian Arctic, Chibyiskoye, was discovered in the Komi Republic. In 1932, the Main Directorate of the Northern Sea Route
(Glavsevmorput) was created by the Council of People’s Commissars of the USSR. The new directorate was entrusted with the economic development of the Arctic and navigation on the Northern Sea Route (NSR), as well as the organization of geological work, and exploration of minerals in the Arctic. The first head of the Glavsevmorput, Otto Schmidt, was appointed a polar explorer, who in the same year made passage on the NSR on the icebreaker “Sibiryakov” for the first time in one navigation, of 65 days. In 1937 the first flight over the North Pole was made, and the first drifting scientific station “North Pole” was settled. In total, 31 drifting stations were organized in the USSR, and they functioned until 1991. The program relaunched in 2003. In the 1930s Arctic seaports (Igarka (1931), Tiksi (1933), Dixon (1934), Dudinka (1935)), cities and new settlements were constructed. The USSR used prisoners of the Gulag as free labor. Thus, the prisoners built such Arctic cities as Dudinka, Vorkuta, Inta, Pechora as well as such industrial enterprises as the Norilsk Mining and Metallurgical Combine in 1935 and the Kapitalnaya mine in Vorkuta in 1937 and so on. In the second half of the 20th century, the most abundant hydrocarbon deposits were found. In the 1960’s and 1970’s they were discovered on the coastal territory—Urengoy (1966), Yamburg (1969), Bovanenkovo (1971), etc., in the 1980s hydrocarbons were found on the Arctic shelf—Shtokmanovskoe (1988), Prirazlomnoye (1989), etc. As a result, during the period from the 1920s to the 1980s, the Soviet Arctic has become a circumpolar region with the most significant number of cities in the world.

Today, the Arctic region is one of the priority directions of Russia’s internal policy, including social and economic development as well as international cooperation. However, the legal status of the Russian Arctic zone and its borders are not yet defined precisely. The framework law on the Arctic zone in the USSR and then in the Russian Federation was not released despite attempts to accept it. Today legal relations in the Russian Arctic are regulated by more than 500 documents (Ministry for the Development of the Russian Far East, 2017, October 10). A draft law “On the Arctic Zone of the Russian Federation” has been in progress for five years, and its consideration is continuously postponed. However, it may be submitted to the government in 2018.

Today, Russia’s Arctic strategy is determined by three documents: Fundamentals of the State Policy of the Russian Federation in the Arctic for the period up to 2020 and beyond (2008); The Strategy of the Arctic zone of the Russian Federation development and national security system for the period till 2020 (2013); The new edition of 2017 of the state program of “Socio-economic Development of the Arctic Zone of the Russian Federation for the period till 2025” (2014).

In Russia, the concept of “sustainable development” is interpreted differently. There is no comprehensive understanding of all aspects of sustainable development. For example, in the State Program on the Arctic, the word “sustainable” is used 16 times on 140 pages of text. Five times the phrase “sustainable development” is used in
different contexts: “sustainable development of the nuclear weapons complex,” “sustainable development of indigenous peoples,” “sustainable development of related industries,” “sustainable development goals and human well-being,” “sustainable development of regional ecosystems.” Thus, the State Program on the Arctic does not define what is meant by the term “sustainable development.” The authors of the State Program either did not set the task of articulating the principles of “sustainable development” or there is no clear understanding of what “sustainable development” is. At the same time, the authors consider this term to be applicable in completely different contexts. However, in the Russian terminology the closest term to “sustainable development” is usually the term “socio-economic development.”

The main idea of the State Program is a creation of so-called support zones – comprehensive social and economic development projects aimed at achieving strategic interests and ensuring national security. There are eight support zones identified based on the existing administrative-territorial division of the Russian Arctic zone (Government of the Russian Federation, 2017, August 31). It is interesting that Russian regions work out these support zones, not federal authorities. Articles of the State Program about the support zones will be included in the future law “On the Arctic zone of the Russian Federation.” As of now the State Program can be considered as the primary document reflecting Russian plans in the Arctic zone.

Thus, industrial development is the cornerstone of Russia’s Arctic strategy. The primary task of creating the support zones is the exploitation of mineral resources. According to the State Program, “almost two thirds of all projects are directly related to the development of the mineral resource base” (Government of the Russian Federation, 2017, August 31). Mineral raw centers with their infrastructure will be developed within the support zones. The most significant projects are the seaport of Sabetta on the Kara Sea in the Yamal-Nenets Autonomous District, which already began operating in December 2017, and is expected to become the most significant logistics hub of the NSR. One of the essential parts of this hub must be the Northern Latitudinal Railway (707 km), which will connect for the first time the Trans-Siberian Railway with the Northern Sea Route. It should be noted that this is a project of Soviet designers of Stalin’s time. The completion of the railway construction launched in May 2018 is planned by 2022. The project also has a social significance: about 300,000 new jobs can be created in the Arctic and the Urals. Another important project in Sabetta is the Yamal liquefied natural gas (Yamal-LNG) plant which opened in December 2017.

The Northern Sea Route will become the most significant project. It should unite all the subjects of the Russian Federation that participate in the development of the Arctic because “the formation and functioning of the support zones are planned to be carried out in close connection with the Northern Sea Route” (ibid). By 2021, Russia plans to build three new nuclear icebreakers of Project 22220. The main icebreaker “Arctic” will float out in 2019, “Siberia” in 2020, and “Ural” in 2021. Russia does not
limit the passage of foreign ships on the NSR, but starting in 2017 the right to transport hydrocarbons remains exclusively for Russian vessels (Government of the Russian Federation, 2017, December 26). As Vladimir Putin said in the message from the President to the Federal Assembly of the Russian Federation, by 2025 the cargo traffic on the Northern Sea Route should grow by ten times – up to 80 million tons per year (Ministry for the Development of the Russian Far East, 2018, March 1). In March 2017, the government was instructed to work out the issues of creating a separate institution who will be responsible for the integrated development of the Northern Sea Route and Arctic territories, including the development of infrastructure and all the services required. At the moment, there is no special ministry responsible for the Development of the North and the Arctic in Russia. The leadership over Arctic issues at different times has been exercised by the Ministry of Economic Development and the Ministry of Natural Resources and Environment. However, the creation of a new ministry would require much effort and money, therefore it is uncertain when this will happen. Last year, it was announced that a decision has been made to entrust the Arctic to the Rosatom Corporation, whose structure includes Atomflot with its icebreakers. Rosatom might soon gain control over the development of the NSR and the coastal areas of the Arctic.

Moreover, a separate section of the State Program on the Arctic prescribes plans for the development of the Russian Far East, which includes two Arctic regions – Yakutia and Chukotka. This combination is not accidental. After the presidential elections in 2018, Yuri Trutnev was appointed as Deputy Prime Minister of Russia responsible for both regions’ development—the Russian Far East and the Arctic. He was previously responsible for the development only of the Far East. In September 2018, Trutnev also headed the State Commission for Arctic Development. In connection with his appointment, we can assume that not only the Far East but also the Arctic will become a megaproject of Russia.

The State Program emphasized that public-private partnership must be a relevant tool for implementing the social and economic development of the Russian Arctic zone. The mechanism of public-private partnership was used in such megaprojects as the APEC meeting 2012 in Vladivostok, the Olympic Games 2014 in Sochi, and the FIFA World Cup Russia 2018; now the same development tool is being introduced for the development of the Russian Far East with the Arctic. The Far East is a priority, and the Arctic has an applied significance. The Ministry of Economy of the Russian Federation does not single out the Arctic in a separate macro-region in the draft of the Strategy of Spatial Development of the Russian Federation for the period until 2025. In this strategy, the Arctic zone of the Russian Federation is distributed among four macro-regions - the North, North-West, West-Siberia and Far East. However, in the development of the Far East, the situation is unusual, because Russia is oriented towards foreign investors, primarily Asian ones. Russia’s “Turn to the East” (from 2013) as well as Western sanctions (since 2014) predetermined the development of Russia’s international cooperation with the countries of Northeast
Asia – China, Japan and South Korea. In turn, the interest of Asian countries in the NSR is enormous. Their main attention is paid to the development of the transit possibilities of the Arctic. In this case, the Far East can become an outpost of Russia’s Arctic strategy in relations with Northeast Asia. To develop the Far East, Russia should take in consideration the wishes of these countries. Western sanctions on Russia have become an obstacle to possible investment projects, including the Arctic. At the same time, a possibility of cooperation with Russia remains, in the case of interest from the Western partners. Strong examples of this can be the participation of the French Total in the Yamal-LNG project or gold mining in Chukotka by the Canadian company Kinross Gold. Russia is open to collaborating with any potential partner, but the problem lies in excessive bureaucracy and the lack of a unified mechanism. The idea for a “one-window” mechanism is proposed to solve these issues.

Conclusion

The primary challenge for both social and economic development of Russia’s Arctic zone is an outflow of residents since the 1990s. Russia has set the task of keeping and attracting residents to the Arctic. There are discussions on this topic. Scientific research on human capital and human potential are in progress. It is necessary to increase the attractiveness of the region despite its harsh climatic conditions. Tools of attraction are an improvement of the living standards of the residents (an increase of salaries, benefits, compensations, and so on), and the creation of a comfortable infrastructure for housing and communications, which is impossible without socio-economic development. Therefore, in the State Program, the first object is the improvement of the quality of human life. It appears that Russia figures the development of social infrastructure is closely linked to the creation of industrial facilities. Russia needs to pay attention to the social dimension of sustainable development of its Arctic zone because those northern residents are the guarantor of its national security. Their presence in the Arctic zone provides Russia with its ability to exercise control over these vast territories. Also, more than 2 million residents of the Russian Arctic have a unique experience of survival in a severe climate.

At the same time, environmental security is a pressing issue. Russia recognizes the accumulated environmental damage as a critical problem. Since 2012, the “general cleaning” of the Arctic territories from the debris of the Soviet legacy has been taking place. The fact that Russia’s economy sank into a deep depression in the 1990s is one more reason behind the pollution, besides Soviet industrial development. The accumulated environmental damage in the Russian Arctic is not only a result of industrial activity, but also of human activity abandoned by residents after their massive outflow from the Arctic in 1990s. In recent years, the President and the government are monitoring that project. Russia continues to clean up the Arctic, but it is not enough. There is a lack of funds to do it rapidly. We can assume that Russia
could associate with the international environmental community to find some solutions to this problem.

Russia has an apparent imbalance preferring economic development, rather than sustainable development as yet. It is very unfortunate that the environmental dimension of sustainable development remains in the shadow of statements about socio-economic development. There are concerns about environmental security arising from a new stage in the socio-economic development of Russia’s Arctic zone. Fears arise in particular from the pre-existing experience of large-scale Soviet development of the Arctic. So, it is necessary to establish a special regime for nature management, environmental protection, and pollution monitoring in the Arctic zone of the Russian Federation. However, Russia has an opportunity to engage in the process of developing a concept of sustainable development for the Arctic through the Arctic Council. The Sustainable Development Working Group proposes to consider the Arctic zone as an indicator of environmental conditions which gives a signal to the rest of the world about the impact of global processes (Kharlampyeva, 2010: 214). Environmental aspects should be central to the sustainable development of the Arctic. Current environmental issues exist in all circumpolar countries. Therefore, it is necessary to establish deeper international environmental cooperation. Indeed, creating an effective system of sustainable development is possible only with the participation of all eight Arctic states (Young, 1998; Dodin, 2005).

Meanwhile, the Northern Sea Route is the primary goal of the socio-economic development of the Arctic zone of the Russian Federation. First, the NSR will develop as a transport and logistics sector between Asia and Europe. Second, it will act as a service sector in the framework of major energy projects. Russia undertakes to restore its infrastructure on the NSR because it has the longest coastline in the Arctic Ocean. The melting of the Arctic ice cap opens opportunities for Russia regarding the development of the Northern Sea Route. Opening access to the Arctic sea routes may allow Russia to develop as a maritime power. Merchant ships can begin to navigate, accompanied by icebreakers, through the Arctic, including across the North Pole. However, it is necessary to develop international cooperation to build all the logistics, as well as provide opportunities for rapid emergency response, and support commercial activity. In particular, Russia cannot implement its politics in the Arctic region without cooperation with other member states of the Arctic Council. The Arctic challenges are the shared responsibility between the circumpolar states. On the one hand, Russia’s State Program notes the importance of international cooperation within the organizations which are mandated to address Arctic issues. On the other, it is already clear that a special place in Russia’s international cooperation in the Arctic region will be occupied by the countries of North-East Asia. In particular there are great hopes associated with China. But it’s clear that the Arctic is a region of international cooperation for Russia.
Abstract:

This paper is aimed to underline strategic importance of the Arctic as a wealth of petroleum and mineral resources. One of the most potential nonconventional sources of natural gas is gas hydrates, which impressive resources are concentrated in the Arctic Zone. The paper in general presents main characteristics of the Russian Arctic and gas recourses. Then we present some economic issues of gas hydrates production and it is paid special attention to environmental regulation of natural recourses production.

Current & Relevant Information:

Introduction

Russia is one of the most important players in the Arctic Zone with wide range of economic, security and political interests in the region. Arctic is a wealth of petroleum, gas and other mineral resources. From being regarded almost like a restricted area, the Arctic has become a global economic, ecological and social concern (Moe,2016). In 2008, the United States Geological Survey (USGS) estimated that the Arctic might contain 13% of the world’s undiscovered oil and 30 % of its undiscovered gas (Gautier, 2009). Of these hydrocarbon resources, 84% were believed to be offshore and most of them are not distributed: the highest concentrations are expected to be in north of Alaska and in the western part of Russia (Moe,2016).

Oil and gas resources are vital to Russian national security and economy; oil and gas alone account for roughly 20-25% of Russian GDP (Simola, 2013).

Arctic has been proclaimed as the resource base of the twenty-first century (Moe, 2016). The Russian Arctic shelf in the future can become the main source of hydrocarbons for both Russia and the world market in the whole. Its industrial development in some circumstances (oil and gas prices, new knowledge and technologies, legal framework, etc.) may compensate decrease in oil and gas production in the old deposits in Russia (Western Siberia). The special role is assigned to up-to-date extraction technologies and oil and gas recovery technologies, providing energy effectiveness and ecology safety [Cherepovitsyn,2016; Zyrin, 2016: Nikolaev, 2016] and also to extraction of nonconventional oil and gas resources. One of the most important nonconventional sources of natural gas is gas hydrates (GH).

Gas hydrates are crystalline gas and water compounds with a variable composition. According to various estimates, natural gas hydrates contain about 2,000-5,000 trillion cubic meters of natural gas. Most part of these gas resources is concentrated
in the Arctic Zone. According to Russian estimates, up to 1,000 trillion cubic meters of gas hydrates may be present in the Russian Arctic (Youkashev, 2015).

In this paper we would like to pay special attention to the technologies providing gas hydrates production in the Arctic Zone and to the ecological aspect of this activity.

**Conclusions**

In the whole, at this stage the Russian Federation largely keeps up from the European countries and USA in the sphere of environmental issues, that is why close cooperation with international ecological organizations can have a positive effect both on the development of the national science and in this area, and on the improvement of new ecologically friendly technologies. Active ecological policy in respect of distinguishing technologies for oil and gas production in the Arctic will help to save ecosystems of the most important strategic region of the Russian Federation and the whole world for the further effective and sustainable development of the territories.

Gas hydrates are one of promising nonconventional sources of gas in the long-term period. In this regard issues of development of ecologically safe technologies which will allow to get gas hydrates is especially relevant. The ecological risks are the main point for future gas hydrate production, and technological progress should be based on the ecological safety, and could be provided in the following ways:

1. Government and public control for any implemented Arctic hydrate recovery technologies
2. Complex research of drilling process for GH formation
3. Proved by numerical researches and simulation, field test efficiency and safeness of implemented technologies for Arctic deposits
4. Careful technology control – control for formation condition, gas production rates prevention of creating so called gas-hydrate bomb
5. Control on hydrate decomposition and gas releasing through evaporation
6. Exclude aggressive inhibitors-based technologies for Arctic zone
7. Careful control for heating methods, preventing heating of near layers.

“Why Russia’s Arctic agenda should be of more concern than China’s actions,” Nong Hong, Institute for China-America Studies, 7 October 2022 [71](https://chinaus-icas.org/research/why-russias-arctic-agenda-should-be-of-more-concern-than-chinas-actions/)

**Overview:**

With war stifling cooperation in the Arctic, including on critical climate change research, keeping region separate from global security concerns is a challenge.
China, for its part, does not see itself as a competitor in the Arctic, but Russia’s military build-up in the region is another, more worrying matter.

**Current & Relevant Information:**

A recent report titled “China’s Strategy and Activities in the Arctic”, by the US-based Rand Corporation and Swedish Defense Research Agency, examines the potential implications of Chinese investment and activity in the Arctic. It points out that while China’s presence in the North American sections of the Arctic remains limited, the world should keep an eye on its relationship with Russia, which will create uncertainties in the region.

A careful observation of China-Russia relations in the Arctic alongside recent developments in the region arising from the Ukraine conflict can shed further light on the factors that are causing uncertainty in Arctic affairs.

China has become an active participant in Arctic governance, joining international institutions and promoting bilateral relationships with Arctic states – including Russia – in such various fields as shipping, resource development and scientific research.

In 2019, President Xi Jinping and Russian President Vladimir Putin signed a joint statement vowing to strengthen global strategic stability and promote cooperation between the two countries in the Arctic area.

On February 4, the eve of the Beijing Winter Olympics, Putin and Xi signed another joint statement which outlined plans for deeper bilateral cooperation, including in Arctic affairs. China has invested in hydrocarbon projects in the Russian Arctic, as well as port infrastructure along the Northern Sea Route.

Despite these collaborations, Russia and China may have different long-term goals in the Arctic. While sharing some common desires, the two countries have a complex relationship that balances competition and cooperation, with lingering mistrust on both sides. Their Arctic endeavors will continue to be shaped by pragmatism, with a focus on mutual economic benefits rather than a strategic pact.

Moscow, for its part, will remain cautious about Chinese ambitions. Beijing, meanwhile, has been trying to maintain a certain degree of non-alignment amid the Ukraine crisis. Although widely seen as providing Russia with an economic lifeline in the wake of Western sanctions, China has taken certain measures against Moscow, including a move by state banks to limit financing for buying Russian commodities.

The report by Rand makes several recommendations to the US government, one of which is to maintain the governance of Arctic affairs among Arctic states, serving as a powerful instrument against undesirable Chinese involvement in the region.

However, a new paper by P. Whitney Lackenbauer, Adam Lajeunesse and Ryan Dean rejects the narrative that casts China as a peer competitor in the Arctic. It points out that commentators have often overstated the scale of Chinese investment...
and engagement in the Arctic. Though China defines itself as a stakeholder in the region, in its 2018 Arctic policy white paper it emphasises the importance of cooperation between Arctic states and non-Arctic states. In short, China does not see itself as a competitor in the Arctic.

The uncertainty raised by Rand’s report deserves attention. Yet instead of focusing on China's exaggerated influence in the Arctic, what is truly worth mentioning is Russia's Arctic strategy following the outbreak of the Ukraine conflict. In July, Putin signed a new maritime doctrine that outlines Russia’s key strategic priorities in marine and maritime development, stressing Arctic waters.

This doctrine comes at a time when Russia is facing tremendous difficulties in maintaining its role in Arctic affairs due to the Ukraine conflict. The reduction of economic activity in Russia’s Arctic and suspension of funding for many scientific projects involving Russia have sparked concern over what measures Moscow will take to address the issue.

The marine doctrine places significant emphasis on the Arctic, mentioning it 66 times across 22 pages. It also outlines a plethora of measures for enhancing the Russian navy’s warfare capabilities in both the Arctic and the world’s oceans, as well as plans for naval development, including the building of aircraft carriers and a higher level of engagement of civilian ships in military activities.

Although it is not a new phenomenon for civilian ships to be given a role in national security preparedness or military conflicts, and indeed Russia has a lot of experience in using non-military ships for military purposes, this new doctrine clearly prepares the ground for a more systematic approach.

Meanwhile, the joint statement by Arctic Council states in March announcing the suspension of all council meetings indicates grave impediments to international cooperation in the Arctic. Though the Arctic Council does not directly fund research, it helps set the scientific agenda for collaboration among member countries.

The European Commission also halted all funds for scientific collaborations involving Russia, and was followed by other funding agencies and institutions who adopted similar policies. The Ukraine conflict, while severing partnerships between researchers inside and outside Russia across many fields, has had a particularly profound impact on climate science in the Arctic.

There is a decades-long tradition of scientific collaboration between nations in this region and Russian scientists play a key role in tracking changes such as permafrost degradation and methane emissions from warming landscapes. Thus, the war in Ukraine has presented a unique dilemma for climate researchers and scientists.

With so many uncertainties emanating from Russia, the long-standing post-Cold War perception that the Arctic would benefit from a disconnect from security concerns has lost its essence. Instead, the geopolitical importance of the Arctic region is
coming back into focus with Russia’s full military escalation of Ukraine and the worrisome loss of the status quo in Arctic cooperation.


Abstract:

Settlement in new regions of the Russian North, available for new economic exploitation, started at the beginning of the 20th century: the exploration of mineral deposits, its mining and shipment into southern regions commenced at the same time. Experience of building cities as trade and industrial centers, marine ports, and military settlements, which was acquired in the 18th–19th centuries, was insufficient. It was necessary to define forms of settlement, quantitative parameters of emerging communities, and convenience of the latter. Discussions and knowledge acquisition resulted in a consent to build permanently populated large cities. It was suggested to build basic cities in the North and pivotal cities, which would have infrastructural functions, in nearby areas. Quantitative guidelines on population numbers for each type of settlement were proposed: pivotal cities – 300 thousand residents, basic cities – 80-150 thousand people, industrial cities – 15-30 thousand inhabitants, watch and expeditionary villages – 3-5 thousand people. After making the Arctic Zone in the Russian North the independent management unit consisting of nine pivotal areas, it became necessary to justify settlement framework, which would meet new requirements. Thus, the purpose of this article is to develop the methodology of calculating the Index of Pivotal Settlement which would allow us to classify an urban settlement as a multifunctional pivotal settlement, a pivotal settlement, a potential pivotal settlement, and as a settlement which does not meet criteria of a pivotal one. The creation of this index is based on three methodological principles: complexity, consistency, and account of agglomeration effect. The calculation of the index of the Arctic pivotal settlements is carried out due to the concept of demographic gravitation. Acquired results would allow each Arctic pivotal area to determine pivotal settlements, and the centers of surrounding areas development.

Current & Relevant Information:

Introduction

It is difficult to overestimate the role of the Arctic in country’s economic development. 90.4% of the whole Russia’s natural gas amount was mined here, as well as 24.7% of associated gas, 17.6% of oil, and 10.8% of iron ore concentrate. Also, more than 50% of platinum, nickel, cobalt, copper, 15.0% of fish and fishery products were produced here.
The formation of the settlement system in Northern and Arctic regions was conducted in several steps. The period of the 1930s was experimental in terms of building cities and urban-typed settlements (UTS). The 1940s could be characterized by rapid increase in the North economic development rates. In the following years, together with industrial and urban development, a broad geological search was continuing and new, unique deposits were discovered. The settlement of the Far North regions in 1970s was influenced by science and technology development.

The focal settlement structure, which has a pattern of territorial expansion on the basis of socio-economic relations between industrial centers and economically developed areas of the middle zone, is the characteristic of the early North exploration period. Due to unfavorable natural and climatic conditions, and high expenditures on all sorts of manufacturing works, social infrastructure, and personnel maintenance, continuous territorial Arctic development has never happened. Besides, it is prohibited because of the environmental reasons. Thus, the focal settlement type, which is based on large strategic mineral deposits, is and will be the only option for the Arctic.

V.I. Kondrat’eva notes that “space characteristics typical of the Russian region of the Arctic, such as focal-dispersed settlement nature, underdevelopment of road and transport infrastructure, extremely high costs of life support, due to extreme climatic conditions, show the advantage of this territorial approach, which purpose is the resource investment into pivotal settlement and infrastructural frameworks’ development”.

The model of pivotal settlements based on the concept of demographic gravitation is presented in this paper. Pivotal network should contribute to Russia’s economic development and comfortable life of population in the Russian region of the Arctic. Special attention is given to the study of the longtime practice of building settlements for the permanent population residence. It is different from foreign practice which is based on the building of temporary settlements.

In 2010s, approaches toward the Russian North development went through significant changes: attention was shifted to the Arctic space rather than the exploration of all Northern territories. Out of 11,931,100 sq. km of the Russian North, 3,754,600 sq. km (31.5%), which make up AZRF (Arctic Zone of the Russian Federation) land territories, were given special attention. 2,406,400 mil. people, or 24.3% (out of 9,920,920 mil. northerners) became residents of the Arctic.

Nowadays, most northern strategies and development programs are aimed at the Arctic. Authorities’ attitude toward northern territories also changed. The former strategy “from exploration to habitation” has transformed into “the transition from the residence policy to the policy of non-indigenous population staying in the Far North” approach. It makes studies on the watch-based method of labor organization, on the
network of pivotal settlements justification, and centers of arctic space development relevant.

The research on settlement network transformation from small villages to pivotal and basic cities was analyzed within the methodology of “spatial development”, which can be defined as coordinated progressive changes in the development and reproduction of natural resources, the placement and internal maintenance of productive powers, in the population settlement, and the construction of the living environment.

The subject of the research is the Russian region of the Arctic within borders defined by the President of the Russian Federation in his Decree 287 dated 27.06.2017. In 2019, eight uluses of Sakha Republic (Yakutia), which are not analyzed in the article, were included into AZRF. The goal of the research is to develop a methodology for calculating the Index of Pivotal Settlement which would allow relating an urban settlement: to a multifunctional pivotal settlement, to a pivotal settlement, to a potential pivotal settlement, to a settlement which does not meet criteria of a pivotal one. The following goals were set: to analyze the transformation of the settlement system in the Russian region of the Arctic, to examine the modern approaches to the settlement of the Russian North, to analyze the dynamics of population and urban settlements in the Russian region of the Arctic, to develop a method and algorithm of calculating the pivotal settlements index, and to arrange urban settlements in the Russian region of the Arctic according to criteria of pivotal settlements.

The informational basis of the study is represented by the Russian Federal State Statistics Service data, which include a database of municipalities' indicators, official websites of cities and villages, websites of authorities and state organizations, databases of geographical data, regional and federal legal acts.

Conclusions

A number of conclusions and suggestions can be drawn from the analysis:

1. It is proved that Arctic cities should have limits of growth: the optimal size of urban settlements is in the range of 50–100 thousand inhabitants; it is recommended not to form new permanent settlements in areas with unfavorable medical and geographical conditions;

2. For the future, authorities suggest the transition from the residence policy to the policy of non-indigenous population staying in the Far North;

3. It is necessary to improve the division of labor between the Northern regions and the main settlement areas, to develop the pivotal centers of Northern development in them; the procession of the “Northern resources” is available in basic settlements, located in the middle North;
4. Taking into account the new role of the Arctic in socio-economic development of Russia, the negative trends of decreasing number of settlements’ population, we grouped arctic cities and UTSs according to the pivotal settlement criteria with the help of suggested algorithm of PSI calculation. It allowed us to suggest development centers for each pivotal zone of the Arctic. The basic settlements, having special value, but meeting the criteria of basic settlements, are proposed for several PZ (Igarka, Tiksi, Anadyr, and Pevek).

The scientific and practical relevance of the work is the formalization of the “pivotal settlement” concept, which can be used in the development of strategic documents on the Arctic territories’ exploration and the spatial development of Russia.

Further studies should focus on the formation of public policy measures for the optimal management of the demographic and labor potential of each analyzed settlement group.


Abstract:

The Arctic in the 21st century remains a popular topic in the natural-scientific, economic, socio-humanitarian, and political spheres. The relevance of studying the Arctic is determined by the fact that in recent decades, deep and irreversible transformations have taken place in this region, and a full understanding of the causes and consequences of which for the economy and environmental management has not yet developed. As a result of climate change and globalization, there is a growing interest in the Arctic macro-region on the part of many foreign countries that developed strategies and programs for the development of national Arctic zones at the beginning of the XXI century. Against the background of global competition for resources and transport communications, it seems relevant to analyze the features of the development of Russia's state policy for managing the Arctic zone of the Russian Federation in the XXI century. The article analyzes the mechanisms of implementation of Russian state policy in the Arctic based on the strategic planning system and reveals the bottlenecks in the system of state management of the Arctic region. It is concluded that the core of Russia's policy in the Arctic is innovative modernization that can ensure sustainable socio-economic development, infrastructure development, rational use of natural resources, protection of local ecosystems and development of indigenous communities.

Current & Relevant Information:
Introduction

The Arctic is a high-latitude region of the High North, except for the dry part, incl. the continental shelf and the exclusive economic zone of the seas of the Arctic Ocean, as well as the outlying territories of North America and Eurasia.

The deep interest of Russia in the development of the High North and the Arctic has existed for centuries. Changing forms and priorities, it reached a level when the Arctic territories become one of the means of ensuring national security and sustainable socio-economic development of the state. The formation and scientific justification of the development priorities of the circumpolar territories of the Russian Federation is one of the critical tasks in the development and modernization of the economy. The role of science is increasing not only due to the influence of the natural-geographical factor in the Arctic region but also due to the differentiation of the natural and economic conditions of economic activity existing in this zone. Such distinction necessitates the development of specific Arctic-oriented regulatory legal documents to manage the development of the vast and non-standard Arctic zone of the Russian Federation (the Russian Arctic, the Arctic zone).

A study of the directions and problems of the development of the Russian Arctic shows the significant role of geographical science in the development and solution of national economic issues. The geographic approach creates the opportunity to justify the sustainable socio-economic development of not only the Russian Arctic but the entire state. It formulates strategic benefits for Russia both within the circumpolar zone and the Eurasian continent, and in the global economic space.

Conclusion

Currently, the Arctic from the world periphery is turning into a zone of close attention to many countries. In the 21st century, in Russia, the development of the state policy for managing the Arctic zone continues non-standard, extensive, with vast distances, with extreme climatic and socio-economic conditions of management.

The regulation system for the development of the Russian Arctic is characterized by historical continuity, and now it fits into the federal system of strategic planning. According to Decree of the Government of Russia dated December 26, 2015 No. 1449, action plans for the development of the Russian Arctic are reflected in the activity plans of the federal executive bodies, which should include a schedule of activities for the implementation of strategic planning documents. Decree of the Government of the Russian Federation “On the organization of project activities in the Government of Russia”. In conjunction with the order of the Ministry of Economic Development of the Russian Federation dated April 14, 2014 No. 26R-AU “On the Approval of Methodological Recommendations for the Implementation of Project Management in Executive Bodies”, they allow managing the development of the Russian Arctic on the principles of project management, incl. the formation and implementation of support development zones in the Arctic.
In current conditions, the task of adapting to the global economic trends in the economies of the Arctic regions of the Russian Federation, and state support for private and state projects for the development of the Arctic space is of particular importance. Currently, unified approaches to providing such support for projects implemented in the Russian Arctic are not developed. The solution to the problem may be the formation of support zones of development, which should ensure the establishment of a multiplicative effect not only for the Arctic but also for nearby territories. Thanks to measures of state and corporate support, the core of Russia’s policy in the Arctic is knowledge, innovative modernization in the name of national security interests, sustainable nature management, conservation of unique ecosystems, and the viability of local communities.

The basis of state policy aimed at sustainable socio-economic development of the Arctic region should be based on the following approaches:

- development of research activities, i.e., accumulation of knowledge about climate change, the impact of these processes on the socio-economic systems of the Arctic;
- resource efficiency, i.e., integrated extraction and use of fuel and energy, mineral and raw materials, aquatic biological and tourist and recreational resources;
- environmental conservation: the use of Arctic-oriented ecological standards and technologies, incl. international standards for assessing the environmental impact of ongoing and planned business activities;
- human orientation: provision to the public, incl. indigenous people, opportunities to meet social and cultural needs, the involvement of indigenous representatives in the process of making managerial decisions in the field of nature management and socio-economic development of their territories;
- innovation: creative solutions and innovative technologies based on international experience, interdisciplinary research, and education will ensure the safety of the population. Re-search superiority, the pace of creating new knowledge, and introducing innovative products into production are critical factors in ensuring the competitiveness and sustainable development of the Russian Arctic.

It seems appropriate to develop further Arctic-oriented approaches to the development of programs, regulatory legal, tax, financial, economic and administrative-organizational mechanisms to ensure the effective development of the Arctic spaces, attract investment, protect national interests, create new highly qualified jobs, and develop infrastructure, ecological safety of the population and the environment in the Arctic macro-region.
At the same time, the prevailing trends in the socio-economic development of the Russian Arctic, the need to diversify the region’s economy, and attract investments against the backdrop of sanctions and budgetary constraints determine the need to find new effective approaches to managing the region.


Abstract:
This article is devoted to the study of the investments and their transformation in the Arctic zone of the Russian Federation in the conditions of the crisis of the last decade. Current studies indicate the occurred as a result of economic shocks aimed at the implementation of the state Arctic policy, as well as the need for financial and technological constraints that require a retrospective analysis of investment activity in the Arctic zone. The study of investments in the Arctic zone of the Russian Federation in 2008-2017 has four stages identified: 2008 2010; 2011 2012; 2013 2014; 2015 2017. One may see that investments in the Russian Federation are due to quite sharp fluctuations and their uneven distribution across regions. The most significant volumes of Russian investments in the first phase were typical for regions partially located in the Arctic zone of the Russian Federation, and now for entirely Arctic areas. The same situation was until 2014 with foreign investments in the Arctic. However, after the start of the “sanctions war,” we observed a turning point. Foreign investments in the Arctic areas of the Russian Federation significantly decreased. The decline continues to this day. Predicted options for further investment development in the Arctic zone of the Russian Federation have an adverse scenario for the national economy.

Current & Relevant Information:

Introduction
The Arctic is one of the most resource-rich regions in the world, incl. hydrocarbons, which is of fundamental importance for the world community in the context of the gradual exhaustion of the continental resources. According to geologists, the Arctic disposes of about a quarter of global oil and natural gas reserves. Almost 75% of them are on the shelf of the Arctic Ocean. At the same time, the Russian Federation enjoys the most significant resource potential in the Arctic. The principal reserves of which are on the Arctic continental shelf (mainly in the waters of the Barents, Pechora and Kara seas). According to Russian scientists, “the reserves of oil, natural gas, and gas condensate in the Russian Arctic basin are comparable to the hydrocarbon provinces of the Middle East and Western Siberia and are more than 280 billion tons”. Also, the Arctic is rich with the other natural resources: the largest deposits of tin, nickel, lead, manganese, diamonds, etc.
Intensive reduction of sea ice, significantly accelerated over the past 30 years has opened up new opportunities for offshore mining and navigation development along the main Arctic transport corridors: The Northern Sea Route and the Northwest Passage. Thus, according to forecasts of American researchers from the University of California L. Smith and S. Stephenson, “due to the melting of an unprecedented amount of Arctic ice, the transport corridors in the Arctic Ocean will become more accessible by 2020, and shipping will be year-round by 2050”.

Thus, the new resource and logistical opportunities opening in the Arctic were the immediate cause of a surge in interest worldwide for this unique macro-region and naturally led to increased international competition for the development of the Arctic. It has led to the urgent need to develop a fundamentally new state policy of Russia concerning its Arctic territories.

Conclusion

Investments in the Arctic has always been extraordinarily uneven and unstable. They are directly related to large-scale projects for the extraction and processing of hydrocarbons. In the future, this leads to an investment recession after such projects or their suspension due to external negative phenomena, incl. stricter sanctions against Russian oil and gas sector. It follows that a balanced investment development of the Arctic zone of the Russian Federation requires large-scale institutional changes in the state Arctic policy and investment policy that will help attract resources and promote their practical use.

4. Environmental Protection:

“Environmental & Human Impact of the Northern Sea Route & Industrial Development in Russia’s Arctic Zone,” Diana Dushkova, Tatyana Krasovskaya, and Alexander Evseev, Arctic Yearbook, 2017 [75]

Abstract:

The consequences of global climate change are mostly portrayed as negative for environment and society, due to the warming in temperatures. However, there are certain benefits from this process as well. One of them is the opening of a polar shipping route between the Pacific and Atlantic oceans. The Northern Sea Route may cut travel time from Europe to Asia by 40% and allow Russia to export its vast natural resources much faster. Some expert assessments point out that remote northern Russian towns which have been experiencing economic depression in the transition period may turn to economic and social revival. But this process may entail new risks for fragile Arctic ecosystems and traditional nature management by Indigenous populations. Most discussions about Russia’s Northern Sea Route focus on shipping traffic, sea ice assessments and expected socio-economic benefits.
However, assessments of the impact of further industrialization for the adjacent coastal zone ecosystems and northern residents are still inadequate. Thus, this paper is aimed not only at analyzing the Russian Arctic zone development strategy connected with the Northern Sea Route, but also to highlight the broad spectrum of human and environmental consequences of these activities. Among them, impacts on the economy (national and regional), the environment and population (effects caused by navigation activity and industrialization as well as risks for the coastal ecosystems and Indigenous people) will be assessed.

Current & Relevant Information:

Introduction

Since the beginning of the 21st century the Arctic zone has attracted the attention of many states, including even those which are situated far from it (Germany, China, Japan etc.). This is explained by its richness in natural resources and cultural heritage, and its ecosystem functions and services which are important both at the regional and global scales. Russia is a northern state whose modern economy is closely connected with the economic development of the Russian Arctic zone (Overland, 2010; The Russian Federation Government Program, 2014). Its terrestrial limits were adopted after the President's decree in 2014. According to the Russian Federation’s Policy for the Arctic to 2020 (2009), the Arctic zone of the Russian Federation includes a part of the Arctic which involves, in full or in part, the territories of the Republic of Sakha (Yakutia), Murmansk and Arkhangelsk Oblasts (provinces), Krasnoyarsk Kray (provinces), Nenets, Yamal-Nenets and Chukchi autonomous districts, as well as internal maritime waters, territorial sea, exclusive economic zone and continental shelf of the Russian Federation adjoining such territories, areas and islands. The terrestrial area of the Arctic zone is about 3,700,000 km² and the population is about 2.5 million (encompassing only 2% of the Russian population but more than half of the population of the global Arctic region) (Rosstat, 2015).

The impact of global climate change has certain benefits for the Arctic zone. One of them is the opening of a polar shipping route between the Pacific and Atlantic oceans. Several important documents concerning economic and social development of the Russian Arctic zone were adopted recently (SAP, 2009; State Program..., 2014; Strategic planning..., 2013; The Federal Law..., 2012; The rules..., 2013). Among the priority targets mentioned in those documents are the revival and development of the Northern Sea Route (NSR), commercial use of the new transport corridor, reconstruction of coastal infrastructure, development of innovation centers etc. (Figure 2) (State Program..., 2014). The NSR is defined as lying between the Kara Gate, at the western entry of the Novaya Zemlya straits, and the Provideniya Bay, at the southern opening of the Bering Strait, for a total length of 5,600 km. There are multiple shipping channels (lines), and the NSR crosses through waters of varying status: internal, territorial and adjacent waters, exclusive economic zone, and the open sea (The Northern Sea Route Administration, 2013). The NSR has
been historically important to Russia both economically and socially, especially in the soviet period when it was used solely as a domestic sea route, being closed to international shipping. Today, under conditions of global warming as Arctic ice continues to melt, the NSR is becoming more accessible for navigation (Zalyvsky, 2015). Moreover, Russia has significant interest in transforming the NSR into a strategically important sea line of communication opened to international trade (Strategic planning..., 2013). The NSR may cut travel time from Europe to Asia by 40% and allow Russia to export its vast natural resources much faster (Zalyvsky, 2015). Some expert assessments point out that remote northern Russian towns that have been experiencing economic depression since the period of transition of the 1990s to the early 2000s, may potentially experience economic and social revival (Gordeev et al., 2011; Kuzmenko & Selin, 2014; Zalyvsky, 2015; Zelentsov, 2012). New economic clusters will be formed, including transportation, providing modern infrastructure.

*Figure 2.* Variants of the Northern Sea Route – shipping corridors (Source: Heininen et al., 2014)

At the same time all of the documents concerning economic and social development of the Russian Arctic zone mentioned above include special sections concerning the connected environmental and social aspects of the economic development plans. They outline activities directed at nature conservation and support for Indigenous populations. In this connection, it is necessary to study the possible negative effects on local populations for monitoring and control.
Most discussions about Russia’s NSR focus on shipping traffic and sea ice assessments and expected benefits (Lasserre, 2014; Meng et al., 2017). However, assessments of the impact of further industrialization at the adjacent coastal zone ecosystems and northern residents are still inadequate. Thus, the paper is aimed to analyze the Russian Arctic zone development strategy connected with the NSR and to highlight a broad spectrum of human and environmental consequences of these activities. Among them, the impact on the economy (national and regional) and environment (effects caused by navigation activity and risks for the coastal ecosystems) were assessed. In addition, the consequences that the process of Northern Sea Route development may entail for traditional nature management of Indigenous people as well as human health and well-being of other populations are analyzed.

The study presented in this paper is based on an analysis of Russian Federal and regional documents relevant to the topic. They include social-economic development programs, Indigenous population support documents, regional reports on environment and human health assessments etc. (e.g., Russian Federation’s Policy for the Arctic to 2020 (2009), State Program “Social-Economic Development of the Arctic Zone of the Russian Federation up to 2020”).

Conclusions

The activization of national and international interests in the Northern Sea Route occurred due to modern geopolitical processes and economic developments of the Arctic zone in the Russian Federation and worldwide. According to our analysis, the NSR renovation presents both benefits and problems in the coastal zone. Benefits are connected with the economic development of the Russian Arctic, an increase in international trade, the appearances of new employment opportunities for local populations, new technologies, etc. The integration of regional ports and towns within the NSR to the economic development of the Arctic, of course, will be essential for optimism and business promotion, the civic engagement of business and the local populations, and the formation of alternate public opinions about these remote territories (Zalyvsky, 2015). However, its development may also cause some negative impacts such as environmental degradation due to regular oil spills, deterioration of living conditions of local populations (i.e., local landowners, disruption of the traditional land use of the Indigenous population), increase security dilemmas and accelerate climate change (Heininen et al., 2014). New strategic development plans of the NSR’s development demonstrate awareness of these potential problems and outline general approaches to mitigate them. That is why the study of these problems is urgently needed now, in order to elaborate practical measures. Of special importance among them are detailed assessments of the adaptive capacity of traditional land users and the accumulated traditional knowledge for dealing with environmental risks, especially to loss of traditional culture and social identification. Based on the analysis of current state economic and
political interests, one may conclude that Russia is open and willing for cooperation with foreign partners that can contribute to exploiting Arctic natural resources, developing sea routes and solving the numerous socioeconomic and environmental problems of the region (Heininen et al., 2014). One of them is appealing to the administration of the NSR as the main state supervisor and the subject of Arctic shipping organizations to ensure the rational use of the NSR, and provide for the ecological safety of the environment and local Arctic communities (Zalyvsky, 2015).


Abstract:
The article is focused on the current research trends in the field of environmental protection and security in the Arctic. This means the development of Arctic environmental safety strategies for the period until 2030, pollution and the environmental situation in the Russian Arctic, use of strategic environmental assessment (SEA) for the major infrastructure projects in terms of their impact on the Arctic environment and the possible damage, an environmental atlas of the Arctic zone of the Russian Federation within the project of the National Atlas of the Arctic. An assessment of the dumping impact (waste disposal in the sea) on the environment of the Arctic and indigenous peoples, taking into account the transboundary transfer of pollutants. All the tasks of the environmental damage elimination could be solved by special programs. The authors also formulated the possible outcomes of the proposed research in the Arctic.

Current & Relevant Information:

**Arctic Environmental Security Strategy until 2030**

Assessment of anthropogenic pollution and analysis of the environmental situation within the Russian Arctic reveals the most significant problems, solution of which determines the strategic directions for the Arctic environmental protection. These include:

a) The unsatisfactory condition of a number of areas outside the industrial zones on the Kola Peninsula and Taimyr, water objects, including sources of drinking water and poor quality of drinking water.

b) Threatened species diversity of flora and fauna, and especially the preservation of rare and endangered species, hunted species of animals, socially significant flora areas and berries.

c) Land degradation, including natural grasslands.

d) Cross-border pollution of the atmosphere and ocean.
e) Radioactive pollution of the environment.

Production and transportation of hydrocarbons in the Arctic regions of Russia and the basins of the major Siberian rivers create powerful anthropo-technological impact not only on terrestrial ecosystems, but also begin to exert significant pressure on the Arctic marine ecosystems through a system of river flow. Some inland areas of the Russian Arctic are characterized by strong transformation of the natural geochemical background, atmospheric pollution, degradation of vegetation cover, soil and ground, inclusion of pollutants in the food chains, increased morbidity of population.

There are four major areas of the environmental stress: Murmansk region (10% of the total emission of pollutants), Norilsk agglomeration (more than 30% of the total emission of pollutants), oil and gas fields in Western Siberia (30%) and the Arkhangelsk region (a high degree of pollution with so-called specific substances). Cities in Arctic zone are always present in the list of cities with significant air pollution. Among the industries related to pollution, the first place is occupied by steel and mining in Norilsk, Monchegorsk, Pechenga, Zapolyarny, Olenegorsk, Kandalaksha, Talnakh, Kovdor, Deputatskoe, and others. Despite the economic downturn of the 1990s, the area of pollution is growing slowly due to the disproportionate reduce of production and inertness of natural processes. Centers of mining and metallurgical industry are characterized by elevated levels of toxic accumulation in ecosystems, increased morbidity, cancer and skin diseases. Mining and primary processing of raw materials in the Arctic leads to mechanical disturbance of soils mainly in the permafrost areas, as well as the pollution of underground and surface-waters with the air strontium compounds, heavy metals (especially mercury) and oil.

A particularly high load is observed in the tundra landscapes, forest tundra and northern taiga in Western Siberia and Bolshezemelskaya tundra. The number of accidents at the individual fields is not the same, but it is directly related to the size of deposits and consequently the overall of industrial facilities in its territory, duration of operation, the technical density loads on the territory. Each of them is a potential source of negative effects on the environment.

Annual number of leaks of oil carbohydrate is extremely high. Consequently, in the oil producing regions accumulate a significant amount of petroleum hydrocarbons and their contents in soil during the extraction and operation of pipeline systems. The volume of possible concentrations of the bituminous substances in soils of the northern Russia ranges from several g/kg to several hundred g/kg. The total load on the environment of the oil-producing companies, concentrated in the Arctic regions, determines the seriously threatening chronic pollution of the Arctic Ocean, which over time, with a high degree of probability, can lead to destabilization of the ice cover of the Arctic and the severe global consequences.
In order to resolve issues of environmental security in the Arctic, we need the efforts of not only of the Russian organizations but also countries interested in the development of the Arctic. Cooperation of the eight Arctic states officially began in 1989 when in Finland in Rovaniemi the Environmental Protection Conference took place and it was attended by ministers from Canada, Norway, the Soviet Union, the US, Denmark, Sweden and Iceland. The conference adopted environmental strategy for the Arctic and the founded an integrated approach to ecological cooperation in the region for the eight Arctic states.

Currently in the Arctic zone of the Russian Federation it is planned to perform a large-scale infrastructure projects, as well as raising the level of hydrocarbon and bio-resource use, strengthening the national security. In this regard, it is relevant to unite the efforts of the authorities in the environmental protection of the Arctic. But the analysis of strategic documents issued by a number of Russian ministries and departments shows that the issues of environmental protection, ecological safety in the Arctic are poor reflected or do not visible at all.

Development of “Environmental Security Strategy of the work on the development of the Arctic for the period till 2030” will coordinate the activities of federal and regional authorities, sectoral ministries and organizations on the basis of the relevant program (subprogram), modern trends aimed at stabilization and rehabilitation of the Arctic environment, including the possibility of “green” economy, adaptation of people and industries to climate changes and attraction of business to address the elimination of accumulated environmental damage. At the same time, it should be noted that in the northern regions we already have similar types of documents.

Conclusion

Summarizing all said above, it is relevant to underline the following directions for research and environmental security measures in the Arctic:


2. Carrying out a strategic environmental assessment of policies and programs, large infrastructure projects in terms of their impact on the Arctic environment and possible damage.

3. Creating environmental unit within the National Atlas of the Arctic taking into account the areas of environmental sensitivity to oil spills and other negative impacts on the environment.

4. Evaluation of the impact of dumping on the Arctic environment, social and living conditions of indigenous peoples, taking into account the transboundary transport of pollutants.
5. Development of a program (subprogram) for elimination of accumulated environmental damage in the Arctic.

Implementation of the proposed research will contribute to:

a) improvement of the ecological status of the Russian Arctic and North;

b) the conservation of biological diversity;

c) the implementation of international commitments, improvement of the country’s environmental image;

d) the creation of conditions for replication of experience on cleaning the Arctic territories in other regions;

e) the effectiveness of the state property use (functioning of the Northern Sea Route, fisheries and eco-tourism).

“Introduction of Innovation Technology as a Factor in Environmental Modernization in Russian Arctic,” Svetlana Arturovna Lipina, Konstantin Sergeevich Zaikov, and Aleksandra Valerevna Lipina, Economic and Social Changes: Facts, Trends, Forecast, 2017 [77]
http://library.vscc.ac.ru/Files/articles/1496642226_164180_eng.pdf

Abstract:

The paper considers the fundamentals of formation and realization of the modern Russian state environmental policy in the Arctic and analyzes environmental threats and challenges, including the impact of the mining and metallurgical complex on the environment. Coal industry and ferrous and nonferrous metallurgy are considered to be major producers and accumulators of waste. In the smelting of metals slags are formed, which are based on oxides. Sulfur oxides occupy one of the first places according to their negative impact on the environment. The present paper considers environmentally responsible business models in the Arctic, when the priority in management decisions is given to the issues of preserving nature and not just making profit. The main environmental issue is associated with the accumulation of waste in the places of concentration of objects of industry, transport, energy and social sphere in the confined spaces in those areas of the Arctic, where mineral deposits are exploited, raw materials are processed and transported. The industrial processing of secondary resources and recycling of sulfur in accordance with the principles of green production (recycling) are of special scientific interest. The authors propose the following innovative methods for solving the problems of ecological modernization in the Arctic zone of the Russian Federation: utilization of sulfur-containing waste, recycling of technogenic wastes; the paper also analyzes operational and physical-mechanical properties of sulfur-extended asphalt concrete and sulfur concrete, and the possibilities of production of a new generation of building materials and road surfaces. High consumer properties of sulfur-containing
construction materials – low cost of raw materials, workability of sulfur concrete and mortar mixes, fast development of strength, resistance to radiation and other aggressive environments, high frost and water resistance – make them competitive with traditional building materials that often cannot withstand the difficult climatic conditions of the North. The use of sulfur-containing waste in various economic sectors in the Arctic zone will significantly reduce the cost of products and designs and will contribute to the solution of one of the most important tasks of our time – protection of the environment from industrial pollution.

Current & Relevant Information:

Currently, the priority of the state environmental policy in the Arctic is the conservation of unique Arctic ecosystems, decontamination, the study and protection of valuable natural areas and ecosystems from the negative impact of economic and other activities. The importance of studying and ensuring environmental safety for natural objects and ecosystems of the Arctic zone in Russia is stated in the Principles of State Policy of the Russian Federation in the Arctic for the period up to 2020 and further approved by the President of the Russian Federation September 18th, 2008 (Order no. 1969).

The authors consider the following environmental challenges and threats in the Russian Arctic Zone (RAZ): deteriorating pollution and environmental components amid the increasing human-induced impact, accumulation of waste and pollutant burden through transboundary transfer, the risks and costs of natural resource development, high depreciation of fixed assets, global climate change and its impact on the distribution of permafrost zones, dangerous hydrometeorological, ice and other natural processes, the increased risk and damage from these processes, technological accidents.

The priority "hot" spots and impact areas by location of environmental challenges directly in the Arctic natural areas characterized by presence of natural objects and ecosystems vulnerable to any human induced impacts are the following (Strategic Action Plan – the Arctic Zone, 2009): in the Murmansk Oblast – Murmansk, Zapolarny and Nikel; the Kola and Pechora bays in the Barents sea; the Gulf of Ob and the Yenisey Bay in the Kara sea; in the Yamalo-Nenets Autonomous district – the Uamburg and Urengoy deposits; in the Chukotka Autonomous district – the village of Pevek and the Bilibino complex. For the RAZ municipal units it is prior to identify environmental threats on their territory. The increased environmental risks are associated with the development of the marine and coastal economic activity and concentration of the defense and border infrastructure. On the Arctic coast, major cities and settlements are situated. It is prior to identify the environmental threats in “hot” spots located outside RAZ territory and having an adverse transboundary impact on the Arctic territories. The ecosystems of inland sea waters are most affected by humankind. The strongest human induced impact on Arctic seas are focused on their shores, bays and in coastal waters. The main
environmental problem associated with waste accumulation in sites where industrial, transport, energy and social objects are concentrated in confined Arctic spaces with mineral deposits and raw materials processing and transportation sites. It should be noted that the sources of environmental pollution, production and consumption wastes in the Arctic are mainly located in settlements, on industrial, defense, energy and transport sites. Significant amounts of pollutants were accumulated in the 1930–1980-s during the period of global intensive industrialization, large-scale mineral extraction which remains relevant nowadays.

The main negative changes in Arctic landscapes are associated with the following reasons:

– economic development which does not match the environmental capacity of the natural environment amid absence of adequate rehab measures;

– non-diversified range of using natural resources from territories with predominant extractive industries;

– increased natural-technological risks amid the development of alternative forms of land use (transportation, mineral extraction, fishing, traditional resource use).

Latest research of the Arctic has helped identify the territories with major changes and environmental destruction. These negative processes are related to pollution of surface and coastal marine and river ecosystems with heavy metals, petroleum products, organic compounds of different origin, sulfur and nitrogen compounds, etc., mechanical soil deterioration, overgrazing on reindeer pastures. Crisis situations have developed in the West Kola, Central Kola and Norilsk districts, critical situations are observed in Arkhangelsky, Timan-Pechora, Novaya Zemlya, Vorkuta districts and tense – in the West and East Chukotka and in the Yana-Indigirka (near Deputatsky urban-type settlement) districts that are still developing. The situation in the Bilibinsky District is currently characterized as potentially adverse, but with probable accidents of different scale at nuclear power stations the situation can instantly be changed to catastrophic (this applies to nuclear power plants in the Kolsky district), which became the basis for the choice of this impact area.


Abstract:

The Barents Sea has long been a testing ground for cooperation between Russia and Norway. Driven by mutual economic interests, the two states have worked together in previous decades to oversee a shared commercial fishery. More recently, off-shore oil production has become a Russo-Norwegian focus. Emerging petroleum
production provides an opportunity to assess environmental stewardship in the region. In particular, this study explores the differences and influences in Norwegian and Russian offshore oil-spill prevention policy in the Barents Sea. The study focuses on how each state’s national and economic strategic objectives translate into domestic policy, and how such influences are reflected in operational mandates and behavior. Principal-agent (a.k.a. agency) theory and case studies provide the framework for this study through a defined view of the contractual relationships between the governments (principals) and industry (agents). Findings indicate that 1) there is no mutual policy for the shared environment, 2) there should be, and 3) divergent issues can be identified and potentially overcome. Additionally, the approach to prevention policy by Russia’s governmental authorities yields concerns regarding operational intent while Norway’s public-sector principles likely instill more confidence in outcomes. As the Barents Region continues to foster a convergence of bilateral (and multilateral) interests, this study helps identify relevant prevention policy decision-making factors while contributing to further understanding and expectations for activities in the Barents Sea.

Current & Relevant Information:

Introduction

For decades, Russia and Norway successfully worked together, despite occasional conflicts, to manage a world-class fishery. One area presenting significant challenge has been the disputed maritime territory known as the “Gray Zone,” which accounted for twelve percent of the Barents Sea total area. As Russian and Norwegian interests shifted from fish to offshore oil and gas production due to expanding exploration activity, Russia and Norway addressed their Gray Zone dispute with the Barents Delimitation Agreement in 2010. The distinct motivation for this agreement, supported by numerous sources, including the national strategies for both states, strongly indicates ambitions to protect fisheries, often with implicit acknowledgement to energy exploration and production as an underlying factor, possibly only minor (Filipek & Hruzdou, 2011: 231; Henriksen & Ulfstein, 2011: 8-9; Jensen, 2011: 158; Moe, Fjærtoft, & Øverland, 2011: 150-152; Neumann, 2010).

Interest and investment in Barents Sea offshore production clearly increased in the last decade. However, the international community lacks a clear understanding of how both nations intend to approach production risks. Given recent Barents Sea oil production and exploration increases and the likelihood of expansion in the future, it is an apt time to explore Norwegian and Russian offshore oil-spill prevention policy. To what extent do Norway and Russia coalesce in their oil spill prevention policies in the Barents Sea? What explains congruence or variation in their approaches? As joint stewards of the Barents Sea, with statutory requirements regarding any cross-boundary reserves in place, it is appropriate to analyze and compare their regulatory regimes to identify factors that shape oil-spill prevention policy development and implementation.
Currently, both Russian and Norwegian oil project leads in the Barents Sea are state owned. Accordingly, a principal–agent framework offers a useful lens to examine potential outcomes for this study where the principal is the state and the agents are the oil companies. Under this framing, national interests informing oil production strategies likely play a significant role in oil-spill prevention policies. In particular, Russia and Norway’s differing geopolitical goals offer significant insight into the respective motivations behind each nation’s oil-spill prevention policies, and may even inform expectations. This argument emphasizes three key points explored in detail throughout the article: 1) no shared prevention policies exist for the shared Barents maritime regions, 2) shared policies should be established as a result, 3) divergent aspects can be identified and overcome in order to achieve mutually beneficial (shared) policies. The findings reveal the potentially leading cause of discrepancy indicating that, as principals, Norway largely enforces high standards over production operations to maintain a stable domestic economy, while Russia employs its energy production capabilities to expand global influence.

This study reviews the relevant context concerning petroleum projections, oil spills in the Arctic, prevention policy fundamentals, and the history of Norwegian and Russian energy policies. Additionally, a case study of each nation will serve as the basis of this inferential study.

**Conclusion**

Although a performance-based versus prescriptive-based approach to prevention goals could theoretically produce the same desirable results, that is not likely the situation for the Barents Sea. The principal-agent theory used in this study provided a focused method for considering how state and industry decision makers may determine and focus offshore production policy strategies. The framework and aggregate-level case study methodology helped establish individual policy circumstances for Norway and Russia, which allows further consideration of overlapping issues and expectations more reliably.

The research question posed in this article considers the extent as well as reasons explaining the divergent policy approaches for Norway and Russia. Both face significant bilateral deliberations ahead for elements of their shared maritime region. The article provides compelling evidence that no shared policy exists for offshore oil-spill prevention, yet there is a clear need for one. The goal of this study was to offer a focused insight into strategic influences that might contribute to understanding and expectations. Furthermore, the article helps to identify where issues diverge and ways to develop recommendations for overcoming difficulties in establishing joint solutions through shared policy.

Individually, Norway’s system, by design, facilitates petroleum activity by promoting a methodology of “governing within” (Nordtveit, 2015: 155) whereas Russia prefers a top-down style of governance. Moe (2010: 245) describes very different constraining
forces between Russia and Norway with regard to offshore development in the Arctic. In Norway’s case, self-imposed constraints, driven by discernable national interest, translate into environmental precautions that determine the pace of development and otherwise control oil production activities in favor of safety. Alternatively, Russia has lofty global objectives and requires energy revenues to realize them. The oil industry supports these goals through less prudent, or restrictive, and more permissive practices to maximize production levels.

Overlapping concerns reveal that separate systems and processes may need to be addressed through policy partnership efforts to reduce incompatible factors that transcend state antecedence. While accounting for relevant facts and assumptions, filtering primary actors through principal-agent theory facilitates efforts to identify policy limitations as well as areas to strengthen policy cooperation. Regional perspectives make matters even more complicated. For example, European Union officials, on no less than three separate notable occasions, negotiated to impose a variety of significant restrictions on Arctic offshore activities, including an Antarctic-like treaty as well as total drilling bans (Council of the European Union & European Parliament, 2013; European Parliament, 2008; Stępień & Raspotnik, 2017). Such efforts have failed thus far. Especially notable was the demise of the concept for the Antarctic-like treaty, soundly marginalized after the “Arctic Five” (Canada, Denmark, Finland, Russia, and the United States), signed and reaffirmed the Ilulissat Declaration in 2010 and 2012 respectively, announcing clearly to the world that UNCLOS remains the instrument of choice to manage Arctic maritime sovereignty issues.

Canadian scholar Michael Byers (2013) presented an enduring and compelling assessment of existing environmental agreements and efforts, stating that “more cooperation is needed, and quickly, on regional standards for oil spill prevention.” Such sentiment essentially represents the current circumstances for the Barents Sea. As industrial activity in the Barents Sea predictably grows, continued research can provide much needed and value-added perspectives for any number of complex political and economic dynamics. Finally, in the relatively early stages of energy production in the Barents maritime environment, further exploration of national interests and resulting behaviors emphasizes the need to contribute additional knowledge that helps foster cooperation and policy development.

“How Is Climate Change Shaping Russia’s Arctic Policy and Activities?,” Pavel Devyatkin, The Arctic Institute, 19 July 2022 [79]

Overview:

Climate change is one of the greatest challenges of our century and Russia is one of the most affected countries. This chapter explores how immense transformations of the Arctic environment are reflected in the rhetoric and activities of Russian Arctic
The focus is on climate change and its effects on cooperation and diplomacy with other nations, security concerns, energy and natural resources, and shipping and transport.

Current & Relevant Information:

Reports published by the Intergovernmental Panel on Climate Change (IPCC) reveal that climate change is affecting the whole world. Perhaps the most impacted region is the Arctic, generally defined as the polar region in the northernmost part of Earth above the 66°33'N latitude line. The effects of global warming are noticed sooner and with more severe consequences in the Arctic. These include melting sea ice, thawing permafrost, eroding coastlines and extreme weather. A 2022 report from the Russian Federal Service for Hydro-meteorology and Environmental Monitoring found that average temperatures along the Russian Arctic coast have increased by approximately 5 degrees Celsius since 1998. Air temperatures have been rising at a rate three times the global average over the past few decades, in part because of a phenomenon known as Arctic amplification, that is, the loss in sea ice that gives way to a darker, more heat-absorbent ocean.


Abstract:

Russia is one of the most important players in the Arctic zone with significant economic, security, and political interests in the region. This is primarily because of significant natural resources, in particular oil and gas, on the Russian Arctic territories. Paper is devoted to the research of development of the Arctic zone of the Russian Federation, particularly to the investigation of legal regulation of the region development and innovation infrastructure of the Arctic zone. The objective of this paper is to develop main principles of innovative development of the Russian Arctic from a perspective of legal regulation and innovation infrastructure development, taking into account crucial role of mineral resource complex for the Russian Arctic. Necessity of innovative development of the Arctic region is defined. The analysis of legal and regulatory framework of the Arctic development as the basis of innovative activity in the region is carried out. The main approaches to development of innovative infrastructure of the Arctic region are represented. As a result, we offer
the approach to creation of innovation infrastructure in the Arctic and main principles of development of mineral resources complex of Russian Arctic, based on effective legal regulation and innovative development of the region. The main problems of innovative development of the Arctic region are revealed and the directions of further scientific research are defined.

Current & Relevant Information:

Introduction

The Arctic zone of Russia is the part of the Arctic under the jurisdiction of the Russian Federation.

According to “The Strategy of the Arctic zone of the Russian Federation development and national security system for the period till 2020”, complex socio-economic development of the Russian Arctic zone, realized through the effective progress of science and technology, i.e. innovative development, is one of the key directions in development of the Russian Arctic zone.

The majority of the proven reserves and forecast resources of Russia is located on the Arctic territory that defines its strategic importance. It produces more than 96% of the platinum metals and more than 90% of nickel and cobalt; it is extracted about 80% of Russian gas and 60% of oil, about 60% of copper. In different raw material production (nickel, cobalt, diamonds, platinum metals, oil and gas, rare earth metals, etc.), the Russian Arctic plays a significant role in the world. And the more complex are the conditions for the extraction of resources - technological, climatic, mining and geological, geographical, etc., the more implementation of scientific research and innovations is required.

Development of the Russian Arctic Shelf, characterized by really high capital intensity (for example, drilling offshore in 3–5 times more expensive than on land), requires new scientific based approaches to sustainable long-term development of the Arctic territories in the light of technological, economic, legal, and social issues.

The special role in this issue is assigned to up-to-date extraction technologies and oil and gas recovery technologies, providing energy effectiveness and ecology safety, and also to the innovative development of the Russian Arctic zone, based on effective legal regulation and development of innovation infrastructure on these territories. Due to the fact that Russia’s mature hydrocarbon sources in Western Siberia are slowly drying up, extensive strategic importance of the Arctic hydrocarbons considerably increases. In this paper we investigate modern development of the Russian Arctic zone by analyzing the existing legal regulation in Russia related to Arctic development, as well as the level of development of innovation infrastructure in the region. As a result, we offer the approach to creation of innovation infrastructure in the Arctic and main principles of development of
Conclusions

Therefore, the Arctic region of the Russian Federation is strategically important for the State development due to its unique mineral raw material base, prospects of the logistics and infrastructure development and other factors. The development of the Arctic zone requires innovative approach to all spheres. Only development and implementation of effective legal basis supported by particular plans, system of monitoring and control, as well as effective use of significant investments, aimed at the comprehensive development of the region, can make achievement of the assigned tasks possible.

Moreover, now legal documents on regulation of the development of the region and innovation activities have rather declarative nature. The effective development of the region requires the adoption and justification of specific activities and measures, taking into account all the geographical, climatic, demographic, economic and social conditions of the separate entities of the Russian Federation Arctic region. Tightening of the State control over the innovative policies in the territorial entities, especially in cases of financial resources distribution is a prerequisite.

“Infrastructure in Russia’s Arctic: Environmental Impact and Considerations,”
Thomas E. Rotnem, Wilson Center, November 2021 [81]

Overview:

In 2007, Russia signaled its commitment to pursue territorial claims in the Arctic by planting a titanium Russian flag on the polar seabed. Now, Russia is moving well past symbolism and has developed concrete plans and goals for its entire Arctic region. Russia is preparing to pay significant economic and environmental costs to bring these plans into reality.

Current & Relevant Information:

Background

Since 2008, with the publication of the regime’s first Arctic strategy, a slew of official documents have been published, each with the intent to delineate Russia’s specific plans for its Arctic Zone (AZRF). Russia’s Arctic policies center on three main goals: developing oil and gas deposits in the AZRF, extracting mineral and other resources, and creating a transport infrastructure that will shepherd all of these to world markets. As Arctic waters warm perhaps faster than once thought possible, Russia’s Northern Sea Route project (NSR) becomes imperative for the latter goal, since it
creates a 3,500-mile cargo and container transit corridor between the Pacific and Atlantic oceans.

To support the project, investments in a powerful new class of nuclear-powered icebreakers, underwater laying of fiber optic cables across the entire NSR, new and upgraded search and rescue stations, and map surveying of seabed along the NSR aquifer are all underway. Noteworthy onshore investments are also being made in the “feeder network” of rail, roads, and port facilities that will one day supply the NSR with the cargo and container goods that may help the Kremlin reach its goals of an annual 80 million tons transiting the NSR by 2024.

It is truly startling to consider the number and scale of the projects being developed or planned in the near term in this feeder network. Rosatom’s director, Aleksei Likhachev, recently said the NSR feeder network projects are “perhaps developing at an even faster tempo than we had planned.”

Yet, these same onshore developments may have serious repercussions for the environment and people living in Russia’s sensitive Arctic region. Although only 2.5 million people live in Russia’s sparsely populated AZRF, last May’s huge diesel spill by a Nornikel subsidiary in the Taimyr Peninsula negatively affected indigenous populations living along the Ambarnaya River. This tragedy may prove to be a cautionary tale for the government as it builds out the NSR feeder system.

Conclusion

Among gargantuan economic plans devised by Soviet or post-Soviet governments, the full development of the Northern Sea Route commercial artery stands out as one of the biggest long-term construction projects ever undertaken. The goal of reaching 80 million tons of cargo delivered along the route by 2024, and 150 million tons by 2030, are regularly trumpeted in official speeches. At the beginning of the Eastern Economic Forum in Vladivostok in September, President Putin announced that regular year-round cargo transportation between St. Petersburg and Vladivostok would start on a test basis in 2022. Yet, container transit between Asia and Europe will perhaps only amount to a quarter of the 80 million target by 2024. To reach Putin’s oft-mentioned goal, the remaining cargo will have to come from within Russia’s resource-rich northern regions, borne along feeder networks of rail, road, and river transport.

In the last year, a mixture of Russian public and private investment monies have funded the development of new railway, road, and port improvements in the AZRF, as well as new Far North mining, oil, gas, and other projects, ventures that will soon deliver additional cargo to the NSR. What will the impact be upon Russia’s environment in the Arctic? Despite an apparent authentic government focus on environmental problems more recently, it is doubtful that a real “greening” of the government’s plans in the Arctic will come to pass.
Overview:

President Vladimir Putin has declared a state of emergency in a region within the Arctic Circle in far northern Russia.

The move comes after 20,000 tons of oil leaked into a river from a power plant.

The plant is operated by a subsidiary of Norilsk Nickel, a leading palladium and nickel producer.

Current & Relevant Information:

President Vladimir Putin has declared a state of emergency in a region within the Arctic Circle in far northern Russia after 20,000 tons of oil leaked into a river from a power plant.

The spillage occurred on May 29 [2020] when the “oil products” leaked from a tank in an industrial plant operated by a subsidiary of Norilsk Nickel, the world’s largest producer of palladium and one of the largest producers of nickel, platinum and copper.

“The accident took place at the industrial site of the Nadezhdinski Metallurgical Plant, and part of the spilled petrochemicals, a considerable amount actually, seeped into the Ambarnaya River,” Putin said as he discussed the incident with officials on Wednesday, according to the Kremlin. He questioned the measures being taken to clean up the fuel leak that took place near the city of Norilsk in the Krasnoyarsk region, within the Arctic Circle.

Discussing how news of the spill emerged in the televised meeting, Putin was reportedly shocked to discover that local authorities had only learned of the incident from social media two days after it happened, and he admonished the region’s governor Alexander Uss, Reuters reported.

“What are we to learn about emergency situations from social networks? Are you alright health wise over there?” Putin said, the news agency reported Wednesday. He then reportedly supported a proposal to declare a national state of emergency in the area as it would assist the clean-up effort.

Norilsk Nickel said on its website that “the accident was caused by a sudden sinking of supporting posts in the basement of the storage tank” and that emergency teams “immediately arrived to the site to start clean up works.” It said the spill happened in a remote area and that no local community had been impacted.

“A regional emergency situation has been declared in the city of Norilsk and Taymir region. An emergency response team has been set up chaired by the city mayor of
Norilsk,” the company said, adding that it was trying to limit damage to the local environment. It said a special team had been brought in to deal with the oil spill.

“In total, Norilsk Nickel has mobilized 250 personnel and 72 equipment items to work on the liquidation. As of June 3, a total of 262 tons of diesel fuel has been collected near HHP-3 (the power plant), a total of 800 cubic meters of contaminated soil has been removed and approximately 80 tons of fuel has been collected from the spill to Ambarnaya river,” the company said.

Russia’s Investigative Committee has launched a probe into the incident that has “caused pollution and environmental damage,” it said on its website. A manager at the site has been detained, it said.

5. Potential Detrimental Impacts:


Overview:

While Russia remains chair of the Arctic Council until May 2023, the other seven member states have suspended their participation in response to Russia’s invasion of Ukraine. The impacts on Moscow are multiple. Politically the move sidelines a policy area where Russia still played a significant role after the collapse of the Soviet Union. Economically it creates question marks over important Russian Arctic projects and their markets. The interruption of the Council’s work also touches the interests of other states such as China and erodes Russia’s standing in the region. All Western partners have suspended scientific and research cooperation. While Russia is especially vulnerable to the impacts of climate change in the Arctic, the disruption of climate-related research is ultimately detrimental to all nations. In the military sphere, Finland and Sweden are seeking to join NATO. That outcome would double the length of Russia’s border with NATO states, and represents the exact opposite of Moscow’s original intention to halt the Alliance’s expansion.

Current & Relevant Information:

The work of the Arctic Council has always been based on the fundamental principles of sovereignty, territorial integrity and consensus. In response to Russia’s invasion of Ukraine the other seven Arctic states declared that they would not be sending representatives to the Council’s meetings in Russia, although they remained convinced of the value of Arctic cooperation. The joint statement issued by Canada, Denmark, Finland, Iceland, Norway, Sweden and the United States spelled out the implications: “Our states are temporarily pausing participation in all meetings of the Council and its subsidiary bodies, pending consideration of the necessary modalities that can allow us to continue the Council’s important work in view of the current
circumstances”. In practical terms, all activities of the Council and its working groups are in abeyance. Russia’s Arctic ambassador Nikolai Korchunov said that was “regrettable” and called in vain for the Arctic to be excluded from “the spill-over effect of any extra-regional events”.

Research on ice

The Alliance of Science Organizations in Germany condemned the Russian invasion as “an attack on the elementary values of freedom, democracy and self-determination that form the basis for academic freedom and scientific cooperation”. It recommends that “scientific cooperation with state institutions and business entities in Russia should be frozen with immediate effect, Russia should be excluded from all German research funding and all scientific or research-related events should be cancelled. New collaborations should not be initiated at this juncture.”

Russian-American polar bear research and the long-term climate data series are veritably frozen, as is the decades-old German-Russian scientific collaboration in Siberia. The entire Arctic Zone of the Russian Federation (AZRF) is now out of bounds to Western researchers. They have lost access to important facilities in the Russia Arctic, and in some cases had to end personal relationships going back decades. More than seven thousand Russian researchers and scientific journalists signed a petition against the war, understandably fearing that Russia faces years of isolation and ostracization.

The Arctic represented one field where Moscow’s international status was unaffected by the collapse of the Soviet Union. Its chairmanship of the Arctic Council could have offered Moscow an opportunity to confirm that role and present its Arctic research successes to a global audience. The first research station on a drifting ice floe was created by Soviet researchers in 1937. Now a modern version is under construction, an 83-metre research platform named North Pole. Its trials in autumn 2022 could have been the high point of the Russia chairmanship. Beginning in 2023, the new platform is due to drift the Arctic Ocean for up to 24 months at a time with a team of thirty-four researchers on board (plus a crew of fourteen). Russia will use the data it gathers to back its territorial claims in Arctic waters, and the station itself leverages the normative power of the factual: in the Arctic, simple presence is a decisive factor.

Uncertain prospects for the Arctic Zone as a national resource base

As an integral part of the Russian Federation, the AZRF is of great geostrategic and economic importance. According to Vladimir Putin, the region holds “a concentration of practically all aspects of national security – military, political, economic, technological, environmental and that of resources”.

The Kremlin’s sights are set correspondingly high. To date however, as demonstrated in an SWP Research Paper, its aspirations are hindered by the heavy
bias towards fossil fuels in socio-economic development planning, the reduction of the Northern Sea Route to fuel transport, and the high costs incurred by military measures against fictitious enemies, avoidable environmental disasters and administrative procrastination. Even before the war, a landmark ruling by a Netherland’s court in May 2021 had serious implications for Russia. The court ruled that oil giant Shell – and by implication other investors – must do more to reduce climate emissions. Other energy companies and investors have withdrawn completely from Russian projects in response to Putin’s war. In the absence of pipelines, shifting energy sales to Asia will require expensive tankers and involves markets that will neither absorb the volumes hitherto delivered to Europe nor bear the high prices Europe pays. In 2021 Russia supplied about 33 billion cubic meters of gas to Asia, while Europe imported up to 200 billion cubic meters.

The idea that rising demand in Asia will be the saving of Russian fossil fuel producers remains a risky bet. Enormous technical effort and investment will be required to facilitate the extraction and transport of fossil fuels, and to modernize and expand the infrastructure along the Northern Sea Route. Russia possesses neither the financial nor technical means to accomplish that on its own.

In the absence of alternatives, Moscow must rely on Beijing as its strategic backer, technology supplier and investor. The war makes Russia even more dependent on China and strengthens Beijing’s role in the AZRF, in the scope of the Belt and Road project, where infrastructure projects are always bound up with geostrategic objectives. The prospect looms of a war-weakened Russia and its national resource base falling increasingly under Chinese influence. This could bolster China’s status as a “near-Arctic state” to a point where the Arctic becomes a real “arena for power and for competition”.

A new era in the High North

It is an irony of history that Putin’s actions have provoked Finland to apply to join NATO. Even in January 2022 surveys showed just 28 percent in favor and 42 percent against. The mood shifted in March 2022, following the invasion, and by May support exceeded 70 percent. In Sweden too, support for joining NATO grew with the hostilities. Russia’s war has produced majorities for membership in both countries. Sweden and Finland presented their applications to NATO Secretary-General Jens Stoltenberg on 18 May 2022.

Putin has said Russia will treat Finland as an “enemy” if it joins NATO, and issued all kinds of threats. Russian nuclear weapons would be stationed in the region, he said, and the Russian Ministry of Defense declared that its forces in the Kaliningrad enclave had simulated the launch of nuclear-capable Iskander missiles. Russia’s willingness to take greater risks, its ability to deploy 100,000 soldiers without additional mobilization and “loose talk in Russia about weapons of mass destruction” were the reasons for Helsinki to request to join NATO, Finnish Foreign Minister
Pekka Haavisto explained. How else could the country defend itself against the threat of weapons of mass destruction? The Kremlin plainly underestimated the Nordic response to its repeated threats and military aggression – just as it underestimated the resistance of the Ukrainian population and armed forces.

The accession of Finland and Sweden will make NATO the dominant military actor in the Baltic Sea and enhance the defenses of the Baltic states. It will double the length of Russia’s border with NATO states, Moscow will lose diplomatic options, and the Russian navy will face growing constraints on its movements as the Baltic Sea becomes dominated by NATO allies. This incisive change in Russia’s security situation results from the Kremlin’s mistakes and the brutality of the Russian armed forces. But it will demand a wise policy of reserve and vigilance on the part of the NATO states.

The upshot of all this is that a conflict in the Arctic – provoked by events outside the region – can no longer be excluded. Despite the return of a rhetoric of containment and the desire “to see Russia weakened” militarily, as US Secretary of Defense Lloyd Austin put it before visiting Kyiv in April 2022, the NATO states will remain concerned to avoid any international escalation. But the Arctic region will also be part of a robust and networked containment strategy against Russia – and in future China. It is already an area of operations for NATO.

Whether the Arctic can become a region of cooperation again is an open question after Russia’s war. If need be, the lowest common denominator would be the kind of unavoidable cooperation dictated by the region’s harsh conditions. Climate change creates new – and non-traditional – security problems for human society and the environment, which offer openings for cooperation. If the associated challenges are to be tackled effectively, cooperation will be indispensable. But any such initiative will face strong headwinds from a new confrontational security policy that threatens to utterly marginalized collaboration in the long term. The Arctic Council’s “intermission” is just one expression of this fatal complex.

**What now?**

The seven states remain members of the Arctic Council. But in the fog of Russia’s war it is impossible to predict how long the pause will last, nor the circumstances under which it could be ended. A bilateral agreement would offer a better basis than a militarily “frozen” but unresolved conflict in Ukraine. Nobody can know when the time will be opportune for the Arctic Council to resume its normal functions. “We are focused on making sure that what we do now will not create obstacles to our later returning to normalcy,” said Norway’s Arctic ambassador Morten Høglund. The tricky task of gathering up the pieces and reassembling a viable basis for future cooperation will likely fall to Norway’s chairmanship in 2023–25.

Russia accounts for about half the Arctic’s population and territory. For that reason alone, cooperation cannot be suspended indefinitely. But which issues could be
meaningfully discussed with Moscow – and how, when and with whom? Together with an American colleague, Russian researchers have identified one topic. Their proposal for an effective regional governance system for civil nuclear safety in the Arctic builds on the Arctic Military Environmental Cooperation of 1996, which dealt with the radioactive legacy of the Soviet navy (and contributed indirectly to the founding of the Arctic Council). It also takes up one element of the Arctic Council Strategic Plan, which was adopted in 2021 in Reykjavik under the Icelandic chairmanship. Along with rescue operations and cleaning up oil pollution, these are issues whose significance is uncontested among the Arctic states – and in retrospect formed a significant basis for successful cooperation in the Arctic.

But restarting cooperation will not be easy, even if Russia ended the war tomorrow. It will be a long time before the Arctic can become a region of constructive dialogue again.


Overview:

The effects of the conflict in Ukraine have rippled across the globe, sending more than two million refugees fleeing, and driving up gasoline prices in the U.S., heating bills in Europe, the cost of bread in the Middle East, and even the price of potato chips around the world. But one of the most significant impacts, for the future of global warming at least, is unfolding thousands of miles away in the Arctic, where vital research on carbon emissions just came to a screeching halt.

Current & Relevant Information:

Right as Russia decided to attack Ukraine, a global consortium of permafrost scientists was poised to embark on a multi-year, Arctic-wide monitoring effort that would have helped provide crucial data on how the region is warming. But international uproar and financial sanctions over the unprovoked invasion put an immediate stop to any scientific collaboration with Russian researchers. And while climate scientists agree that the sanctions are necessary, they lament the lost opportunity for vital research in the region—Russia accounts for half the Arctic land mass.

“At least half our work would have been in Russia, and now we can’t do any science there at all,” says Sue Natali, Arctic program director for the Woodwell Climate Research Center in Massachusetts, who now has a couple of pallets worth of methane and carbon monitoring equipment originally destined for Russian research stations lying unused in the back of her research center.
As the conflict progresses, experts worry that eroding political cooperation among Arctic nations could see environmentally-harmful Russian activities in the region go unchecked—further worsening the effects of climate change.

After the Amazon rainforest, the Arctic is the second largest carbon sink in the world, locking approximately 1.5 trillion metric tons of organic carbon—twice as much as Earth’s atmosphere currently holds—under thick layers of frozen soil and ancient plant matter called permafrost. At least for now.

The region is warming four times faster than the rest of the planet. As the Arctic heats up, the permafrost thaws, releasing stores of planet-warming carbon and methane gasses in a continuous feedback loop that threatens to turn the Arctic into a net carbon emitter, instead of a carbon sink, locking the planet on a cataclysmic climate trajectory. The problem with the Arctic’s carbon flux, as the exchange of environmental gasses between the land and the atmosphere is called, is that no one knows when, or under what conditions, that tipping point might occur, because scientists still do not have baseline data on how much carbon the region is absorbing or emitting at any given place or time.

A better understanding of the carbon flux in the Arctic is one of the most important elements of understanding, and predicting, climate change in the world today, says Natali. “This is one of the largest and most vulnerable carbon pools on the planet. The region is warming faster than anywhere else, and there are still so many unknowns.” Having data from the Russian Arctic “is essential” she says. “We cannot just ignore what is happening with permafrost in Russia. It’s a massive blind spot.”

An intensifying conflict in Ukraine, however, could have repercussions in the Arctic that go way beyond the permafrost study.

Last week, seven of the eight Arctic nations—Canada, Denmark, Finland, Iceland, Norway, Sweden, and the United States—censured Russia for its actions in Ukraine, and announced that they would suspend their participation in the Arctic Council, the intergovernmental body that coordinates Arctic policy and cooperation.

The Arctic Council was the brainchild of Soviet Union President Mikhail Gorbachev, who proposed in 1987 to transform the Arctic into a “pole of peace,” free from the geopolitical tensions that defined member nations’ activities elsewhere in the world. That peace held through the waning days of the Cold War and even when Russia, which is the current head of the Council, annexed Crimea from the Ukrainians in 2014.

While the Council does not directly discuss military security issues, its multiple working groups, which meet several times a year, cover development, exploration, shipping, search and rescue, Indigenous rights, resource extraction, and environmental impact studies across the region. It is unclear when the Council might resume activities, but it’s not likely to happen before the summer of 2023, when the
rotating chair shifts from the Russian Federation to Norway. Even then, ongoing sanctions could continue to preclude Russian participation, or meetings on Russian territory. That’s a long time to go without leadership in a key region.

“Stopping Arctic collaboration in general will have big consequences,” says Tero Mustonen, a Finland-based Arctic biodiversity expert and advocate for Arctic Indigenous rights. “The Arctic is the most important canary in the climate change coal mine, so anything that takes away from the capacity to monitor, understand, and respond in an orderly way to climate change in the Arctic is a loss for humanity.”

Mustonen’s Snowchange Cooperative, a consortium of pan-Arctic Indigenous groups, has been participating in the Arctic Council assessments for 20 years. Climate scientists are predicting that the Arctic could start seeing ice-free summers as early as 2035, opening the region up to increased shipping, resource extraction, fishing, and military adventurism. With no mechanism to build new cooperative agreements in place because of the pause in Arctic Council activities, the consequences could be catastrophic for the fragile ecosystem, says Mustonen.

“In a world of dwindling natural resources, the Arctic is the last place where most of those untapped assets—not only minerals, rare earth metals, and timber, but also freshwater and genetic diversity that has been lost elsewhere—can be found,” Mustonen explained. “If we don’t have a friendly mechanism to jointly agree on conservation, research, and development, actions in these areas will lead to a very different climate pathway than the one that could happen if the collaboration was in place.”

Meanwhile, the need for regional dialogue is greater than ever. While few military analysts anticipate a hot war in the polar north—not least because forces from Russia’s Arctic fleet, nominally based in the Kola Peninsula near Finland, are currently fighting in Ukraine—the potential for miscommunications to escalate into flashpoints is high, particularly if NATO forces end up getting dragged into Ukraine’s war.

“I would not put it past [Russian President Vladimir] Putin to now view the Arctic as another avenue for conflict, and one that will allow him to flex his muscles,” says Daniel Silverberg, a managing director for the Washington, D.C.-based policy strategy consultancy Capstone, and an adjunct senior fellow for energy, economics, and security at policy organization, the Center For a New American Security. Putin has any number of options at his disposal to inflict pain on the United States and its allies in the Arctic in a way that does not necessarily rise to an act of war, notes Silverberg, but still manages to be deleterious to regional commerce. Russia could use its vast new fleet of icebreakers to make passage across the polar sea routes more difficult for foreign vessels, or fish on the edges of territorial waters, which could hurt domestic fishing industries.
Far more likely, and worrying, says Silverberg, is that without the Arctic Council to hold it accountable, Russia could commit some kind of climate-harming actions in the far north, such as gas flaring which releases planet-warming methane emission, or develop new climate and environment-harming mining activities that would normally be adjudicated by the Council. “For all of this to be taking place at the exact time when we’re trying to advance COP26 objectives [to reduce carbon emissions and limit warming to 1.5°C beyond pre-industrial levels] is troubling,” says Silverberg. “Obviously, the number one priority is saving human life and stopping the hot conflict, but to the extent climate change is a national security threat, the Arctic is ground zero. We need to be mindful of how this kind of hot conflict ripples into that context.”


Overview:

While the world focuses on managing the consequences of novel coronavirus, other global risks warrant political attention. As the sea ice retreats and the permafrost collapses due to climate change, the growing nuclearization of the Russian Arctic should be high on this list.

The largest concentration of nuclear installations – both civilian and military – is in Northern Russia. During the Cold War, the Soviet Union kept a significant portion of its nuclear weapons arsenal in the Arctic, carried out extensive nuclear weapons testing at Novaya Zemlya, and used its waters as nuclear dump sites. Russia’s inability to effectively deal with this nuclear legacy created the potential for an environmental catastrophe and became a major post-Cold War challenge. During the period 1996-2006, defense agencies of the United States and Norway later joined by the United Kingdom – worked with Russia to jointly manage transboundary radioactive waste issues under the aegis of the Arctic Military Environmental Cooperation (AMEC) program.

Today, almost three decades after the international cleanup started, a new generation of nuclear reactors are coming to the Arctic. In 2019, The Independent Barents Observer reported that there are 39 nuclear-powered vessels or installations in the Russian Arctic, with a total of 62 reactors. This is set to increase considerably over the next 15 years. According to some estimates, the Russian Arctic will constitute the most nuclearized waters on the planet by 2035.

Russia’s poor record on nuclear management, coupled with insufficient emergency preparedness capabilities in the Arctic, raises safety concerns. These include potential incidents involving nuclear contamination, which could severely harm the Arctic marine environment and population alike, and pose a serious threat to Russia,
Europe, and potentially the United States. We should not wait to put in place early warning and transparency mechanisms that reduce the risks of a dangerous nuclear incident in the Arctic.

Current & Relevant Information:

‘Nuclearization’ of Russian Arctic in recent years

In 2018, the Russian government assigned the management of the Northern Sea Route (NSR) to state-owned nuclear corporation Rosatom. With Rosatom in charge, there has been a greater prioritization of using nuclear power for shipping, infrastructure development, and the extraction of natural resources in the Russian Arctic.

Russia’s first floating nuclear power plant, the Akademik Lomonosov, was deployed in 2019 in Pevek to provide clean energy to people and businesses across the Chukotka region. Rosatom sees this as a pilot project and hopes to deploy a fleet of such units in Russia, and to export this technology abroad.

Only five nuclear-powered icebreakers exist in the world and they all belong to Rosatom. By 2035, Russia’s Arctic fleet is expected to operate at least 13 heavy-duty icebreakers, nine of which will be nuclear powered. In addition to crashing the ice to enable passage along the NSR, the nuclear-powered ‘50 Years of Victory’ also serves as a North Pole expedition cruise for high paying travelers. Three such voyages were initially planned for the summer of 2020 but were cancelled.

Russia is also increasing the number of nuclear-powered submarines. The Northern Fleet’s submarine force currently consists of 32 vessels. By 2027, ten Borei-class (or fourth-generation ballistic missile) submarines will be built and commissioned, half of which will serve in the Northern Fleet. In addition, five Yasen-class submarines will be deployed with the Northern Fleet. Not only are the numbers increasing but the levels of submarine activity are also growing. As Thomas Nilsen of the Barents Observer points out, “tensions between Russia and NATO have led to more sailings with reactor powered submarines, especially in the Norwegian, Barents- and White Seas, but also under the ice in the high Arctic.” Given the growing submarine activity, the more tensions rise, the more likely submarine accidents will be.

Moreover, Russia continues to use the Arctic as a testing site, most recently for its new nuclear-powered cruise missile and underwater drones. This Autumn, the Arctic waters will be used to test-launch the nuclear-powered Poseidon underwater device – dubbed the ‘doomsday drone’.

In addition to increasing the number of reactors, by 2030 the Russian government intends to lift several pieces of radioactive debris from the seabed, including the K-159 and the K-27 nuclear submarines, for decommissioning and long-term storage. Although the cleanup is hailed as an important first step to reduce risks from potential radioactive contamination of the marine environment, Ingar Amundsen of
the Norwegian Radiation and Nuclear Safety Authority warned that an accident during a lifting operation could release more radiation into the environment. Conducting a risk assessment is important for Russia to minimize these risks.


Abstract:

The Artic area is becoming of bigger importance and it gets more attention in the media. The purpose of the thesis is to assess the Norway-Russia relations in the Arctic and the Norwegian perception of Russia. The thesis uses the Copenhagen School as an analytical framework and methods of content analysis and chronological sequences as tools. Last but not least, the aim is to determine whether the Russian expansive foreign policy influenced the Norway-Russia relations and the Norwegian perception of their neighbor.

Current & Relevant Information:

Introduction

Since the end of the Cold War, the Arctic region is getting more and more attention of not only politicians and scholars but also of the public. This change originates in well-known processes such as globalization and climate change which are of interest to many actors. The prospect of natural resources extractions and commercial shipping is attractive for many companies; on the other hand, environmental NGOs and indigenous people’s organizations take interest in their activities. Clearly, these changes affect also individuals and have a political impact.

There has been written a lot of literature about challenges which arise together with these changes, including security. Nevertheless, most of the literature deals with the region as a whole. The author of this thesis would like to contribute to the field of international relations by analyzing the security aspect of a particular bilateral relation – between Norway and Russia, focusing on the Norwegian perception of Russia in the Arctic.

The goal of the thesis is not only to analyze Russian behavior in the Arctic, but especially to ascertain how particular actors (the government, NGOs, media, etc.) in Norway perceive this behavior. This is due to the fact that security is a rather an abstract concept; in practice, an issue becomes a security issue ‘not necessarily because a real existential threat exists but because the issue is presented as such a threat.’ Scholars agree that the conflict potential in the Arctic is overestimated. Nevertheless, the security regarding Russia is a topic in Norway, and therefore, I would like to analyze whether there is a gap between the reality and the perception of the Russian threat.
The Norway-Russia relation is historically characterized by the absence of an armed conflict. However, it is also important to point out that even though we have witnessed a long history of a successful cooperation in the region, and the conflict potential in the Arctic might be exaggerated, security is indivisible, and the Arctic cannot be seen in isolation. Conflicts or events in other parts of the world might have an impact in the Arctic too. In this sense, it should be interesting to analyze the Norwegian perception of the Russian security threat after the Russian military intervention in Georgia in 2008 and after Russian annexation of Crimea in 2014. A conflict in the Arctic seems to be more likely caused by a spill-over effect from tensions in other regions than to emerge from within.

Firstly, the author points out in the literature review that there is a gap in literature and therefore a need for such a research. Moreover, she introduces the methodology and data used in the theoretical part. The thesis uses the Copenhagen School as an analytical framework and the methods of content analysis and chronological sequences as an analytical tool. In the analytical part, the author provides the historical context of Norway-Russia relations; however, the main body of the text is divided according to the five sectors developed by the Copenhagen School: military, political, societal, economic and environmental parts of the perception. Besides analyzing the sectors by the means of chronological sequences, the author adds also the quantitative aspect to the analysis: by the means of content analysis, she ascertains which of the sectors are most covered in the media, and whether the events in 2014 increased the interest in the topic of Norway-Russia relations.

Conclusion

The purpose of the presented thesis is to analyze Norway-Russia relations in the Arctic and Norwegian perception of Russia in the area. Even though the Arctic comes to focus of international relations researchers, there is still a lot of gaps in the literature. Another goal of the thesis is to ascertain whether the Russian expansive foreign policy, demonstrated by the situation in Ukraine, influenced the Norwegian perception of its neighbor.

The author used the Copenhagen School as an analytical framework and the methods of content analysis and chronological sequences as tools.

For better understanding, the analysis was disaggregated into five sectors: military, environmental, economic, societal and political. The content analysis has shown that the political and military sectors are the most present when Norwegian media (NRK, Aftenposten and Nordlys) write about Russia in the Arctic. The statistical analysis also confirmed a correlation between the number of documents and the milestone 2014.

Thanks to the chronological sequences applied on the individual sectors, the research questions could be answered. Firstly, the analysis proves that the Arctic is
a foundation for both Norway-Russia relations and the Norwegian perception of Russia. Despite the fact that the Ukraine crisis strongly affected the relations, Russia is not considered a threat in Norway. The most influenced are the political, military and economic sectors. Cooperation in the other two, environmental and societal, continues more or less without negative impacts. Nevertheless, generally, the tensions increased.

As a simplification, the author suggest that the overall relations are rather good. After 2014, there is visible worsening, however in most of the sectors, improvement takes places from 2017 onwards.

To conclude, the question is in which direction the Norway-Russia relations are going. As for now, the Norwegian Prime Minister Erna Solberg and the Russian President Vladimir Putin met in the spring of 2019. This, together with the analysis conclusions, suggests normalization in the relations. Therefore, the author believes that the Arctic remains one of the most peaceful regions in the world.


Overview:

As tensions continue to mount along the Ukraine border and the threat of invasion by Russian forces (or Russian-backe proxy forces) perhaps imminent, many commentators have looked at the potential consequences for the Arctic. There has been a long-standing call for revitalizing old forums or creating new ones for the discussion of military security matters in the Arctic.

Current & Relevant Information:

The highest and most recent call came from Russian Foreign Minister Sergey Lavrov himself at the May 2021 Arctic Council Ministerial in Reykjavik, who said: “It is important to extend the positive relations that we have within the Arctic Council to encompass the military sphere as well.”

While dialogue with one’s strategic rivals (and enemies) remains a vital diplomatic tool, it is unclear that any new military security dialogue with Russia in the Arctic would advance the cause of peace or deconflict any military activity in the region.

In fact, it is very possible that quite the opposite will occur, and Arctic tensions will only rise from the creation of a new Arctic security forum or by introducing Arctic military security within the Arctic Council.

Russia’s actions in the European security theater to date demonstrate that engagement only goes so far to limit its ambition or temper its militarism. Even if the Ukraine situation turns out to be a bluff, Russia has demonstrated a willingness to
mobilize tens of thousands of troops and posture for an unthinkable war on the European continent.

In this case, one quasi-superpower will have forced open a dialogue on “demands” that have been long-settled regarding European security, NATO membership, and the right of a sovereign Ukrainian nation to exist.

This does not bode well for Arctic security in any form; military, economic, environmental, or otherwise. Let’s remember that forums previously existed for the discussion of military security with Russia. The Arctic Chiefs of Defense Forum was suspended following Russia’s unlawful annexation of Crimea in 2014.

It’s no wonder Russia wants the West to resume these dialogues, as it would signal a “return to normal” or simply a quiet understanding that Russia’s means of international engagement are lawful.

In the end, Russia goes it alone and tends to use “dialogue” as a method of normalizing otherwise unacceptable behavior or discussing matters on its terms to advance its interests. While it is true that all nations act in their own interests, Russia’s use of dialogue tends to be regressive for the international community.

As has happened in Ukraine and Georgia and throughout the post-Soviet space, Russia makes facts on the ground and then uses dialogue to normalize it.

The value of an Arctic security dialogue is thin, especially when it comes from the Russians themselves. The argument that it could shape Russian behavior is thinner, and the idea that we could have an inadvertent clash in the Arctic without it must be rationally balanced against the fact that this has not happened, despite an entire Cold War with even higher militarization of the Arctic. Any dialogue that may be needed to de-escalate hypothetical tensions in the Arctic remains available to the Russians through a wide variety of pre-existing channels, including within the United Nations and NATO.

To understand the risk, one needs to only think of the likely list of topics that an Arctic security dialogue would contain. Certainly, Russia would love nothing more than to have advance notice of all military exercises in the Arctic.

Since their coastline occupies more than 50% of the Arctic, the Russians would likely jump at a legal requirement to pre-notify them of submarine deployments and surface naval actions, like the ones the American and British navies recently conducted in the Barents Sea. Such an arrangement would be detrimental to NATO and would not be an “even-exchange” for notification of Russian exercises.

Russia would also likely push for so-called “buffer zones” near its borders, disproportionately impacting Norway, Sweden, and Finland. Surely, Moscow would love to discuss the U.S.-Canadian North American Aerospace Defense Command (NORAD) or the activities of allied forces on Greenland or Iceland.
In the meantime, the Russians aren’t actually interested in discussing these issues with NATO, or effectively utilizing the existing NATO-Russia Council, but are seeking a new Arctic forum where they believe that they would have an upper hand.

This is not to say that the United States, its allies, and its Arctic partners should not engage Russia. The Arctic Council remains the premier forum for Arctic cooperation and Russia should continue to engage productively on “soft security” issues such as economic and environmental security.

Combatting climate change through scientific study, reducing the risk of oil pollution, and understanding the economic impacts of increased shipping are all vital to “Arctic security.” What is less vital to Arctic security is the discussion of settled principles of sovereign rights and the law of the sea.


Summary:

Russia has declared its commitment to international cooperation in the Arctic, but it has invested massively in the modernization of its nuclear arsenal concentrated on the Kola Peninsula and has consolidated its military positions in the Barents region and along the Northern Sea Route. The growing need to gain political advantage from this investment leads to the following escalation of risks:

- In the evolving confrontation with the United States and the North Atlantic Treaty Organization (NATO), the situation in the Arctic theater is rare for Russia, because the level of threats to its interests is low and its capacity for threatening the interest of NATO member states is high.

- Strategic nuclear assets of the Russian Northern Fleet are augmented by new capabilities for long-distance, high-precision missile strikes and protected by the air defense system, which amounts to extending the anti-access/area denial (A2/AD) “bubble” to the Western part of the Barents region.

- Russia’s new Arctic command puts its main emphasis in planning and training on amphibious operations supported by missiles strikes on shore, and one possible target for this power projection could be the undefended Norwegian Svalbard.

- Russia’s program for constructing new naval and air bases along the course of the Northern Sea Route is completed, but they amount to neither heavy military presence nor increased safety of navigation.

- Emphasizing the need to defend itself against “hybrid” threats from the West, Moscow is developing capabilities for unconventional warfare, integrated with its
nuclear and conventional forces in the Arctic, and adding new elements to its significant military superiority over NATO and its partners in the Western part of the Arctic theater.

Current & Relevant Information:

Introduction

The Arctic theater is strongly prioritized in Russian strategic planning, and this priority requires critical examination because the rationale is not obvious. Russia’s security interests in the High North are not directly threatened. The shift in Russian political attention toward the Arctic was prompted by Arthur Chilingarov’s flag-planting expedition to the North Pole in summer 2007, which alarmed commentators and stake-holders in the West, though it was a nongovernmental enterprise with Western sponsors. Greater interest of many global actors in Arctic agendas is driven by the growing awareness of global warming, which is a matter of little concern for the Russian leadership. Its basic assessment of a steadily intensifying geopolitical competition in the Arctic is derived from a general proposition on growing global tensions between competing powers, which is reflected in all basic documents, including the National Security Strategy. These documents camouflage rather than clarify the assessments of threats to Russia’s interests in the Arctic, so an in-depth analysis of this particular focus in Russian strategic culture necessarily involves identifying real pieces of data in the fog of propaganda. This exercise will constitute a point of departure for examining the strategic guidelines pertaining to the three key directions in Russian military buildup in the Arctic: nuclear-strategic, the Barents Region, and the Eastern littoral.

Conclusion

Ambitious plans for expanding Russia’s military presence and activities in the Arctic are proceeding with mixed success, yet Moscow has achieved a significant strengthening of many strategic positions in the last few years. This situation grants the Russian leadership a remarkably wide range of strategic choices, a rare advantage in the perceived pattern of confrontation with the West. What makes it possible for the Kremlin to enjoy this freedom of maneuvering is the underlying assessment of low threat to Russia’s interests in the High North combined with its capacity to threaten the interests of its Arctic neighbors.

Russian mainstream experts seek to downplay the significance of military activities and insist on Moscow’s preference for cooperation in the Arctic, and there are indeed compelling reasons for shifting the allocation of dwindling military resources to the theaters where risks are high and capabilities lacking, as well as for engaging in international cooperation in order to alleviate many social and economic problems in the High North. The problem with the proposition of acting on Russia’s own slogan of the Arctic as a “zone of peace and cooperation” is that there are presently few material benefits to be harvested from it, while such a stance denies Russia the
opportunity to exploit the highly valued position of power it holds in the Barents region.

There are good reasons for Western strategy-makers to focus on the risks immanent to a situation in which Russia’s power projection capabilities exceed significantly NATO’s capabilities for containment. Various demonstrations of military might in 2014–2017 had an effect opposite to that desired by Moscow, as the Nordic states have come closer together in the security domain. This effort cannot preclude Russian aggressive moves, and one target that appears easy is Svalbard. Norway exercises sovereignty over this archipelago but cannot station any military force there according to the 1920 Spitsbergen Treaty. The most worrisome options are related to Russia’s nuclear capabilities concentrated on the Kola peninsula. Moscow keeps investing colossal resources in modernizing this arsenal, and in the situation of a protracted confrontation with the West, it can hardly afford not to try to gain any political advantage from this investment.

It needs to bring these capabilities into the political fray, and Putin’s elaboration on missile weapons systems in his March 2018 address, reiterated in the February 2019 address, exemplifies the readiness to resort to threats. Any direct use of nuclear weapons remains in the realm of the unthinkable, but one feasible plan is a resumption of nuclear testing on the Central Testing Ground (Zone B) at the Novaya Zemlya archipelago in the Arctic Ocean. The political resonance from this breach of international norms is certain to be massive, and Moscow may count on exploiting discord in the West.

The Arctic occupies a more prominent place in Russian strategic planning and thinking than the scope of national interests and the character of threat to them justify. This phenomenon determines the high risk of a proactive use of military force in this region as the political instrument of choice in the evolving Russian strategic culture.


Summary:

Russia’s reinvasion of Ukraine in February 2022 is producing ripple effects that will reverberate far beyond Ukraine for years to come, affecting issue areas and regions where the United States and Europe must manage relations with Moscow. Such effects will certainly be felt in the Arctic (which for this study will be limited to the European Arctic or the “High North”). Already, Russia’s aggression in Ukraine has compelled Finland and Sweden to apply for NATO membership, altering the region’s security architecture. Amid the changes that are unfolding, it is critical that analysts and policymakers reexamine long-standing assessments and assumptions about
Russia. To that end, this paper reexamines Russia’s approach to the Arctic in light of events in Ukraine. Given the high degree of uncertainty about the trajectory of the war in Ukraine and its effect on Russia, it is impossible to confidently project a single future for Russia’s Arctic policy. CNAS researchers, therefore, identified four drivers that are most likely to shape Russia’s approach to the Arctic: Russia’s perception of the Western threat, the impact of Western sanctions, China’s role in the Arctic, and whether Putin remains in power. Using different permutations of those drivers, the authors developed three scenarios for how the future Russian approach to the Arctic could evolve looking out to 2025.

**SCENARIO ONE: ISOLATED RUSSIA**

Russia’s economy is badly damaged because of effective and lasting Western sanctions, and Moscow is isolated from the West and other partners such as China, which seeks to avoid European backlash that could stem from its support for Moscow. The degradation of Russia’s conventional military forces in Ukraine leads Moscow to double down on its nuclear arsenal, raising the importance of protecting its second-strike nuclear capability in the Northern Fleet. Russia’s poor military performance in Ukraine also leads Putin to view the Arctic as an opportunity to demonstrate that Russia is still a power to be feared. Putin seeks to use frequent displays of military power in the region, where Russia still enjoys a subregional military advantage, to restore the Russian military’s image as a formidable force. Russia occasionally stages complex, attention-grabbing “warning” exercises by flexing its nuclear capability and uses the Arctic as a testbed for new and experimental weapon systems. In this scenario, there is heightened risk of escalation, either unintentional, or because Moscow intentionally instigates a provocation designed to show that Russia is the dominant power in the Arctic—a proposition that grows if Russia calculates that the United States and NATO are exhausted amid a long, grinding war in Ukraine.

**SCENARIO TWO: RUSSIA-CHINA ENTENTE**

The Russian economy is resilient to sanctions, largely due to hydrocarbon and mineral exports as well as cooperation with partners outside the West, especially China. Russia and China deepen their military and economic relationship, as Putin can no longer refuse Xi’s demands to have a Chinese military presence in the Russian Arctic. Russia and China conduct joint air patrols and share satellite capability, while Russia allows China to build military facilities in the Arctic. Although little information is available, there are indications that Russian Arctic development is having a devastating effect on the environment. In this scenario, a Chinese military presence (or major exercises) in the Russian Arctic or in the Northern Sea Route would complicate U.S. Navy competition with China in the Indo-Pacific by adding another theater of operations—in this case the Arctic—where the U.S. Navy would have to monitor Chinese naval operations and perhaps even prepare for potential confrontation.
SCENARIO THREE: POST-PUTIN RUSSIA

Vladimir Putin is no longer in office. A civilian government staffed by “technocrats” is established, although real power remains in the hands of the security services. The government initiates a global charm offensive to garner support for Russia’s reintegration into the international community. Looking to bolster an economy weakened by sanctions, Moscow appeals to Western energy companies to return and for the Arctic Council to resume. Meanwhile, satellite imagery indicates continued infrastructure buildup at key Russian Arctic military bases and the acceleration of Moscow’s efforts to enhance its anti-access/area denial capabilities along the Northern Sea Route. While NATO expresses concern about Russia’s actions in the Arctic, its 32 members remain divided on the best way to deal with the new government. In this scenario, Putin’s departure raises hard questions the transatlantic allies will have to confront about how to approach Moscow. Opposition to Putin and his authoritarian regime is currently a unifying force for the West and his departure could produce uncertain and conflicting responses. The better the Russians behave, the harder it will be to keep the alliance unified. While some countries may seek to guide Russia toward democracy, others will remain skeptical of Russia’s intentions and its ability to overcome its authoritarian past. This divergence would place strains on NATO and the European Union, potentially fracturing their approaches to Russian actions, including those in the Arctic.

Key Takeaways

¡ Contrary to Putin’s statements suggesting that Finland’s and Sweden’s NATO membership do not pose a threat to Russia, their entry into the alliance will profoundly alter regional security dynamics, Moscow’s relations with each country, and ultimately Russia’s threat perception in the region.

¡ The Kremlin’s sense of security is most likely to be affected by the movement of any NATO infrastructure into Finland and Sweden, the increased size and complexity of NATO exercises in the region, the gathering of air forces on the Scandinavian peninsula, cross-border air exercises, enhanced intelligence collection, and the changed dynamics in the Baltic Sea, which will now be surrounded by NATO member states. This sense of Russian insecurity could increase the chance of miscalculation and escalation.

¡ Russia’s war in Ukraine and the weakening of its conventional forces will likely drive the Russian political and military leadership to see an increase in the utility of nuclear weapons in managing escalation and conflict, increasing the importance of the Kola Peninsula.

¡ Russia’s growing sense of vulnerability, along with reduced channels of communication with the West, is likely to lower the threshold of what the Kremlin responds to in the Arctic and is likely to increase the unpredictability of Russia’s actions there. Putin is also likely to view the Arctic as a venue for demonstrating
that Russia is still a power to be feared, raising the risk of Russian provocations and miscalculation/escalation in the Arctic.

Current & Relevant Information:

Introduction

Russia’s reinvasion of Ukraine in February 2022 is producing ripple effects that will reverberate far beyond Ukraine for years to come, affecting issue areas and regions where the United States and Europe must manage relations with Moscow. Such effects will certainly be felt in the Arctic (which for this study will be limited to the European Arctic or the “High North”). Already, Russia’s aggression in Ukraine has compelled Finland and Sweden to apply for NATO membership, strengthening the region’s security architecture. Although Russian President Vladimir Putin has publicly stated that their membership in the alliance does not pose an immediate threat to Russia, their membership is sure to change the region’s security dynamics and increase the sense of threat that Moscow perceives, leading to still-undefined changes in Moscow’s relations with its Arctic neighbors.

Beyond Finland’s and Sweden’s entry into NATO, Moscow’s future foreign policy approach will be influenced by additional changes playing out in and around Russia. These include the significant rise in confrontation between Russia and the West; the impact of Western sanctions on Russia, including on the Russian military; the evolving Russia-China relationship; and the heightened possibility of leadership change in Russia. Although it is still unclear how the war in Ukraine will end, the torrent of nationalism the Kremlin has unleashed in the country and the lived experience of the war in Ukraine—a war that the Kremlin has framed as a great patriotic endeavor—will shape the worldviews of current and future Russian officials; these altered worldviews will have unpredictable effects on Moscow’s foreign policy priorities and decisions. Any one of these changes could dramatically alter Russia’s actions in and approach to the Arctic. Although Russia will emerge from the war in Ukraine weaker, a wounded Russia is still a dangerous Russia, and the Arctic provides the Kremlin with a venue to attempt to demonstrate that Russia remains a great power to be feared.

Amid the changes that are unfolding, it is critical that analysts and policymakers reexamine long-standing assessments and assumptions about Russia. To that end, this paper reexamines Russia’s approach to the Arctic in light of events in Ukraine. Given the high degree of uncertainty about the trajectory of the war in Ukraine and its effect on Russia, it is impossible to confidently project a single future for Russia’s Arctic policy. CNAS researchers, therefore, developed three scenarios for how the future Russian approach to the Arctic could evolve looking out to 2025. The three scenarios presented in this report aim to prepare policymakers and planners for the possible futures they could face and the implications of those futures, including key challenges and opportunities that may arise in the years to come.
The report first identifies the drivers that are most likely to shape Russia’s approach to the Arctic and discusses how those factors are evolving. These drivers include Russia’s perception of the Western threat, the impact of Western sanctions, China’s role in the Arctic, and whether Putin remains in power. Using different permutations of those drivers, the report then spells out three scenarios for Russia’s approach to the Arctic: an isolated Russia, a Russia-China entente, and a post-Putin Russia. These three scenarios were chosen based on their potentially significant impact on U.S. and European national security interests. For each scenario, the report discusses the implications of the given world for the United States and Europe.

**Conclusion**

The Arctic will only continue to grow in importance over the coming years due to climate change. Even before Russia’s invasion of Ukraine, the region was characterized by a growing sense of competition as climate change opened access to the region’s resources, with political analysts warning about a heightened risk of conflict. Tensions between Washington and Moscow were already running high, and the United States and European Arctic nations were operating in ever closer proximity to Russian forces, amplifying the risk of unintended escalation. Now, Russia’s invasion of Ukraine is producing ripple effects that are altering—and further complicating—the security order and dynamics in the region. Real questions have (re)emerged about how Russia will respond to Finland and Sweden joining NATO; what the degradation of Russia’s conventional forces will mean for its nuclear posture and how any change in Russia’s posture will affect its actions in the Arctic; whether China will look to play a greater role in the region; and how the Kremlin could seek to use the Arctic as an opportunity to demonstrate that Russia is still a great power.

Given the uncertainty of the present period, it is difficult (and unwise) to make a single-point prediction about how Russia will approach the Arctic going forward. This report, therefore, presented three potential futures for how Russia’s approach might change following its invasion of Ukraine. Although it is impossible to know for sure how dynamics in the Arctic will develop, this report bounds the problem—identifying the factors most likely to shape Russia’s approach and assessing how those factors might combine to shape future reality. In this way, the goal of this report was to generate new thinking and discussion about how the war in Ukraine will shape dynamics in the Arctic with the intent of better preparing policymakers to plan for what the future might hold.

Regardless of what future unfolds, Russia will sustain its desire to be the predominant Arctic power in the 21st century. As Russia is the largest Arctic state, it cannot be ignored when it comes to Arctic matters. Now, given the changes that Russia’s invasion of Ukraine has set in motion, it is critical that the United States and its Arctic allies prepare for new challenges that will arise and remain united in navigating them.
“Offensive Structural Realism and Russian Expansion in the Arctic,” Brandon C. Halaychik, The Spetsnaz Group: Slavic Defense and Strategic Policy Center, August 2018 [90]
https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwj-hba5k4fsAhWQzVkKHQq8C3QQFjAAeqQIAhAB&url=https%3A%2F%2Fosf.io%2Fgazu5%2Fdownload&usg=AOvVaw0laOwvd4lilInj1PTsy8B

Overview:

The Russian Federation has attempted to reestablish itself as a global power since the collapse of the Soviet Union in 1990. Under the presidency of Vladimir Putin, the Russian Federation is expanding its foreign policy and national security objectives to pre-Soviet designs. One such area of concern is the Arctic region a 14.5 million square kilometer area situated at the top of the world with several states claiming territory to this strategically important zone. These states include the United States, Canada, Norway, Denmark, and the Russian Federation. Out of the five states listed, the Russian Federation lays claim to the largest portion of the Arctic accounting for 17,500 kilometers of land (Blunden 2009). This vast area holds a strategic monopoly for any state which can effectively lay claim as it not only holds undiscovered natural gas and oil reserves but new shipping lanes such as the northern sea routes across the top of Russia and the Northwest passage which allows access through the Canadian archipelago (Blunden 2009). It is therefore important for United States National Security interests to challenge claims by the Russian Federation to these areas and establish itself as the hegemonic power in the region.

Current & Relevant Information:

Introduction

According to a United States Geological Survey conducted in 2009, the Arctic region holds approximately 30% of the worlds undiscovered natural gas reserves and approximately 13% of the worlds undiscovered oil reserves, which are at a depth of 500 meters or less of water (Åtland 2009). This is a significant fact for the Russian Federation as the Russian economy is 68% based on the production and sale of natural gas and oil to external clients such as China and Europe. Although the United Nations Convention on the Law of the Sea established in 1982 lays out the theoretical framework of the established rights of states bordering the Arctic, the Russian Federation leadership has continuously expressed the importance of the Arctic as a strategic resource base for Russia as it enters the twenty-first century (Ermida 2016). As such, the Russian Security Strategy through 2020 identifies explicitly for the control of the energy resources in the Arctic and the Barents Sea that could develop into a potential source of conflict and the expressed possibility of military confrontation on the issue with other state powers (Piskunova 2010). To achieve their establishment in the region, the Russian Federation has already
established several key military bases in the Arctic. These bases include Northern Clover on Kotelny Island, Arctic Trefoil in Franz Josef Land, and four additional bases located at Rogachevo, Cape Schmidt, Sredniy, and Wrangel (BBC 2017). Although the claim of these bases by the Russian Federation is to promote oil and natural gas exploration in the region, the bases hold approximately 150 military personnel and hold strategic offensive and defensive armaments such as anti-air defense units, which hold concern for the United States strategic abilities (BBC 2017).

The Russian Federations drive to reestablish itself as a global power has severe security implications for the United States, its Arctic neighbors, and the North Atlantic Treaty Organization as a whole. The former Commander of United States Naval Forces Europe Admiral Mark Ferguson noted that the remilitarization of Russian security policy in the Arctic is one of the most significant developments in the twenty-first century adding that Russia is creating an “Arc of steel from the Arctic to the Mediterranean” (Herbst 2016, 166). Although the Russian Federation postulates its expansion into the Arctic is for purely economic means, the reality of the military hardware being placed in the region by the Russians tells otherwise. Implementation of military hardware such as anti-air defenses is contrary to the stipulated purposes of the Russian Government in the region. Therefore, is the Russian Federation building strategic military bases in the Arctic to challenge the United States hegemony due to the mistreatment against the Russians by the United States and NATO after the collapse of the Soviet Union.

Conclusions

After the collapse of the Soviet Union in 1991, the fledgling Russian Federation under the direction of then President Boris Yeltsin, looked towards the United States and Western states to assist in its rebuilding process and to be brought closer to Western systems such as the North Atlantic Treaty Organization. Promises and partnerships were made to include Russian membership in the North Atlantic Treaty Organization and the NATO-Russian Council which promised that Russia would be consulted regarding former Eastern bloc states prior to NATO involvement and that NATO would not expand into these areas in which Russia had a viable vested interest. This unfortunately was short lived when NATO entered into discussion of membership with the Ukraine and several other former Eastern bloc states knowing that they held a strategic interest for the Russian Federation. This resulted in an indefinite suspension of the NATO-Russian Council after Russia, feeling threatened by the expansionist policies of NATO and the West, engaged in a Georgian conflict and annexed Crimea from the Ukraine.

The Russian Federation entered into these two conflicts not to engage the West into another Cold War, but to stop the West and NATO from strategically surrounding the Russian Federation from what it perceived as an old adversary reneging on promises of peace and cooperation. One could make the argument that had Russia...
partnered with Mexico and Canada to establish a new military partnership and that offensive and defensive military equipment was placed on their respective boarders of the United States, that the United States would act in kind to what the Russian Federation has done through its perceived interventions in Georgia and the Ukraine. From a strategic standpoint, Russia was left with no other option but to invade Georgia and assist in the destabilization and annexation of the Ukraine and Crimea before they become members of the North Atlantic Treaty Organization and were covered under Article 5 of the treaty.

Offensive Structural Realism states that the anarchic nature of the international system is subsequently responsible for the aggressive state behavior in international politics. No finer example of this theory holds truer than what is being observed by the Russian Federation in response to the movements of NATO, the United States, and other Western countries. As a result of such Western policies, the Russian Federation has had to take both offensive and defensive steps to counter the Western chess movements which has resulted in the offensive posturing of Russian strategic military forces in the Arctic region. As more and more polices which place the Russian Federation at a strategic disadvantage continued, Russia will seek to exploit more areas similar to the Arctic in an attempt to circumvent the West and protected its citizens from a perceived threat of violence. This, however, could be prevented if NATO, the United States, and the other Western allies understand the reasoning behind the aggressive military expansionist policy by Russia and reset the table by bringing them closer to Western Institutions Although it would be a hard fault battle to accomplish this mission based on the slights that have already occurred, trust could be rebuilt by the nations overtime and provide for a more stable and secure world.
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