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ROUNDTABLE

Polar Pursuits: Asia Engages the Arctic

Michael Wills
Lawson Brigham
James Kraska
P. Whitney Lackenbauer
Katarzyna Zysk
Leiv Lunde
Kai Sun
Aki Tonami
Young Kil Park
Ian Storey
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Polar Pursuits: Asia Engages the Arctic

Michael Wills

The Arctic could be completely ice-free during the summer months as early as 2020, with significant implications for global trade, energy security, and geopolitics (see **Figure 1** for a map of the Arctic region). The warming Arctic climate could reduce shipping distances between Asia, North America, and Europe by thousands of miles; potentially make available for extraction hundreds of billions of dollars' worth of energy and other resources; and create demand for advanced maritime and offshore technologies. Drawn by these opportunities, China, Japan, South Korea, India, and Singapore all applied for, and in May 2013 were granted, observer status in the Arctic Council—the intergovernmental forum that addresses Arctic issues. As the Arctic continues to open up, political and economic changes resulting from increased polar access have the potential to change maritime law, shift the balance of maritime economic power, and create disputes over sovereign rights as Arctic seabed resources become more accessible.

The ten essays in this *Asia Policy* roundtable are intended to illuminate the motivations and objectives of the new Asian observers and the reactions of the Arctic Council member states in an effort to understand the risks of geopolitical competition as well as the prospects of a maritime and energy renaissance in Arctic waters as the ice recedes. The roundtable begins with an overview by Lawson Brigham that examines the Arctic Council itself—the multilateral forum that for nearly two decades has provided a framework within which the eight Arctic countries, six delegations representing indigenous peoples, and various observers representing non-Arctic states, international organizations, and NGOs can manage international relations in the Arctic.

This overview is followed by a series of essays on perspectives from the Arctic Council member states—James Kraska on the United States, P. Whitney Lackenbauer on Canada, Katarzyna Zysk on Russia, and Leiv Lunde on the five Nordic states (Denmark/Greenland, Finland, Iceland, Norway, and Sweden)—that describe the varying expectations, hopes, and reservations about the new observers. These range from optimistic assessments about the benefits of broadening the circle of stakeholders working on Arctic issues to concerns from some states (Canada and Russia are noteworthy in this regard) about potential challenges posed by the diffusion of state sovereignty.

The roundtable concludes with five essays on perspectives from the new Asian observers. Kai Sun reviews the challenges China will face in attempting to reassure Arctic states about its intentions and set realistic expectations, both at home and overseas. Aki Tonami focuses on the opportunities Japan might have to strengthen relations with other Arctic states and observers, particularly those with which it is embroiled in territorial disputes elsewhere. Young Kil Park examines the predominantly economic opportunities South Korea sees in the region, not least as a potential boon to the country's already strong shipbuilding sector. Ian Storey explains why Singapore—a city-state lying on the equator—has been so interested in charting an Arctic role for itself. And Sanjay Chaturvedi concludes the roundtable with an assessment of the energy and scientific opportunities that the Arctic offers to India.

As these authors all note, the changing environment in the Arctic presents both challenges and opportunities for policymakers and business leaders, especially in the energy and shipping sectors. In the United States, the Arctic is evolving from a narrow concern affecting Alaska, the Pacific Northwest, and parts of the national security establishment into an issue that attracts a broader level of interest, given the important strategic, energy, environmental, and maritime implications the opening of the Arctic holds. ◈

FIGURE 1

The Arctic Region

Note: Sea ice line is the median ice extent from 1981 to 2010 approximated from the National Snow and Ice Data Center, sea ice extent imagery ~ http://nsidc.org/arcticseaicenews/.

The Changing Arctic: New Realities and Players at the Top of the World

Lawson Brigham

On December 6, 2012, the liquefied natural gas carrier *Ob River* arrived in the northern Japanese port of Tobata. Port arrivals by various types of cargo ships happen routinely every day around the world, but this voyage and arrival were special. The *Ob River* had departed November 7 from the northern Norwegian port of Hammerfest, sailed east across the Barents Sea, continued along Russia's Northern Sea Route, and finally exited the Arctic Ocean through the Bering Strait on its way to Japan. Escorted in ice-covered waters by Russian nuclear icebreakers, this large, ice-capable ship had forged a late season, trans-Arctic maritime route from the Atlantic to the Pacific.[1] The voyage symbolized the ongoing globalization of the Arctic—the connection of Arctic natural resources to global markets—in an era when the region is also undergoing profound environmental changes as a result of anthropogenic warming at rates twice that of lower latitudes.

This essay argues that globalization, climate change, and regional geopolitics are intersecting and strongly influencing the future of the top of the world. No less important, the voice of the Arctic's indigenous people, who have lived in the North for millennia, is being heard amid all the extraordinary change in the region. The eight states that have sovereign areas above the Arctic Circle—Canada, Denmark (Greenland), Finland, Iceland, Norway, Russia, Sweden, and the United States—are challenged to protect their Arctic peoples and the environment while also developing their northern lands and seas in sustainable ways. The Arctic states have created and nurtured the Arctic Council and have in May 2013 admitted five Asian observers. The roles these Asian observers can play in Arctic affairs within the council and at large in the world are a key focus of this essay.

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[1] "Gazprom Successfully Completes World's First LNG Supply Northern Sea Route," Gazprom, Press Release, December 5, 2012.

A Melting Arctic and Growing Globalization

Extraordinary changes in the Arctic's physical environment have been observed. Arctic sea ice is undergoing a historic transformation of thinning and reduction in area that has implications for potentially longer seasons of navigation and access to once remote coastal seas.[2] The changes in the sea ice area and observed reduction in snow-cover duration in Eurasia and North America mean that smaller Arctic areas are less reflective of incoming sunlight, causing the exposed land and sea to absorb more heat. Permafrost is melting and releasing methane (a greenhouse gas), which could result in additional warming of the atmosphere. Of importance for the rise of global sea levels, the Greenland ice sheet (as well as Canadian and Alaskan glaciers) has been losing mass because of the melting of the surface ice sheet and iceberg calving. The Arctic's ecosystems have been observed to be highly sensitive to such temperature increases, which have caused the loss of sea ice habitat for marine mammals, changes to the marine food chain, and increases in tundra greenness and biomass. The marine and terrestrial ecosystem changes, increasing coastal erosion, and overall warming present serious challenges to all Arctic indigenous peoples.[3]

While these physical changes have been occurring, the globalization of the Arctic has begun as a result of new economic pressures to link Arctic natural resources to global markets. Higher global commodities prices and improving Arctic access have been drivers of increased attention to what is viewed by many as a global storehouse of desirable natural resources, including hydrocarbons; fisheries; hard minerals such as nickel, palladium, zinc, platinum, diamonds, and coal; rare earths; and freshwater. These strong climatic and economic forces present an array of unique challenges to the existing legal and regulatory structures, which cannot meet today's needs for protecting Arctic peoples and the environment.

The Changing Role of the Arctic Council

The Arctic Council is an intergovernmental forum, established by the Arctic states in the 1996 Ottawa Declaration, that plays a central role today in managing and shaping international relations in the Arctic. As a consensus body, the council's focus by charter is on environmental

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2 Arctic Council, "Arctic Marine Shipping Assessment 2009 Report," April 29, 2009.

3 For an analysis of the full range of Arctic climate changes and impacts, see the Arctic Council, "Arctic Climate Impact Assessment," November 24, 2004 ~ http://www.acia.uaf.edu/PDFs/ACIA_Policy_Document.pdf.

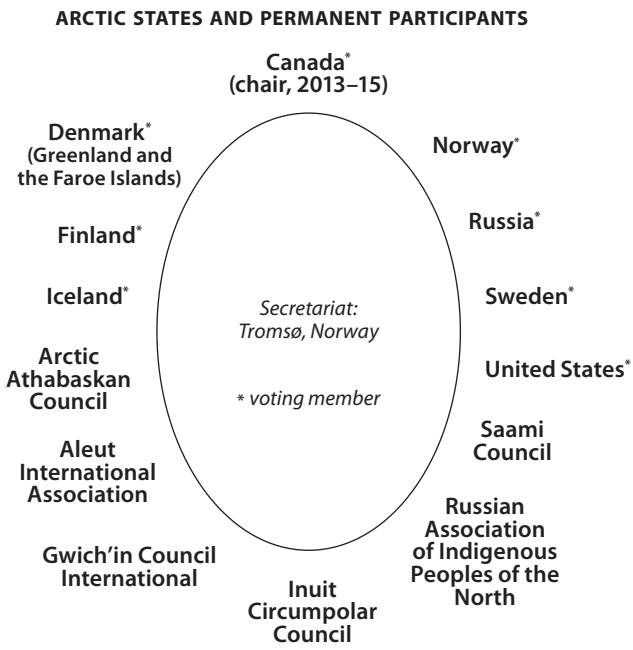
protection and sustainable development. Military-security issues are not on the table for discussion, and fisheries management and whaling issues have been left appropriately for other organizations to address, such as regional fisheries bodies and the International Whaling Commission. Many in the Arctic policy community understand that the council's principal focus on the environment, people, and sustainability is one of the keys to its success in furthering close Arctic cooperation and enhancing regional stability. Based on my own experience as an Arctic Council practitioner, it is very doubtful that traditional military and security issues can be accommodated on the agenda within the council's current framework, especially in light of the geopolitical crisis in Ukraine.

Figure 1 illustrates the current structure of the Arctic Council and provides some sense of the hierarchy of sovereign Arctic states, indigenous peoples, stakeholders, and other actors around the table at the ministerial and senior Arctic official (SAO) meetings.[4] This hierarchy is critical to understanding how the council operates. At the top are the eight Arctic states, led by a chair that rotates every two years. They are the only voting members and must reach consensus to move ahead with any initiatives of the council's working groups and task forces. The Arctic states, represented by their foreign ministries, thus hold tight control over the agenda and the process of engagement with the global community. Six Arctic indigenous peoples groups, collectively named the "permanent participants," sit in their own delegations at the main table in council meetings with the Arctic state representatives. Their status is understood to be below only the Arctic states, though it should not be forgotten or underestimated that members of the permanent participant delegations are citizens of Arctic states as well. Most of the SAO meeting discussions take place among the Arctic states, permanent participants, and administrative elements of the council and its working groups. Finally, the observers are organized into three distinct categories: the non-Arctic states (of which there are 12), intergovernmental and inter-parliamentary organizations (of which there are 9), and nongovernment organizations (of which there are 11). Many of the observers at the SAO meetings have an opportunity to brief the assembly, but such interventions are tightly managed and must be approved by the Arctic states under the council chair (currently Canada for 2013–15). Their primary role is to observe the deliberations of the council and then

[4] See the Arctic Council website ~ http://www.arctic-council.org.

FIGURE 1

Structure of the Arctic Council



Working groups:

- Arctic Contaminants Action Program (ACAP)
- Arctic Monitoring and Assessment Programme (AMAP)
- Conservation of Arctic Flora and Fauna (CAFF)
- Emergency Prevention, Preparedness and Response (EPPR)
- Protection of the Arctic Marine Environment (PAME)
- Sustainable Development Working Group (SDWG)

Task forces:

- Task Force on Arctic Marine Oil Pollution Prevention
- Task Force on Black Carbon and Methane
- Scientific Cooperation Task Force
- Task Force to Facilitate the Circumpolar Business Forum (renamed the Arctic Economic Council)

Experts group:

- Ecosystem-Based Management

Non-Arctic state observers (12): China, France, Germany, India, Italy, Japan, the Netherlands, Poland, Singapore, South Korea, Spain, and the United Kingdom

Intergovernmental and interparliamentary observer organizations (9): International Federation of Red Cross and Red Crescent Societies, International Union for the Conservation of Nature, Nordic Council of Ministers, Nordic Environment Finance Corporation, North Atlantic Marine Mammal Commission, Standing Committee of the Parliamentarians of the Arctic Region, UN Development Program, UN Economic Commission for Europe, and UN Environment Program

Nongovernment observer organizations (11): Advisory Committee on Protection of the Seas, Arctic Cultural Gateway, Association of World Reindeer Herders, Circumpolar Conservation Union, International Arctic Science Committee, International Arctic Social Sciences Association, International Union for Circumpolar Health, International Work Group for Indigenous Affairs, Northern Forum, University of the Arctic, and World Wide Fund for Nature Global Arctic Program

complement and enhance the council's work by conducting outreach in the global community with an informed view of Arctic affairs.[5]

Although projects are briefed and key decisions are made in the SAO and ministerial meetings, it is important to note that most of the substantive work of the Arctic Council is conducted in its six working groups and additional task forces. Ministers approve the plans and strategies, but the working groups are led by Arctic state experts in delegations that can include permanent participants and observers. These groups have produced scores of Arctic assessments, studies, and reports, most involving years of work with hundreds of experts. Examples include the reports of the Arctic Climate Impact Assessment (2004), Arctic Human Development Report (2004), Arctic Oil and Gas Assessment (2008), Arctic Marine Shipping Assessment (2009), and Arctic Biodiversity Assessment (2013).

The council has also been used as a facilitating body to support the Arctic states in the development and negotiation of two binding treaties: the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic, which was signed on May 12, 2011, and the Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the Arctic, which was signed on May 15, 2013. It is hopeful that future binding agreements among the Arctic states will be negotiated using the council as a mechanism for bringing observer experts and stakeholders into the discussions.

The Arctic Council's New Asian Contingent

The new non-Arctic observer states—China, India, Italy, Japan, South Korea, and Singapore—have agreed to several key conditions to gain their status within the Arctic Council. They must accept and support the work and objectives of the Arctic Council as defined in the Ottawa Declaration, as well as recognize the sovereignty and jurisdiction of the Arctic states within their Arctic areas. The applicants also had to recognize the United Nations Convention on the Law of the Sea (UNCLOS) as the legal framework of the Arctic Ocean. Importantly, the observers must respect the values and cultural heritage of the Arctic indigenous peoples and other inhabitants. Finally, they should demonstrate political and financial interests in contributing to the work of the permanent participants.[6] By requiring

[5] See section 6 of the "Arctic Council Observer Manual for Subsidiary Bodies."

[6] See the criteria for admitting observers on the "Observers" page of the Arctic Council website ~ http://www.arctic-council.org/index.php/en/about-us/arctic-council/observers.

prospective council observers to agree to these international and regional principles, it is clear the Arctic states within this forum do not expect any sovereignty challenges or radical departures from accepted international norms on the part of non-Arctic states. The 12 current non-Arctic observer states and 21 observer organizations (see Figure 1) are expected, above all, to fully accept the sovereign rights of the Arctic states and understand the importance the council places on the engagement of the permanent participants in all discussions regarding the Arctic's future.

What are the potential pathways for the new Asian observers to contribute to the work of the council? Clearly the door is open for the observer states to send their technical experts to the working group and task force meetings. Contributing to these expert venues is perhaps one of the most influential roles the observers can have in Arctic affairs. For example, the Asian states could contribute to the current task force on scientific cooperation, as each nation has broad global and polar scientific interests. The ongoing effort by the council to establish a business or economic forum would seem particularly relevant to the commercial interests of the Asian state observers. Such a forum will surely study the role of public-private partnerships in developing investment strategies for marine infrastructure—a high-profile topic for Asian investors. They could also contribute to future sessions convened by the Arctic states to negotiate binding agreements addressing issues beyond search and rescue and oil-spill response. State maritime experts from Japan and Singapore, for example, could contribute to policy work on protecting the Arctic marine environment (in the Protection of the Arctic Marine Environment Working Group) and many practical issues related to marine emergency response (in the Emergency Prevention, Preparedness and Response Working Group). Such contributions could be enhanced through individual agreements between Asian states and Arctic peoples groups (an example might be a project involving Arctic marine transportation and the Inuit Circumpolar Council). It is hoped that the council chairs might encourage financial contributions from the non-Arctic observer states to support the interests of indigenous people in areas such as health, education, and science. The Asian states, encouraged by their observations of the council's work, might also develop bilateral or multilateral agreements with Arctic states that expand on specific issues of importance, such as future marine use.

One of the important reasons for having non-Arctic observer states in the council is they will be exposed to the broad range of challenges and opportunities facing the Arctic states and the permanent participants.

The Arctic states can expect these observers to be knowledgeable about Arctic issues and be in positions to support and work with the Arctic states to further environmental protection and sustainability in the region. An excellent example is the ongoing work at the International Maritime Organization (IMO) to develop a mandatory polar code for ships operating in polar waters.[7] All the new Asian state observers are key maritime states and can be influential at IMO in supporting Arctic-specific issues. The same situation is envisioned at other international bodies that are showing more interest in the Arctic, such the International Hydrographic Organization and its new Arctic Regional Hydrographic Commission, the World Meteorological Organization (WMO), and the International Association of Marine Aids to Navigation and Lighthouse Authorities.

Yet despite all the positive ways in which the Asian observers can engage in Arctic affairs, some differences of opinion likely remain within the council for expanding the list of observer states. A number of permanent participants have been concerned about diminution of their influence and visibility in the council. Perhaps this fear has been partially alleviated by the strong language and criteria regarding permanent participants in the Arctic Council Observer Manual. For five of the Arctic states—Denmark, Finland, Iceland, Norway, and Sweden—expanding the number of non-Arctic observers beyond the original six states was an important reflection of the internationalization of the Arctic. Although the United States did not divulge its position on the subject prior to the Kiruna ministerial meeting in May 2013, adding more members is generally consistent with U.S. Arctic policy, which promotes international cooperation and the role of actors and stakeholders in enhancing a stable, peaceful Arctic.[8] Most importantly, including the Asian states and other observers at Arctic Council meetings keeps them engaged with current Arctic policy issues. A future U.S. strategy should be to call on these states for support of Arctic initiatives in other international forums and organizations such as IMO and WMO and engage them in stronger bilateral agreements.

The two states that have expressed concerns during this expansion are Canada and Russia. Canada has partly been voicing the concerns of its indigenous citizens in the Arctic regarding the key role of permanent

[7] The ongoing work of the International Maritime Organization (IMO) continues in the development of a polar code for ships operating in polar waters with mandatory sections on marine safety and pollution prevention measures.

[8] White House, *National Strategy for the Arctic Region* (Washington, May 2013) ~ http://www.whitehouse.gov/sites/default/files/docs/nat_arctic_strategy.pdf.

participation in the council. Canada is particularly concerned about the potential admission of the European Union (EU) as an observer, given that the EU's ban on seal products does not seem to fit with the requirement that observers recognize the values and culture of indigenous peoples. Russia, for its part, is interested in developing Arctic commercial ties to the Asian observers but is also concerned that expansion could dilute the regional strength of the eight Arctic state forum. Again, the specific language of the criteria for admission to observer status preserves the paramount position of the Arctic states in the region and also highlights the key role of the permanent participants. Future applications for Arctic Council observer status will likely be carefully scrutinized and vetted by the Arctic states, with input from the permanent participants, based in part on the performance and contributions of the current non-Arctic observer states.

Arctic Myths and Realities

The Arctic faces a complex future due to a broad range of drivers of change and many uncertainties regarding the region's links to climate change and the global economic system. Thus, it is very important that the international audience be provided with accurate and informed information about the Arctic. A report from the World Economic Forum released in January 2014 identified five "Arctic myths."[9] First, many believe that "the Arctic is an uninhabited, unclaimed frontier with no regulation or governance." Nothing could be further from the truth, as most of the Arctic (with a regional population of 4 million people) is under sovereign state control. The exception is the central Arctic Ocean (international high seas), and UNCLOS provides a legal framework for governance of that marine area. The second myth is that the region's natural wealth is readily available for development. However, significant technological, environmental, economic, and accessibility challenges impede the rapid development of the Arctic's natural resources, and there remain strong disparities in opportunities and capabilities for the development of the Arctic's offshore and onshore regions. The third myth addresses the marine accessibility opportunities of longer navigation seasons as Arctic sea ice continues to retreat. A year-round ice-free Arctic Ocean will never exist, and the lack of marine infrastructure and the difficulty of navigation under extreme

9 Global Agenda Council on the Arctic, "Demystifying the Arctic," World Economic Forum, January 2014.

environmental conditions pose significant challenges to seasonal Arctic marine routes that some hope to operate as new global trade links.

Fourth, some media accounts have portrayed the region as "tense with geopolitical disputes and the next flashpoint for conflict." Yet, as noted previously, cooperation is strong regionally and within the Arctic Council, and all the Arctic states and the new observers have an economic interest in the region remaining stable and peaceful. Finally, the fifth myth suggests that climate changes in the Arctic are only of local and regional importance. Again, the Arctic is globally connected by climate, with the warmer temperatures at lower latitudes influencing the Arctic climate, and the Arctic climate affecting the entire globe through rising sea levels from melting glaciers, changing energy balances due to reduced snow and ice coverage, and increasing greenhouse gas emissions from melting permafrost, among other factors. As new players in Arctic affairs, the Asian states have an opportunity to work with the Arctic states to dispel these myths by adopting a cooperative, informed approach to their engagement with the Arctic community at the Arctic Council and beyond. ◈

Asian States in U.S. Arctic Policy: Perceptions and Prospects

James Kraska

In May 2013, five Asian states—China, South Korea, Japan, India, and Singapore—were admitted as observers to the Arctic Council.[1] Generally, the United States views the admission of these nations into the work of the council as a positive development that deepens international cooperation on a key global challenge.[2] The admission of observer states represents an appropriate progression of the strength and role of the council as an international institution, and it also recognizes the global importance of the Arctic region.[3] The U.S. position takes a distinctly American approach to internationalism that reflects a union of liberal values and transparency with a concern for protecting the United States' national interest in the political stability and environmental security of the Arctic.

The aim of U.S. grand strategy is to develop a broadly inclusive and integrated international system in which all nations share certain rights and responsibilities.[4] By recognizing the interests of Asian states in the Arctic region and welcoming them into the Arctic Council, the United States seeks to broaden the number of stakeholders positioned to share benefits and assume responsibilities in the region, provide a positive example for other regional and functional organizations, and underscore U.S. regional leadership.

The United States' Interests in the Arctic

The United States understands that it is an Arctic nation "with broad and fundamental interests" in the region.[5] Six major issues steer U.S. Arctic

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1 U.S. Department of State, "Joint Communiqué of the Arctic Countries on the Establishment of the Arctic Council," September 19, 1996, available at http://1997-2001.state.gov/www/global/oes/oceans/arctic_council.html.

2 White House, *National Security Strategy* (Washington, D.C., 2010), 47–50 ~ http://www.whitehouse.gov/sites/default/files/rss_viewer/national_security_strategy.pdf.

3 This analysis does not present an official U.S. position but rather is based on the author's interpretation of U.S. motives and interests, which are informed by media accounts, official publications of the United States and other Arctic and non-Arctic countries, statements by international organizations, and discussions with policymakers.

4 White House, *National Security Strategy*, 1–2.

5 Ibid., 50.

policy, which is focused on securing a region that is "peaceful, stable, and free of conflict": (1) national security, (2) environmental protection, (3) resource conservation, (4) accommodation of the interests of indigenous populations, (5) scientific research, and (6) international cooperation.[6] These interests are pursued along three major lines of effort: (1) advancement of U.S. national security interests, (2) pursuit of environmental protection and resource conservation, and (3) development of stronger bilateral and multilateral cooperation.[7] These three pillars of U.S. Arctic policy are likely to persist—and indeed become even more acute—driven both by changes in the region's natural environment and by increased human activity.

National security requirements in the region revolve around preservation of the freedom of navigation and overflight in the Arctic Ocean—specifically, traditional rights and freedoms to engage in commercial trade, conduct scientific research, and operate ships and aircraft of the armed forces in, over, and above the ocean. This approach to maritime security has deep historical roots. Since its inception, the United States has regarded freedom of the seas as a core component of a liberal international order. As a new republic, for example, the United States fought its first war as an independent country against France—the 1798–1800 Quasi-War—to protect freedom of navigation for U.S. merchant ships. During the early 1800s, the country also battled Barbary pirates and went to war with England over this issue. A century later, the United States was drawn into two world wars in large part over the issue of freedom of navigation and Germany's strategy of unrestricted submarine warfare. Similarly, the Atlantic alliance that connected the United States to its European allies during the Cold War depended on their common interest in freedom of navigation. Thus, it is no mistake to suggest that preserving maritime mobility in the Arctic Ocean is yet another expression of this cardinal tenet of U.S. grand strategy.

To ensure freedom of navigation in the Arctic, the United States is on a course to tailor Arctic infrastructure and management, including navigational aids, vessel tracking, ship routing, traffic separation schemes, waterway management regimes, and ports and reception facilities, to the evolving human and commercial activity.[8] Space, air, and sea-surface capabilities will be further enhanced as Arctic conditions change.[9]

6 White House, *National Strategy for the Arctic Region* (Washington, May 2013), 2–3 ~ http://www.whitehouse.gov/sites/default/files/docs/nat_arctic_strategy.pdf.

7 Ibid., 6–10.

8 Ibid., 6–7.

9 Ibid.

Freedom of navigation on, under, and over the Arctic Ocean promotes national defense, law enforcement, marine environmental response, and search-and-rescue missions.[10] Such navigational rights and freedoms rest on a legal framework of customary international law and, in particular, the United Nations Convention on the Law of the Sea (UNCLOS). Although the United States is not a party to the treaty, the proposition that all states enjoy extensive navigational rights and freedoms throughout the world's oceans relies in part on provisions in the convention.[11] The United States wants to deepen the widespread acceptance of the norms and regimes contained in UNCLOS—a somewhat ironic position given that Washington has not acceded to the treaty. The *National Strategy for the Arctic Region*, however, expresses a desire to remedy this situation in the future.[12] Once the United States does become a party to the treaty, it may formally submit a claim over the resources of a vast extended continental shelf that may project as far as six hundred miles off the coast of Alaska. Despite these benefits, and the support of Presidents Bill Clinton, George W. Bush, and Barack Obama, UNCLOS has been tied up in the Senate since 1994 by a group of Republican lawmakers.

The United States also has a keen interest in environmental protection and resource conservation in the Arctic and has identified this matter as the second pillar of its policy toward the region. In this regard, the United States is an outlier among the Arctic states. Canada and Russia view economic development as their second most important goal in the region. Among the Arctic coastal states, Russia, Canada, and Denmark identify environmental protection as their third priority in the region, and Norway identifies it as the fourth priority.

The third pillar of U.S. Arctic policy—multilateral cooperation—reflects Washington's desire to encourage non-Arctic states to become more involved in the region. For example, the United States played a pivotal role in the Arctic Council's decision to admit the five Asian states as observers in 2013. The Arctic Council is an independent international organization that sprang from the Arctic Environmental Protection

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10 White House, *National Strategy for the Arctic Region*; and U.S. Department of Defense, "Department of Defense Arctic Strategy," November 2013 ~ http://www.defense.gov/pubs/2013_Arctic_Strategy.pdf.

11 Ronald Reagan, "United States Oceans Policy: Statement by the President," March 10, 1983, *19 Weekly Compilation of Presidential Documents*, Doc. 383 (1983); and Ronald Reagan, "National Security Presidential Directive 83," March 10, 1983 (confidential; partially declassified on August 10, 1992).

12 White House, *National Security Strategy*, 9–10.

Strategy (AEPS), which was attached to a declaration adopted by Canada, Denmark, Finland, Iceland, Norway, the Soviet Union, Sweden, and the United States in 1991. Led by Finland, the AEPS committed the eight states to a joint action plan to cooperate in Arctic environmental science and monitor and assess the environmental effects of development in the region. As the Arctic is principally a maritime domain, the declaration also included a commitment to protect the Arctic marine environment directly or through international organizations.

From the outset, the AEPS was inclusive, welcoming observers from nongovernmental organizations and countries with a special interest in the region. Initially, the Federal Republic of Germany, Poland, and the United Kingdom were admitted as observers, and these nations were joined by the Inuit Circumpolar Conference, Nordic Saami Council, Association of Small-Numbered Peoples of the North of the USSR, UN Economic Commission for Europe, UN Environment Programme, and International Arctic Science Committee of the International Council of Science. When the Arctic Council was officially established in Ottawa five years later, Great Britain, Germany, Japan, Poland, and the Netherlands were present as observers, along with additional international and nongovernmental organizations.

In the years since its establishment, the Arctic Council has evolved from being a forum for discussion of a rather limited agenda, focused on environmental protection and recognition of the rights of northern indigenous populations, toward a high-level decision-making forum capable of addressing virtually the entire spectrum of regional nonmilitary issues. For example, under the auspices of the council, the Arctic states negotiated agreements on search-and-rescue missions and oil-spill preparedness and response in the Arctic Ocean. Another agreement to address cooperation on preventing Arctic marine pollution is under development.

As the Arctic Council increased in importance, states outside the region began to lobby for a formal means to be present and participate in its functions. China, in particular, pushed for observer status by courting the Nordic countries. Other than the United States, only Sweden and Finland identify international cooperation in the Arctic as one of their top priorities in the region, so it is no coincidence that these three states supported conferring observer status on the Asian states.

U.S. Perceptions of Asian States in the Arctic

The United States accepts that Asian states have important equities in the Arctic Ocean, including transportation and international shipping, scientific research on marine issues and climate change, and the development of oil, gas, and other natural resources. Over the past decade, Asian states have acquired greater appreciation for how the Arctic region can concretely affect their interests. Asian states have a genuine interest in polar navigation. China, for example, launched the polar-class icebreaker *Xue Long* in 1993, and a second ship currently under construction will enter service in 2016. The Japan Maritime Self-Defense Force operates the icebreaker *Shirase* for Antarctic expeditions, and the Japan Coast Guard operates the *Soya* and *Teshio* icebreakers. Similarly, South Korea operates the RV *Araon*, a large icebreaker commissioned in 2009.

With Asian states linked to the global economy, the opening of Arctic routes could profoundly affect trade patterns. The Northern Sea Route (NSR) would reduce the distance between Asian and European ports significantly—by almost 4,000 miles in some cases—compared with the traditional route through the Suez Canal. The distance from Shanghai to Hamburg, for example, is roughly 3,200 miles shorter via the Arctic than via the Suez Canal. Once navigable only by powerful polar-class icebreakers, the NSR can now be navigated by other vessels for protracted periods during the summer and autumn months. Whereas in 2009 only 2 ships used the NSR, between 2010 and 2012 there was over a tenfold increase in the number of vessels using the route from 4 to 46.[13] In 2013, 71 vessels sailed the entire length of the NSR between the Bering Strait and the Barents Sea—a 54% increase over 2012.[14] In 2014 the number is expected to exceed 400, and by 2020 China expects 15% of its foreign trade to navigate the NSR.[15]

Scientists expect the NSR and the Northwest Passage to remain open for 110 days each year by 2030, which would transform global shipping patterns.[16] Geography and oceanography favor the NSR over Canada's Northwest Passage. The Beaufort gyre, a system of wind-driven ocean currents, rotates the icepack into the Canadian archipelago, building up multiyear ice and impeding traffic. Overall, however, Arctic sea ice is

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13 Trude Pettersen, "46 Vessels through Northern Sea Route," *Barents Observer*, November 23, 2012.

14 Trude Pettersen, "Fifty Percent Increase on Northern Sea Route," *Barents Observer,* December 3, 2013.

15 Trude Pettersen, "China Starts Commercial Use of Northern Sea Route," *Barents Observer*, March 14, 2013.

16 National Intelligence Council, *Global Trends 2030: Alternate Worlds* (Washington, D.C., December 2012), 65 ~ http://www.dni.gov/files/documents/GlobalTrends_2030.pdf.

melting so rapidly each summer that previously inaccessible parts of the Arctic Ocean may be open to shipping by 2050. Lighter ships will be capable of cutting through thinner ice, developing newer and faster routes from east to west. For Asian economies dependent on "just in time" manufacturing and export shipping, the shorter route translates into cost savings and greater vessel productivity.

The natural resource wealth of the Arctic region also attracts the interest of Asian states. Oil, gas, and hard minerals are abundant, especially in Russia and Canada but most likely in Greenland as well. The latter is an island three times the size of Texas with a population of only 55,000. As the region's resources are developed, Asian states—particularly China—are positioned to secure a steady stream.

Asian states also have a keen and genuine interest in Arctic science. Given that the physical changes in the Arctic have global implications, it is understandable that non-Arctic states view scientific research in the region as imperative. The Arctic is warming two to three times as fast as the rest of the world, and the extent and thickness of sea ice is on a declining trend line.[17] At its historic September 2012 minimum, the summer sea ice covered approximately 50% less area than the preceding 30-year average, a loss roughly equal to the landmass of India.[18] Less Arctic ice means less reflectivity and more absorption of heat by the Arctic Ocean. Such absorption, which is now up to eight times what it was in 1979 when satellite records began, represents up to 25% of the heat-trapping effect of carbon dioxide globally and may have already triggered a feedback loop that causes further warming on a global scale.[19]

As the interconnected nature of the planet's biome becomes clearer, Asian states have a growing capacity to make original contributions to Arctic science. Japan and India were original contracting parties to the 1920 Svalbard Treaty, and China joined in 1925, the year the agreement entered into force. In 1990 the National Institute of Polar Research in Japan established a presence in Svalbard, Norway, and it maintains stations at Ny-Ålesund and Longyearbyen. The institute also conducts international

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17 James E. Overland et al., "Future Arctic Climate Changes: Adaptation and Mitigation Time Scales," *Earth's Future* 2, no. 2 (2014): 68–74.

18 According to NASA, "on September 16, 2012, Arctic sea ice spread across just 3.41 million square kilometers (1.32 million square miles)—the smallest extent ever recorded by satellites and about half the average minimum from 1981 to 2010." See NASA, "2013 Arctic Sea Ice Minimum," Earth Observatory ~ http://earthobservatory.nasa.gov/IOTD/view.php?id=82094.

19 Kristina Pistone, Ian Eisenman, and V. Ramanathan, "Observational Determination of Albedo Decrease Caused by Vanishing Arctic Sea Ice," Proceedings of the National Academy of Sciences, February 14, 2014, 3, 322–26.

research in the northern part of the Scandinavian Peninsula, Greenland, the Canadian Arctic, the Russian Arctic, and Iceland. Similarly, in 2003, the Polar Research Institute of China established the Arctic Yellow River station at Ny-Ålesund on Svalbard, and in 2008 India opened the Himadri station at the same location.[20] Furthermore, as part of its successful charm offensive to obtain observer status in the Arctic Council, China is establishing a joint Arctic research center in Shanghai with Danish, Icelandic, and Norwegian institutions.

Prospects

The admission of the five Asian states as observers to the Arctic Council came only after a spirited debate in which some Arctic states were less enthusiastic about including them than others.[21] Prior to the council's 2013 Kiruna ministerial meeting in Sweden, there was an internal debate about admission of observers. Russia and Canada, in particular, were sensitive to the prospect of diluting their sovereignty and influence in the region by inviting new stakeholders to the table.

By contrast, the United States was in favor of adding the Asian states as observers. Secretary of State John Kerry took an active role in broaching a compromise that admitted the new observer states under terms of reference for how they may participate. These rules set forth criteria for recognition as an observer state, including that observers respect the sovereignty of the Arctic states and the indigenous peoples in the region and adhere to the regimes set forth in UNCLOS. At the meeting, Secretary Kerry stated, "There is nothing that should unite us quite like our concern for both the promises and the challenges of the northern-most reaches of the earth…. [T]he consequences of our nation's decisions don't stop at the 66th parallel."[22] In the end, the United States sided with others in favor of accepting China's application for observer status. Officials in some agencies acknowledge privately that they share some of Canada's and Russia's reluctance toward greater Chinese involvement. Others, however, noted that it would have been anomalous to include Japan and South Korea but not China and that observer status confers rather limited rights.

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20 Paul Sunderarajan, "New Indian Research Station at the Arctic," *Hindu*, July 2, 2008.

21 Observer status was conferred on Italy at the same time. Steven Lee Myers, "Arctic Council Adds 6 Nations as Observer States, Including China," *New York Times*, May 16, 2013.

22 John Kerry, "Remarks at the Arctic Council Ministerial Session," U.S. Department of State, May 15, 2013 ~ http://www.state.gov/secretary/remarks/2013/05/209403.htm.

In addition, scientific resources from China may add to the volume of data on climate change. Overall, the U.S. position was marked by a realization that China cannot be barred from the region, there is little to be gained by trying to do so, and broader participation may produce greater collaboration in science, economic development, and environmental protection. Thus, the United States adopted a "big tent" policy that supported all applicants for observer status, including China. Once the United States supported China's application, resistance from Canada and Russia dissipated because they did not want to be seen as isolated and obstructionist.[23]

Despite the United States' openness, geopolitical issues related to the admission of China linger in the background. China's aggressive posture in the East and South China Seas and its burgeoning spending on air, sea, and space systems taint what otherwise might be seen as benign engagement. Furthermore, the United States is wary that licensing scientific research and survey activity by China in the Arctic Ocean will contribute to the development of its antisubmarine warfare capability—a concern no doubt shared by Russia. Although Washington views admission of the Asian states as observers as a net positive development, it recognizes that China's push for involvement in multilateral dialogue and engagement in the Arctic is at odds with the country's heavy-handed and bilateral approach to maritime issues in East Asia. ◈

[23] Interestingly, although the European Union was generally supportive of the admission of the Asian states as observers, it was denied that status in 2013—primarily because of a row with Canada over restrictions on the import of seal products.

Canada and the Asian Observers to the Arctic Council: Anxiety and Opportunity

P. Whitney Lackenbauer

Canada is an Arctic nation, although deep-seated anxieties about sovereignty and control belie its self-proclaimed status as an Arctic superpower.[1] More than 40% of the country's landmass and 162,000 kilometers (approximately 101,000 miles) of its coastline lie "north of sixty," spanning approximately one-quarter of the global Arctic. Popular imagery has long cast the Arctic as a resource-rich "frontier of destiny," a homeland for indigenous peoples, a fragile environment in need of protection, and a source of national inspiration. Through these various lenses, Canadian commentators watch intently as Asian states' interests grow in Arctic science, environmental issues, resource development, shipping opportunities, and regional governance. For a country with a history of limited investment in northern transportation and economic development, the entrance of new players resurrects old anxieties about national interests, sovereignty, and practical control. While Canada seeks Asian investment to help drive its economic growth, commentators worry about the long-term implications of the rise of Asia, China's grand strategic interests more generally, and the growing footprint and influence of state-owned enterprises in a sparsely populated region. Accordingly, Canada's ongoing challenge lies in balancing the emerging opportunities associated with the opening of the Arctic as a resource and transportation frontier with the security and stewardship issues associated with protecting part of the Canadian homeland.

This essay begins with an overview of Canada's Arctic strategy and how this frames its approach to circumpolar affairs and the Arctic Council, followed by a discussion of Canada's concerns about the admission of new observers to the council. The next section notes emerging opportunities for enhanced Canada-Asia engagement, despite persistent anxiety about increasing Asian interest in Arctic science, governance, resources, and maritime routes. This essay concludes that by working through existing mechanisms and ensuring that Asian states' participation does not erode

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[1] See Randy Boswell, "Canada Is 'Arctic Superpower,'" *Ottawa Citizen*, June 28, 2009.

Arctic state sovereignty, Canada and the other Arctic states can realize their national goals, maintain their leadership roles in regional governance, and accommodate growing international interest in the circumpolar north.

Canada's Arctic Strategy

Canada's priorities for the Arctic are laid out in its 2009 white paper *Canada's Northern Strategy: Our North, Our Heritage, Our Future*, which promotes an overriding agenda of seeking to develop a healthy, prosperous, and secure region within a strong and sovereign Canada.[2] This strategy contains four main pillars: exercising Canada's Arctic sovereignty, promoting social and economic development, protecting Canada's environmental heritage, and improving and devolving governance. The Conservative Party government of Stephen Harper considers the sovereignty pillar to be its foremost priority, an approach that capitalizes on Canadian nationalism and primordial anxieties about the country's control over its share of the Arctic. Despite official assurances that Canadian sovereignty is well established in legal terms and that boundary or status-of-water disputes with neighboring countries are well managed, threat narratives that imagine foreign challenges to Canada's Arctic lands and seas continue to resonate with Canadians. Nevertheless, the country works closely with other Arctic states to promote and protect its international interests and cooperate on a broader vision for the region.

Official statements confirm that Canada considers the Arctic Council to be the preeminent intergovernmental forum for cooperation between the eight Arctic member states and the international indigenous peoples' organizations that partake in the council as permanent participants. Among these organizations are the Arctic Athabaskan Council, Gwich'in Council International, and Inuit Circumpolar Council, all of which have Canadian constituents. Canada spearheaded the establishment of the Arctic Council in 1996 and served as its first chair until 1998, thereby forging a special connection with the circumpolar body.[3] In May 2013, Canada began its second term as chair with the overarching theme of "development for the people of the north," backed by three sub-themes projecting the country's domestic agenda onto the broader Arctic. The first sub-theme

2 Government of Canada, *Canada's Northern Strategy: Our North, Our Heritage, Our Future* (Ottawa, 2009).

3 See John English, *Ice and Water: Politics, People, and the Arctic Council* (Toronto: Penguin Canada/Allen Lane, 2013).

emphasizes responsible resource development and seeks to advance the role of business and industry in the Arctic Council. The second highlights safe shipping and effective ocean governance. This includes guidelines for Arctic tourism and cruise ship operators as well as progress on an international polar code under the International Maritime Organization (IMO). The third sub-theme—development of sustainable circumpolar communities—seeks to address the challenges facing Arctic peoples, including threats to traditional lifestyles and challenges in adapting to climate change. How deeply these priorities resonate with Asian observers remains to be seen.

Canada's Concerns about the Admission of New Observers to the Arctic Council

At the May 15, 2013, ministerial meeting in Kiruna, Sweden, the Arctic states and permanent participants reached a consensus decision to admit China, India, Italy, Japan, Singapore, and South Korea as newly accredited observers to the Arctic Council. In the lead-up to the meeting, Canadian officials were tight-lipped about their official position on the Asian states' applications. Media reports suggest that behind the scenes Canada, along with Russia, had expressed resistance, while the Nordic countries supported the non-Arctic states' applications. Would more observers complicate and delay consensus, diminish the role of the permanent participants at the Council, or undermine the Arctic states' control over regional issues? These were real concerns, but in the end Canada supported the consensus decision to extend observer status to the five Asian states and Italy. Accordingly, it can rightfully claim to welcome their participation, provided they adhere to the observer criteria set by the Arctic states in 2011.[4]

Canadian concerns about the growing "internationalization" of Arctic governance, the potential hidden agendas of non-Arctic states, and the possible dilution of Arctic states' and indigenous peoples' voices and influence continue to circulate in both popular media and academic circles. Opinion polls confirm the existence of these anxieties about Asian states' interests and their potential stake in Arctic governance. An oft-quoted 2011 poll commissioned by the Munk-Gordon Arctic Security Program found that most Canadians identified China as their "least preferred partner" on Arctic issues and that only 22% of northern Canadians and 15% of

[4] See, for example, Elana Wilson Rowe, Per Erik Solli, and Wrenn Yennie Lindgren, "Coming into the Cold: Asia's Arctic Interests," *Polar Geography* 36, no. 4 (2013): 253–70.

southern Canadians supported allowing non-Arctic states to participate in the Arctic Council or have a voice in the region's affairs more generally.[5] Another poll, released by the Asia Pacific Foundation of Canada in May 2013, found that most Canadian stakeholders opposed giving a greater role in Arctic governance to India (74%), Singapore (70%), South Korea (65%), and China (56%). Most respondents believed that this rejection would have no repercussions on relations between Canada and Asia, thus implying that Asian interests in the region are not particularly sincere or significant. Moreover, 59% of those polled indicated that environmental risks outweigh the economic benefits of commercial traffic and resource development supported by Asian investors.[6]

The Canadian public's apprehension mirrors uncertainty and debate among academics, pundits, and journalists regarding Asia's emerging Arctic interests. Canadian analysts expressing concern usually cite unofficial statements from Asian commentators describing the existing Arctic governance system as insufficient or unfair and calling for fundamental revision.[7] Rhetoric that frames the Arctic as an Antarctica-like "global commons" or that refers to a need to "internationalize" the region raises questions about Canada's sovereignty and sovereign rights in the region. These statements also contradict the view of Arctic coastal states, encapsulated in the 2009 Ilulissat Declaration, that existing legal and political systems are sufficiently robust to resolve potential disputes. In response, Canadian commentary uniformly insists that Asian states must respect the sovereignty and jurisdiction of the Arctic states.[8]

Statements by Canadian political leaders echo and reinforce these concerns. Prime Minister Harper, in a January 2014 interview, lamented the

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5 "Rethinking the Top of the World: Arctic Security Public Opinion Survey," Ekos Research Associates, January 2011 ~ http://www.ekos.com/admin/articles/2011-01-25ArcticSecurityReport.pdf.

6 "Charting Canada's Relations with Asia in the Arctic: Points of View, Asia Pacific Opinion Panel," Asia Pacific Foundation of Canada, May 14, 2013 ~ http://www.asiapacific.ca/sites/default/files/filefield/charting_canadas_relations_with_asia_in_the_arctic_.pdf.

7 See, for example, Rob Huebert, "Canada and China in the Arctic: A Work in Progress," Canadian Polar Commission, Meridian Newsletter, 2011–12, 1–6; David Curtis Wright, "The Panda Bear Readies to Meet the Polar Bear: China and Canada's Arctic Sovereignty Challenge," Canadian Defence & Foreign Affairs Institute, March 2011 ~ http://www.cdfai.org/PDF/The%20Panda%20Bear%20Readies%20to%20Meet%20the%20Polar%20Bear.pdf; and David Curtis Wright, "China's Growing Interest in the Arctic," *Journal of Military and Strategic Studies* 15, no. 2 (2013): 1–21; and "China's Arctic Ambition," *Winnipeg Free Press*, January 25, 2014.

8 See, for example, David Wright, "We Must Stand Up to China's Increasing Claim in the Arctic," *Calgary Herald*, March 8, 2011; Steven Chase, "Q&A with Harper: No Previous Government Has 'Delivered More in the North,'" *Globe and Mail*, January 17, 2014; and P. Whitney Lackenbauer and James Manicom, "Canada's Northern Strategy and East Asian Interests in the Arctic," in *East Asia-Arctic Relations: Boundary, Security and International Politics*, ed. Kimie Hara and Ken Coates (Waterloo: Centre for International Governance Innovation, 2014), 78–117.

growing number of observers at the Arctic Council. Conceding, however, that Canada was "prepared to have a significant number of observers as long as they understand and respect the sovereignty…and…their presence doesn't override or impede upon the deliberations of the permanent members," Harper concludes that it comes down to "a matter of balance." Distinguishing between the "full participants" (i.e., the Arctic member states and permanent participants) and mere observers, he emphasizes the importance of respecting and maintaining this distinction while recognizing "that other countries will be present in the international areas" of the Arctic Ocean beyond national jurisdiction.[9]

Despite the nationalist, coastal-state orientation reflected in most popular media coverage of Arctic issues, many Canadian commentators acknowledge that Asian states have legitimate interests in the broader polar region. After all, the same international law that supports Canadian sovereignty and sovereign rights enshrines the rights of other states and of the global community to vast areas of the Arctic Ocean. In granting Asian states observer status, Canada and the other Arctic states took a major step to counter criticism that the Arctic Council is nothing more than an exclusive club committed to entrenching narrow, national self-interests. The inclusion of new observers reaffirms the role of the council as the premier forum for high-level dialogue on regional issues and legitimizes the place of non-Arctic states in discussions about the circumpolar north.

Opportunities for Enhanced Canada-Asia Engagement in Arctic Affairs

Canadian commentators vary in their assessments of what the new Asian observers seek through more active involvement in Arctic affairs. Asian states have an abiding interest in polar research and science (particularly relating to climate change), as well as emerging interests in natural resources, prospective Arctic shipping routes, and regional or international governance. Nevertheless, there is no consensus on core Asian motivations or desired end states. Most attention to date fixates on China, with a dominant school of thought perceiving pernicious intent as the

9 Chase, "Q&A with Harper."

"dragon eyes the Arctic."[10] For example, one journalist forecasts a Chinese "bait and switch" strategy designed to secure entrance into the Canadian market as an investor but with the real goal of securing political influence.[11] Such narratives reflect deep-seated mistrust of the Communist political system and China's global geostrategic ambitions. Other commentators suggest that Asian states' interests—particularly China's—signal a more general push to enhance their status and influence in international affairs.

More optimistic views highlight emerging opportunities for enhanced Canada-Asia engagement and stress the importance of foreign investment to facilitate resource development. The Canadian North boasts some of the world's most attractive greenfield mining sites, which have remained under the industry's radar for decades because of the difficulties and high costs of operating in the region. The Harper government embraces resource development as a key means of improving the quality of life for northern residents, and foreign capital is required to see this policy through. The Asian states offer Canada such investment capital, as well as access to large and growing markets for natural resources, while Canada offers the Asian states a stable and reliable environment for investing in resources.[12] The Arctic Council can support Canada-Asia cooperation in various ways—for example, by generating research and new legal instruments to support sustainable development, heightening awareness of indigenous peoples' rights and interests, and generally drawing Asian states into the Arctic "ways of thinking."[13]

Canadian experts recognize that Asian states, through their participation in the council, can contribute substantively to regional management in various sectors. For example, Canada wishes to broaden and deepen its bilateral collaboration with the Asian states in Arctic

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10 See, for example, David Curtis Wright, *The Dragon Eyes the Top of the World: Arctic Policy Debate and Discussion in China*, China Maritime Study, no. 8 (Newport: Naval War College Press, 2011) ~ http://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/China-Maritime-Study-8_The-Dragon-Eyes-the-Top-of-.pdf; and Wright, "China's Growing Interest in the Arctic."

11 James Munson, "China North: Canada's Resources and China's Arctic Long Game," *iPolitics*, December 31, 2012 ~ http://www.ipolitics.ca/2012/12/31/china-north-canadas-resources-and-chinas-arctic-long-game. For a commentary written by an American but published by a Canadian think tank, see also Rodger W. Robinson Jr., "Commentary: China's 'Long Con' in the Arctic," Macdonald-Laurier Institute, September 2013 ~ http://www.macdonaldlaurier.ca/files/pdf/MLIChina'sLongConInTheArctic09-13Draft4-1.pdf.

12 Carin Holroyd, "The Business of Arctic Development: East Asian Economic Interests in the Far North," Canada-Asia Agenda, May 14, 2013.

13 See James Manicom and P. Whitney Lackenbauer, "East Asian States, the Arctic Council and International Relations in the Arctic," Centre for International Governance Innovation, Policy Brief, no. 26, April 2013 ~ http://www.cigionline.org/publications/2013/4/east-asian-states-arctic-council-and-international-relations-arctic.

scientific research, thus reinforcing its leadership in Arctic science, technology, and innovation. The Asian states' adherence to the UN Convention on the Law of the Sea also confirms the Arctic states' rights to exclusive economic zones and to continental shelf resources. As global maritime powers, the Asian states also can play a strong role in supporting safe navigation by backing a proposed polar code through IMO. At the Arctic Council, Asian observers with growing polar research capacities can contribute scientific expertise to the working groups and task forces, reinforcing the connections between regional and global processes (such as migratory bird populations and transboundary pollution). Some Canadian commentators also envisage a greater role for Asian states to contribute financially to council activities (including support to the permanent participants) as part of a broader effort to strengthen the forum, although no decisions have been reached in this regard.

Conclusion

In the end, Canada will resist any pressure from the Asian states to reform the Arctic Council or create new global governance mechanisms that could encroach on Arctic state sovereignty. Despite its leadership role in the establishment of the council, Canada's views on Arctic governance are those of a status quo actor. Ottawa managed to establish sovereignty over its Arctic frontier during the twentieth century with minimal investment of national resources and has assured its security through continental defense arrangements with the United States. While prone to displays of political symbolism over sustained investment in its Arctic regions, Canada has demonstrated in its Arctic white paper a highly innovative approach to settling indigenous land claims and promoting the human dimension of circumpolar issues. Given the central place of indigenous peoples in this strategy, if Asian states hope to secure an audience with Canada, they must demonstrate that their public statements in support of the interests of indigenous peoples (and their unique role in Arctic governance) are matched with meaningful engagement and respect.

As Canada seeks to set appropriate conditions for dynamic economic growth and the protection of vibrant communities and healthy ecosystems in the region, emerging prospects for shipping and resource development will generate vigorous debate and much anxiety. Although observers were required to recognize the Arctic states' sovereignty, sovereign rights, and jurisdiction in the Arctic in order to secure accredited status at the Arctic

Council, unofficial Asian commentaries questioning existing governance regimes will continue to raise concerns about ulterior or undisclosed motives. In particular, Asian states that place a heavy emphasis on freedom of navigation may find themselves in opposition to Canada's legal position on the Northwest Passage, which it considers to be historic internal waters enclosed by straight baselines (and not an international strait). Given the extreme political sensitivity in Canada to any action or statement construed as a challenge to its Arctic sovereignty, Asian states that adopt a clear stance against Ottawa's position will face a strong political backlash. On the other hand, activities and statements that recognize the extensive international legal framework that allows the Arctic states to address regional issues, acknowledge the unique nature of the Arctic Council, promote sustainable development of regional resources, and demonstrate an awareness of the concerns and interests of Arctic peoples should find a warm reception. The Arctic is inextricably linked to global affairs. Canada should seize the heightened interest in and expanded dialogue on Arctic affairs as a way to correct misperceptions about the region and promote Ottawa's vision of regional protection and sustainable development. In striving to educate Asian states on the appropriateness and relevance of the existing governance systems, Canada might also rediscover a regional leadership role that transcends domestic interests and lives up to the country's self-designated title of Arctic superpower. ◈

Asian Interests in the Arctic: Risks and Gains for Russia

Katarzyna Zysk

In recent years, the Arctic has become a key area of interest for Russian domestic and foreign policymakers. Russia's renewed attention to the region and its readiness to spend enormous resources on development there have been driven by several closely interconnected factors. These include both the will to seize opportunities, primarily economic ones, as the Arctic opens up and the need to secure Russian sovereign rights in the region. Another factor has been the surge of interest in Arctic matters expressed by countries around the world, including by Asian states. This trend has fueled Moscow's determination to defend the Russian position against the perceived threat of being pushed out of the region by foreign actors eager to develop their own activities.

For some time, Russia has been reluctant to accept increased influence in the region by non-Arctic actors that could potentially challenge Russia's status and interests. This coolness to newcomers applies to the Arctic Council's new Asian observers—China, Japan, India, South Korea, and Singapore—as well as to outside states and organizations in general. Although Russia intends to strengthen cooperation in the future, such cooperation is to occur on one condition: it must not challenge Russia's sovereign rights in the Arctic, including offshore areas.

This essay analyses Russia's attitudes toward Asian interests in the Arctic. First, it examines Russia's key Arctic interests and policies and the challenges to their implementation. Next, it sheds light on Moscow's views on the admission of the five Asian states as observers in the Arctic Council, as well as on the motivations behind their policies toward the region. Finally, the essay analyses Russia's views on the actual and potential risks and gains as it seeks to balance mutually beneficial cooperation with the need to preserve its own influence, rights, and interests in the Arctic.

Russia's Arctic Interests: New Opportunities, New Uncertainty

Russian policy fundaments, the resulting Arctic strategy, and the plan for its implementation all draw on the country's relatively high-tempo socioeconomic and security development program and ambitions for the

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energy sector, strategic minerals and metals mining, maritime shipping, and fisheries.[1] One of Russia's key strategic goals is the transformation of the Arctic into the "foremost strategic base for natural resources" by 2020. The expansion of the energy sector, which is monopolized by the national oil companies Gazprom, Rosneft, and more recently Zarubezhneft, has been moving forward, although dogged by delays. Some plans, including one to develop the Shtokman gas field in the Barents Sea, were canceled after the U.S. shale gas revolution altered the geopolitics of energy.

Another fundamental Russian goal in the Arctic is development of the Northern Sea Route (NSR) as a major shipping artery to challenge traditional trade lanes between Europe and Asia. The use of the route for both transit and destinational shipping has risen systematically since 2009, and the government has high expectations for the future.[2] However, the development of the NSR depends on the scope of economic development in the Arctic, even as many Arctic development projects depend on the availability of the NSR. To make Arctic shipping easier and safer, Russia has embarked on a large-scale plan to revitalize the passage through legislative and economic means as well as the use of security and military assets. Plans include construction of a new generation of icebreakers, modernization of search-and-rescue services, management of communications, development of navigation and surveillance systems, and development of a comprehensive dual-use coastal infrastructure that would serve Russian military and civilian purposes alike.

As the Arctic becomes more accessible and the number of states and organizations active in it grows sharply, the region is seen by many in Russia as increasingly vulnerable. As a result, the Russian government has been strengthening security and defense forces in the Arctic, primarily

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1 For the Russian policy fundaments, see Government of the Russian Federation, *Osnovy gosudarstvennoi politiki Rossiiskoi Federatsii v Arktike na period do 2020 goda i dal'neishuyu perspektivu* [Foundations of the State Policy of the Russian Federation in the Arctic for the Period Up to 2020] (Moscow, September 18, 2008); and Government of the Russian Federation, S*trategiya razvitiya Arkticheskoi zony Rossiiskoi Federatsii i obespecheniya natsional'noi bezopasnosti na period do 2020 goda* [Strategy for Development of the Arctic Zone of the Russian Federation and for Provision of National Security for the Period Up to 2020] (Moscow, February 20, 2013) ~ http://government.ru/news/432. For the plan for the implementation of the Arctic strategy, see *Plan meropriyatii po realizatsii strategii razvitiya Arkticheskoi zony RF i obespecheniya natsional'noi bezopasnosti do 2020* [Plan of Measures Aimed at Realization of the Strategy for the Development of the Arctic Zone of the Russian Federation] (Moscow, October 16, 2013).

2 The Ministry of Transport estimates a potential increase of cargo transport to around 64 million tons by 2020 and 85 million tons by 2030, "Severnyi Morskoi put' uvelichit gruzooborot v 50 raz" [The Northern Sea Route Will Increase Transport of Goods 50 Times], *Izvestiya*, August 7, 2011. The vice minister of transport Viktor Olerskii says the cargo transport may reach 50–80 million tons by 2030. See Ivan Yegorov, "Otkryli Arktiku" [They Discovered the Arctic], *Rossiiskaya gazeta*, April 12, 2013.

the Federal Security Service and its border guard branch, as well as the Northern Fleet, the air force, and early warning units. By the end of 2014, Russia intends to establish the Northern Fleet–Unified Strategic Command in order to boost country's presence and protect national interests in the Arctic. The command will comprise the Northern Fleet, Arctic brigades, air force, air defense units, and other components.[3] Russia has also been reopening a network of Soviet airfields and intends to expand a network of naval bases. As a result of the renewed attention, Russian military activity in the Arctic has been on the rise since 2007.

In recent years, Russia has made progress in implementing many of these strategic goals for the Arctic. Yet in multiple cases there have been significant delays and mixed results. Policy implementation has been obstructed by uneven economic development, insufficient financial support, outdated industries and infrastructure, low productivity, and environmental issues, to name just a few challenges. Structural problems, including deficient coordination of the many interests and agendas in nearly all major policy areas, have been another factor constraining development, and stagnation in the economy may further exacerbate these problems. The Russian minister of finance, Anton Siluanov, announced in April 2014 that GDP growth for the year is expected to be close to zero as a result of capital flight worsened by the Ukrainian crisis, among other reasons.[4] Some experts, however, indicated that this prognosis may be optimistic.

Asian Newcomers in the Arctic Council

In Russia's 2008 Arctic policy document, the Arctic as a whole is defined as the northern part of the earth, which includes the deep Arctic basin and shallow adjacent seas as well as the islands and parts of Europe, Asia, and North America with Arctic coasts. According to the definition, parts of five polar states—Russia, Canada, the United States, Norway, and Denmark (via Greenland), all of which have exclusive economic zones and continental shelves in the Arctic Ocean—are situated within the Arctic borders. This definition is a departure from Russia's 2001 document that included

[3] Source in the Russian General Staff, quoted in "Russia to Set Up Arctic Military Command by 2015," Ria Novosti, February 17, 2014.

[4] "Russia's Finance Ministry Predicts Zero GDP Growth in 2014," *Itar-Tass,* April 15, 2014; and "Ukraine Backlash Could Result in 0% Russia GDP Growth," *Russia Today,* April 16, 2014.

Finland, Sweden, and Iceland in the Arctic.[5] The absence of these states in the current definition reflects a general tendency in Russia to accentuate the interests, rights, privileges, and responsibilities of the narrower circle of nations known as the "Arctic five." Russian officials, including the country's long-standing ambassador to the Arctic Council, have insisted that only Arctic states should have direct responsibility for practical management, security, and navigational safety in the Arctic.[6]

Although such attitudes have evolved somewhat in recent years, Russia has remained careful about granting political influence to actors outside the Arctic, as they could challenge the regional balance of power. During the Arctic Council's ministerial meeting in Kiruna in May 2013, at which the five Asian states and Italy were admitted as observers—member states disagreed in particular over the applications of the European Union (EU) and China. Russia was reluctant to include the EU because three council member states are also members of the EU, an affiliation that could imply double influence. Nor was it entirely clear to Russia why countries such as China—perceived as seeking additional influence for merely economic reasons—should be included.[7]

More generally, Russia was disinclined to grant observers any influence on council decisions and objected to the "permanence" of the observer status on offer. Enlargement, it was argued, could adversely affect the efficiency of the Arctic Council. The rights of observers should therefore be curtailed, and those countries instead should be required to accept the sovereignty of the Arctic states in the region. Russia, along with Canada, was apparently among the leading states behind the "Observer Manual" approved at the ministerial meeting.[8] This document spelled out limitations on financial contributions and levels of participation in the council's work, as well as detailed rules of conduct, that observers had to accept.

Negotiations on the Asian and European applications were protracted and included a fair amount of pressure from other Arctic states to accept

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5 Government of the Russian Federation, *Osnovy gosudarstvennoi politiki Rossijskoj Federatsii v Arktike* [Foundations of the Russian Federation's State Policy in the Arctic] (Moscow, June 14, 2001), chap. 3 ~ http://www.sci.aha.ru/econ/A111c.htm.

6 Anton Vasiliev, "Is the Ilulissat Declaration Adequate?" (presentation at the conference "Arctic—Changing Realities," Copenhagen, May 26, 2010), available at the Nordic Council of Ministers' website, http://www.norden.org.

7 Elena Chernenko, "Rossiya ogranichivaet polyarnyi krug" [Russia Limits the Polar Circle], *Kommersant*, May 14, 2013.

8 The document can be accessed at the Arctic Council website ~ http://www.arctic-council.org. See Foreign Minister Sergei Lavrov's argument in "Nuuk Declaration: A New Stage of Cooperation among Arctic States," October 13, 2011; and P.E. Solli, E. Wilson Rowe, and W.Y. Lindgren, "Coming into the Cold: Asia's Arctic Interests," *Polar Geography* 36, no. 4 (2013): 256.

the new observers. For instance, Iceland's president Ólafur Ragnar Grímsson came up with the idea of creating a new global forum called the Arctic Circle, a possible rival to the Arctic Council, which was criticized by Grímsson as being inadequate.[9] Even before the meeting, the Nordic countries had broken ranks and officially supported the new candidates' applications. Russia, as well as Canada and the United States, risked being blamed if the new states were blocked. This could have adversely affected Moscow's wider relations with the applicant states—China in particular, with which Russia is seeking improved ties.

Although in the end Russia agreed to approve the applications, its acquiescence did not necessarily reflect a conviction that the admission of the six observers would create new opportunities for the council. Russia's basic view on the primacy of member states to decide the region's future has not changed. As Prime Minister Dmitry Medvedev put it in an interview in June 2013: "We can trust China, but the rules of the game need to be imposed by the Arctic countries." He further argued that the Arctic states should have "absolute priority for decision-making with regard to using the Arctic region" because this is "our region, we live here, it's our land."[10]

Motivations and Interests of the Asian Five, Seen from Moscow

Russia sees the Asian countries' efforts to gain a foothold in the Arctic as driven largely by economic motivations. Eager to diversify their energy supplies, they are attracted by the Arctic's petroleum resources and the opportunities represented by new polar transport routes.

Because of its weight in international affairs and importance to Russia, China has attracted most of the attention and controversy among the council's five new Asian observers. Cooperation in the Arctic adds another dimension to the wider Sino-Russian relations that Russia seeks to improve. China is seen in Russia as possessing diverse interests in the Arctic. To begin with, Russia perceives increased Chinese interest in the NSR, which could reduce China's dependence on the Strait of Malacca. In November 2010, Russia's largest state-controlled shipping company (Sovcomflot) and China National Petroleum Corporation (CNPC) signed a long-term agreement aimed in part at coordinating energy shipments through the NSR.

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9 Robert Webb, "Iceland President Sounds Climate Alarm Demanding Global Attention, Action at NPC Luncheon," Press Release, National Press Club, April 15, 2013; and "China, India, Singapore Could Join New Arctic Circle Forum," Reuters, April 16, 2013.

10 Dmitry Medvedev, interview with NRK, June 4, 2013, available at the Russian government's website, http://government.ru/en/news/2273.

According to the director general of the Polar Research Institute of China, the demand for NSR shipping may increase dramatically by 2020 if the route is sufficiently prepared. Test sailings along the NSR have apparently encouraged Chinese shipping companies. Official estimates indicate that China may have serious plans for the route: by 2020, between 5% and 15% of China's international trade could travel through the NSR.[11]

Another key Chinese interest in the Arctic concerns energy and mineral resources. As exporter and importer respectively, Russia and China have strategic long-term interests in pursuing energy cooperation in the region. During a visit to Russia in March 2013, Chinese president Xi Jinping signed an agreement under which Rosneft would at least double oil deliveries to China. The agreement resulted in joint development projects on the Arctic shelf in the Zapadno-Prinovozemelskii structure in the Barents Sea and the Yuzhno-Russky and Medynsko-Varandeyskii structures in the Pechora Sea. However, as part of the lucrative deal, Rosneft had to accept a Chinese loan of $25–$30 billion, adding to the company's already significant debt to China from the East Siberia–Pacific Ocean pipeline.[12] CNPC also signed an agreement with the private Russian gas company Novatek for liquefied natural gas (LNG) deliveries for at least fifteen years. Novatek is developing an LNG project on the Yamal Peninsula in the Russian Arctic that is scheduled to start production in 2016–17, further extending China's connections to the region and strengthening the wider Sino-Russian relations.

Japan, South Korea, India, and Singapore do not yet seem to consider the Arctic a top priority, although the region's potential has been gaining their attention. In Russia, their interests are seen as largely comparable to those of China—that is, focused on access to strategic resources, maritime shipping routes, and related economic opportunities for domestic industries. These countries apparently seek participation in various forms of activity in the Arctic in order to gain some influence over them.

Japan's interest in the Arctic is perceived to be related to energy and mineral imports as well as the new opportunities represented by the NSR. A Japanese shipping company tested the passage by delivering iron ore from the Kola Peninsula to China in 2011, and Gazprom has used the route to

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11 "China Starts Commercial Use of the NSR," *Barents Observer*, March 14, 2013; and Sergei Kulikov, "Kitai rvetsya v polyarnye vladeniya Rossii" [China Rushes to Russia's Polar Possessions], *Nezavisimaya Gazeta*, March 19, 2013.

12 Dmitrii Zhdannikov and Vladimir Soldatkin, "Exclusive: Russia Plans $25-$30 Billion Oil-for-Loans Deal with China," Reuters, February 13, 2013; and Stephen Blank, "China's Arctic Strategy," *Diplomat*, June 20, 2013.

deliver LNG to Japan from Norway. Additional Japanese interests lie in environmental research and protection related to climate change.

South Korea, which boasts one of the world's most advanced shipbuilding industries, including expertise in large-scale LNG tankers and ice-class vessels, is likewise drawn to the Arctic by the opportunities it offers for the shipping and shipbuilding industries. Hyundai Heavy Industries is already testing the world's largest ice-class ship intended for operation in the Arctic, and an oil tanker travelled from Ust-Luga, Russia, to Hyundai Glovis in 2013. The region is also of interest as a source of energy and mineral resources.

Like the other Asian states, India views participation in the Arctic region as an opportunity to strengthen its energy security by diversifying supplies currently dominated by the Middle East. Thus, Indian companies have attempted to acquire a stake in the Yamal LNG project. Russian sources also cite competitive geopolitical motivations for India's activities, which appear to be aimed at restraining Chinese control over energy resources in different parts of the world.

Given Singapore's vast experience and expertise in port infrastructure, major port facilities, and offshore and marine engineering, Russia sees it as a particularly interesting partner in developing the NSR. According to Russian experts close to government circles, Singapore has been interested in using the NSR despite the passage's potential challenge to its own position as the hub of Asia-Pacific shipping.[13] The explanation is that Singapore understands the inevitability of NSR development and would prefer to be in a position to influence it. Interestingly, Russian experts view Singapore as a possible arbitrator in potential international disagreements in the Arctic, given that it has no serious quarrels with the other major players.

New and Old Interests in the Arctic—Challenges for Russia

The puzzle of Russia's own Arctic interests and policies is reflected in the country's sometimes contradictory, sometimes ambivalent attitudes toward the Asian states that are becoming active in the region. Both zero-sum reasoning and win-win logic apply to various elements of the relationship. As potential challengers to Russian status and influence, Asian countries seeking opportunities in Russia's backyard are met with the same suspicion that other foreign actors have encountered. Moscow has sought to balance

[13] Sergei Karaganov et al., "Toward the Great Ocean—2, or Russia's Breakthrough to Asia," Valdai International Discussion Club, Report, November 2013.

crucial, mutually beneficial cooperation with the Asian five (and China in particular) against the imperative of ensuring that Russian influence in the region stays intact.

Russia recognizes the need to attract and involve foreign users and investments in its technologically demanding and extremely expensive development projects. Many of the Asian states appear particularly attractive in this regard. As users, they may become significant sources of income, given the prospective demand for Russian icebreaking assistance, and as potential importers of Arctic gas and oil, they would strengthen Russian energy security by diverting some of the country's exports away from Europe. Asian engagement could help Russia achieve its Arctic strategy goals, many of which now appear overly optimistic. In addition, joint projects in the Arctic have the potential to strengthen bilateral relations on other issues or spoil them if wrongly managed. Such projects are likely to play a role in Russia's broader Asia-Pacific relations, creating in turn incentives for further engagement, especially with China, on Arctic projects.

Simultaneously, however, Russian authorities have been concerned that foreign influence in the Arctic could constrain Russia's sovereign rights and security. Of particular concern is the NSR—in particular, its legal status, means of control, and regulations for shipping. Maintaining jurisdiction over the passage, which includes the right to impose restrictions and deny access, is of key importance for Russia, as made clear by numerous official statements and documents.[14] Russian experts also argue that Russia should have priority rights in using the NSR and providing icebreaking services.[15] This argument has been prompted by the increasing ability of shipbuilders in Asia and elsewhere to produce vessels with icebreaking capability, which could limit Russia's incomes from collecting expensive fees. Hence, Russia's endeavors to develop the Arctic in a wide variety of areas have been accompanied by a comprehensive program to counter and control the influence of outside countries by

[14] Government of the Russian Federation, *Osnovy gosudarstvennoi politiki Rossiiskoi Federatsii v Arktike na period do 2020 goda i dal'neishuyu perspektivu*; and "O vniesenii izmenenii v otdel'nye zakonodate'nye akty Rossiiskoi Federatsii v chasti gosudarstvennogo regulirovaniya torgovogo moreplavaniya v akvatorii Severnogo Morskogo puti," [On Amending Selected Legislative Acts of the Russian Federation Concerning State Regulation of Commercial Navigation in the Waters of the Northern Sea Route], law no. 132 of July 28, 2012, available at the President of Russia website, http://news.kremlin.ru/acts.

[15] Karaganov et al., "Toward the Great Ocean-2."

political and diplomatic means, as well as by strengthening the country's economic presence and developing military capabilities.

As Russia expands economic cooperation with new stakeholders and becomes the recipient of their investment and financial support, it may also grow more dependent on them. Such dependence may give users a lever on Russian policies, including those affecting the NSR. On the other hand, efforts by China and other Asian countries to maximize their influence in the Arctic—politically as well as economically—are likely to make Russia uncomfortable. That could further strengthen its resolve to bolster its ability to exercise sovereignty and control through political, economic, and military means. Economic development and security thus go hand in hand in the Russian Arctic, and in many cases it is hard to separate one from the other. ◈

The Nordic Embrace: Why the Nordic Countries Welcome Asia to the Arctic Table

Leiv Lunde

A range of Asian countries—China, India, Japan, Singapore, and South Korea—were welcomed by the Arctic countries as observers to the Arctic Council in May 2013. This was a controversial decision long resisted by Arctic powers Russia and Canada, with the United States undecided until right before the final decision. The Nordic countries, on the other hand, led by Norway, emphasized the positive aspects of Asia's interest and saw the region's greater participation in Arctic affairs as strengthening governance and making the Arctic Council a more relevant and future-oriented forum.

This essay examines the Nordic countries—Denmark (including Greenland), Finland, Iceland, Norway, and Sweden—as Arctic nations and describes their Arctic geography, identity, and economic, political, and security interests. It then seeks to explain the Nordic countries' basically positive attitude toward Asian involvement in the Arctic, while also identifying the limits and elements of skepticism that still exist. In concluding, the essay looks into the future and discusses challenges and opportunities for the Nordic countries arising from increased Asian ventures into Arctic lands and waters.

Nordic Arctic Interests

There are commonalities as well as differences in the Nordic countries' Arctic interests. The commonalities among the Nordic states are most striking: history, geography, culture, trade, and politics today knit them closely together such that they cooperate intimately in Nordic as well as international institutions. Sweden and Norway fought a brief war in 1814 and were on the verge of war as recently as 1905. Yet despite this history, as well as their different experiences during World War II and varying security alliances to date, the Nordic countries enjoy strong and peaceful cooperation along virtually every thinkable dimension.

Yet one of the surprises meeting the Asian countries in their quest for Nordic support for their participation in the Arctic Council was the relative lack of a formal Arctic identity in the Nordic region. Arctic politics

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is decided in the capitals located far south of the Arctic, and there are no Arctic budgets or regional planning units in national ministries. Even the small minority of indigenous peoples in the high north (mainly the Saami people) pay their taxes to the national governments, and the majority of the Arctic Nordic populations view themselves primarily as national citizens rather than Arctic citizens in any significant sense.

Nevertheless, the Arctic matters a lot to the Nordic countries, and increasingly so in the wake of growing global attention to the region's affairs. A potentially important difference between these states stems from Norway and Iceland not being members of the European Union (EU). Back in May 2013, for example, the admittance of the five Asian countries to the Arctic Council hung in the balance partly due to a spat between the EU (also an applicant for a formal observer role) and Canada over seal hunting. Canada is furious at the EU for boycotting Canadian sealskin production, which is seen as a traditional custom and important business opportunity in Canada's Arctic region. Although the Nordic EU members found this spat frustratingly difficult and were skeptical of some of the EU's reasoning, they had to align with Brussels. For this and other reasons, Norway became a major broker in Kiruna, ensuring that a decision was made. The Asian countries, along with Italy, were accepted as formal observers, while the EU still must wait in the wings for some hard-won concessions from intransigent Canada—the current Arctic Council president.

The differences among the Nordic countries—which again are moderate and should be seen in a holistic context—are mainly due to three factors:

- *Geography*. Some Nordic countries are Arctic coastal states, while others are not.
- *Economy*. The level of economic activity and interest in the Arctic differs significantly among the Nordic countries.
- *Political and security alliances*. Norway and Iceland are outside the EU, while Finland and Sweden remain outside NATO.

Norway is by most definitions the most important Nordic Arctic country, trailing only Russia in global Arctic significance. Mainland Norway includes considerable land, coast, and ocean areas that reside north of the Arctic Circle, and Svalbard, an archipelago far north and halfway toward the North Pole, adds to the country's Arctic identity. Norway already extracts large volumes of oil and gas from Arctic waters, and Norwegian oil and oil service companies are active on Russia's Arctic continental shelf. Ice melt in the polar region opens new opportunities for the world's

fourth-largest shipping nation, explaining why Norway is a leading explorer of the Northern Sea Route (NSR). Since 2005, the Arctic has been singled out as Norway's highest foreign-policy priority, reflecting the region's economic importance for the country's energy and shipping sectors, as well as fishing, R&D, and tourism. Climate change is also an important part of the Norwegian Arctic narrative: the Arctic is seen as a venue for climate research as well as a catalyst for action to mitigate climate change.

Denmark is indirectly the other Nordic Arctic coastal nation, with its autonomous territory Greenland making up almost a continent itself between Iceland and Arctic Canada. Denmark itself is located far south of the Arctic Circle, and its main non-Greenlandic Arctic interests are related to shipping, trade, climate change, and management of natural resources. The country is also active in EU Arctic policymaking. With Greenland, however, Denmark counts as a major Arctic coastal nation, given the former's huge land and coastal areas as well as natural resources onshore and likely offshore. Denmark's Arctic credentials would thus be challenged if a gradually more independent Greenland were to succeed in finding and developing major petroleum or other mineral resources and opt for full independence. Greenland's limitations lay with its small population of only 70,000 and lack of relevant educational opportunities and expertise. Nonetheless, independence remains a difficult and divisive issue, and relations between Greenland and Denmark will likely sour if the former ever votes for full independence.

Finland has started mobilizing its significant Arctic credentials in anticipation of its Arctic Council presidency in 2017. (Finland follows the United States, which takes over from Canada in 2015). The country launched a comprehensive Arctic strategy in 2013, stressing mineral development, shipping, shipbuilding, investment in Arctic knowledge, and sustainable development, among other goals. Finland has no Arctic coast, but the Baltic Sea compensates for that to no small extent. The fact that large parts of the northern Baltic Sea remain frozen in winter has spurred technological and commercial advances by Finland, which now boasts world-class icebreaker technology. Finland's identity and significance as an Arctic country are reinforced by the industrious population in northern Finland, its ambitious Arctic infrastructure plans, and its long border and comprehensive economic and political interface with Russia. The latter is both a source of strength and vulnerability, as illustrated by the current turbulent relations between Russia and Europe.

Sweden presided over the Arctic Council from 2011 to 2013 and effectively managed the process of incorporating Asian countries as formal observers. Its economic interests in the region include mining in Arctic Sweden and shipping, shipbuilding, and icebreaker technology. Sweden shares a periodically frozen Baltic Sea with Finland. Promoting sustainable development and curbing climate change are other important priorities in the Arctic strategy launched under Sweden's leadership in 2011. Although these are common Nordic interests, Sweden is among the countries putting the strongest emphasis on environmental concerns in Arctic governance. Some argue that this environmental focus reflects Sweden's relatively modest economic interests in Arctic waters, and it may also explain the country's quite active involvement in EU Arctic policymaking. The latter has generally emphasized the need for strong environmental precautions in the Arctic, including by calling for an embargo on Arctic drilling after the Macondo accident in 2010 in the Gulf of Mexico. This policy has been toned down recently, however, as a result of lobbying by the United Kingdom, Norway, and Denmark, and the new crisis with Russia over Ukraine is again leading Brussels to look to the Arctic for energy security.

Iceland is a small and marginal player in international politics, including in the Arctic region. It resides just south of the Arctic Circle, which explains why it is not an Arctic coastal state in the formal sense. Iceland has managed, however, to put itself quite squarely into the global discourse on the Arctic. This is partly due to its president giving high priority to Arctic politics and governance and to branding the country as a meeting place for Arctic debate—for example, by organizing the inaugural Arctic Circle conference in Reykjavík in fall 2013. Iceland's economic interests in the Arctic include fishing, shipping, and recently oil and gas development. Regarding the latter issue, one of the first petroleum bidding rounds in Icelandic waters took place in early 2014 and saw the China National Offshore Oil Corporation winning one of the licenses.

Nordic Perceptions of Asian Arctic Involvement

Asian Arctic aspirations are a recent phenomenon and therefore the Nordic countries' reception of them has not been subject to much systematic scrutiny. Asian countries' involvement in the Arctic to date includes relatively scattered polar research efforts, some shipping transits carrying fuels or mining products between Europe and Asia, and a number of larger prospective petroleum-related deals in Arctic Russia. This essay mainly,

therefore, analyzes Nordic perspectives on Asian countries' activities in the Arctic region likely increasing in the future, be they in the form of shipping, shipbuilding, mining, tourism, or enhanced research efforts.

Parts of the picture are quite clear, however. Nordic countries are pragmatic institutionalists with a realist flair. They acknowledge that recent developments, including climate change, trade, shipping, and the development of natural resources, serve to globalize the Arctic. The Asian countries have come to the Arctic to stay, and the Nordics believe it is better to integrate them into regional affairs (at a given level of involvement) than to ostracize them and risk the formation of potentially unhelpful alliances of non-Arctic states. They see Korean and Chinese companies already making big deals in the Russian Arctic and the major Japanese and Chinese oil and gas companies approaching the Norwegian and Icelandic continental shelf. Moreover, the Nordic countries view the Arctic Council as an inclusive policy-shaping body rather than an exclusive policymaking one and believe that many of the Arctic's challenges require global and not only regional solutions. Experience across a range of policy areas has shown the Nordic countries that all stakeholders need to be involved in problem solving. This holds in the Arctic more than most regions, given the high-risk, high-reward nature of economic development and the related need to get all major players to pay for the infrastructure required to make the Arctic safe and sound for business.

The positive Nordic reception to Asian Arctic involvement is founded on a number of important conditions, however. All non-Arctic countries, be they the United Kingdom and Germany or China and South Korea, need to respect the sovereign rights of coastal states over their respective land areas, exclusive economic zones, and continental shelves, in accordance with key features of the United Nations Convention on the Law of the Sea (UNCLOS). The same holds for Arctic governance in general and the workings of the Arctic Council in particular. To have an impact on Arctic Council proceedings, observer countries must show a willingness to invest and use the best of their scientific and policymaking capacities in the council's various working groups and task forces. In their applications to become observers to the Arctic Council, states promise to abide by the "seven Arctic Council commandments," including demonstration of competence and financial capacity to contribute to furthering council goals, respect of rules and traditions among indigenous peoples in the Arctic region, and a range of other rather demanding requirements. In the years leading up to the 2013 Kiruna meeting, the Asian applicants succeeded in convincing the Nordic

countries, and gradually also the United States, that they complied with all these requirements and thus deserved to be welcomed as observers. Canada and Russia were not convinced but relented in their opposition under very strong pressure during the late hours of Kiruna negotiations.

Overall, the Nordics see the Asian countries as motivated by commercial instincts, similar to all other countries approaching the Arctic, as well as by broader global issues like climate change, sustainable development, and strengthened research efforts. The Nordic countries blend advanced welfare states and high shares of state ownership with highly open economies and liberal foreign investment regimes. They are active members of the World Trade Organization, and their globalizing companies depend on liberal trade policies in other countries to generate export revenue. Asian countries, therefore, can expect fairly positive reactions to prospective Arctic investments, as long as these investments are not seen as threatening key strategic interests in the Nordic region. A controversy of the Unocal type—in which China National Petroleum Corporation was forced to abort its effort to buy the U.S. oil independent Unocal—is highly unlikely in the Nordic Arctic, partly because of the positive attitudes described above and partly because major deals would be discussed in the Nordic capitals and would not concern the Arctic as such.

The Nordic countries harbor some concerns, however, over increased Asian involvement in the region—in particular, over what the emerging superpower China's strategic objectives in Arctic waters might be. Efforts by Chinese investors to buy considerable slices of land in Iceland some years back created a nationalist backlash and came to nothing. Global media organizations have followed closely potential Chinese interests in Greenland's mining sector, but the local government seems quite relaxed and some of the media stories have proved grossly exaggerated. A full-page ad in the *Economist* in early 2013 in which Chinese telecom giant Huawei promised to bring broadband to the entire population of Svalbard ruffled some feathers in Norwegian foreign policy and intelligence circles. Recent speculation that a Chinese investor is preparing to buy large areas of land in Svalbard has provoked some negative reaction, while the announcement in May 2014 of a similar investment in Troms in mainland Arctic Norway was warmly welcomed by the local population.

The Future

Asian involvement in Nordic Arctic regions is likely to grow over the coming years, slowly but steadily. The future pattern of climate change and ice melting will affect the pace and volume of Asian investment, particularly in the shipping and petroleum sectors. Much is up to the Asian countries themselves—their ability to plan and strategize for high-risk and longer-term scenarios, to make their best people available to the Arctic Council and related forums, and to develop creative strategies vis-à-vis individual Nordic countries. An example of the latter is the China-Nordic Arctic Research Center (CNARC), which originally was a Chinese-Icelandic initiative but was broadened to engage key Arctic research centers in all of the Nordic countries. The first CNARC symposium was held in Shanghai in June 2013, and the 2014 one was held in Akureyri, Iceland, in June.

At the time of writing, current geopolitical tensions between Russia and Europe have not yet spread to Arctic waters, but they may well do so in the near future. This could dampen the pace of development in this hitherto "high north, low tension" region, including the further development of the NSR. Yet although heightened tension between Russia and Europe could have a negative impact on some Asian–Nordic Arctic interfaces (particularly those requiring the use of the NSR), it is unlikely to reduce the attractiveness of Asian investment in Nordic Arctic regions in sectors such as petroleum, mining, tourism, and science and telecommunications. For instance, the last few years have seen a significant increase in Chinese and Korean tourists to the Nordic region, with the Arctic as an ever more attractive destination. As just one out of many illustrations of the depth of China's interest in polar affairs, hundreds of thousands of Chinese are currently visiting Norwegian Arctic exhibitions in Shanghai and Guangzhou. ◈

Beyond the Dragon and the Panda: Understanding China's Engagement in the Arctic

Kai Sun

China was granted observer status to the Arctic Council in May 2013, alongside four other Asian countries and Italy. This news was well received by the Chinese media. The *People's Daily*, for example, China's highest-ranking official media outlet, stated that "China will continue to cooperate with the Arctic Council and Arctic countries as before, and contribute to the response to climate change and the protection of the Arctic's environment."[1] China was first invited to attend Arctic Council meetings as an *ad hoc* observer in 2006, and applied for full observer status the following year. The acceptance of China as an observer was the result of its long engagement in Arctic affairs. The Arctic countries recognized these past contributions and expect China to make future contributions as a legitimate Arctic stakeholder with an interest in addressing the challenges facing the region. After a brief overview of the history of China's activities in the Arctic, the essay will discuss why China is interested in the Arctic and then examine the challenges and opportunities facing the country's future engagement in this region.

China's History of Engagement in the Arctic

China has a long history of engagement in Arctic affairs, dating back to the 1920s when it was a signatory of the Svalbard Treaty. However, after the founding of the People's Republic of China (PRC) in 1949, China's polar expeditions mainly focused on Antarctica, with Arctic research lagging far behind.

China did not begin paying more attention to the Arctic until the 1990s, when research into climate change and its possible impacts on China gained momentum and elevated this issue higher on the country's agenda. China's engagement in Arctic affairs is mainly evidenced by its scientific research expeditions to the Arctic. The first expedition was

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[1] Zhonghua Liu and Lu Shang, "Zhongguo chengwei Beiji Lishihui zhengshi guanchayuan" [China Becomes Formal Observer Country to the Arctic Council], *People's Daily,* May 16, 2013.

carried out in 1999, four subsequent expeditions were undertaken in 2003, 2008, 2010, and 2012, and the sixth one will be carried out from July to September 2014. The main objectives of these expeditions evolved from single-issue scientific research on climate change and the melting of sea ice to include the more comprehensive goals of providing an integrated environmental assessment and exploring the possibilities of opening the Arctic passages, along with the social, economic and political implications of these changes in the Arctic.

In the social science field, until a decade ago there was barely any research on the Arctic published in Chinese academic journals. In the past ten years, however, Chinese researchers have published papers on topics including Arctic governance, the Arctic strategies of Arctic states, Arctic environmental change and the implications for China, and, most saliently, the legal and political regimes governing Arctic passages as well as strategies for China's further engagement in Arctic affairs. The rise in social science scholarship on the region is natural because the economic implications of the Arctic passages are a top concern for the Chinese leadership, which would like to become more active in regional affairs. The government's interest in the region is also reflected in the projects funded by the National Social Sciences Fund of China, which is regarded as the highest-level official research-funding agency for social sciences in the country. Those research projects that were funded include projects studying the present system and future development of legal and political regimes governing the Arctic passages and their implications for China, approaches for China's further engagement in the region, and the role of indigenous peoples in Arctic affairs.

Drivers of Chinese Interest in the Arctic

As suggested by the preceding discussion, multiple concerns drive China's engagement with the Arctic. First, China is motivated by the economic prospects of the opening of Arctic passages, especially the Northern Sea Route (NSR). Optimistic commentators in China view shorter distances and freedom from piracy as the most attractive reasons for the country to pursue northern alternatives to the southern sea routes through the Malacca Strait. Second, as one of the world's fastest-growing countries, China must secure sufficient supplies of energy and natural resources to sustain its growth. The resource-rich Arctic offers new possibilities in China's global search for energy, and strategic engagement in the region

is thus imperative for the country. Third, China is concerned about the impacts of environmental changes in the Arctic. Some Chinese researchers argue that the changing Arctic environment might have adverse effects on China's environment that could lower agricultural production and thereby threaten China's national security.[2]

China is not an Arctic state in any sense geographically. As an outsider with growing interests and engagement in Arctic affairs, China is fighting hard to develop its connection with the region. Both Chinese academics and policymakers frequently define China as a "near-Arctic state" and "legitimate stakeholder in the Arctic."[3] These stakes include the impact of Arctic climate change on China's environment and agricultural production as well as the impact of the opening of the Arctic passages on the country's shipping industry. Moreover, global issues in the Arctic such as climate change cannot be effectively addressed without China's participation in regional governance.

The country's connection to the Arctic is reinforced through other forums besides the Arctic Council. In June 2013, Ocean University of China and seven other research institutes were accepted as associate members of the University of the Arctic. Joint research centers dedicated to Arctic studies have also been founded, with the China-Nordic Arctic Research Center being the most salient. Likewise, several research institutes dedicated to Arctic studies have been established at Chinese universities, conferences on the region are frequently held in China to foster mutual understanding, and China is actively participating in meetings on the Arctic around the world.

Before China was accepted as an Arctic Council observer, some Chinese commentators argued that the new observer criteria are problematic because they require China to recognize territorial and maritime issues that are not yet settled. Observer status would thus bring China more obligations than rights and could even have negative consequences, which suggested that there may be little prestige in joining

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2 Liping Xia, "Beiji huanjing bianhua dui quanqiu anquan he Zhongguo guojia anquan de yingxiang" [The Impact of Arctic Environmental Change on Global Security and China's National Security], *World Economics and Politics*, no. 1 (2011) 122–33.

3 Jian Yang, "China Has a Key Role in Safeguarding the Arctic," *China Daily*, July 29, 2012 ~ http://europe.chinadaily.com.cn/epaper/2012-06/29/content_15535608.htm; Xinhe Wang, "Guojia liyi shijiao xia de Zhongguo Beiji shenfen" [China's Arctic Identity from the Perspective of National Interests], *Pacific Journal,* no. 5 (2013): 81–89; and "Arctic Council Observer Status Guarantees China's Rights," Xinhau, May 16, 2013 ~ http://english.cri.cn/6909/2013/05/16/2941s765355.htm.

the Arctic Council.[4] Furthermore, some argued that while recognizing the sovereignty, sovereign rights, and jurisdiction of Arctic states might grant China the ticket to enter the Arctic Council as an observer, this status may only mean more liabilities and make the realization of China's rights and interests in the Arctic more challenging.[5]

Given such arguments, it is not difficult to understand why some Arctic countries have mixed feelings toward China's growing engagement in the Arctic. If China is reluctant to recognize the sovereignty, sovereign rights, and jurisdiction of Arctic states in the region, then what are its intentions? Some "radical views" expressed in the Chinese media such as "no country has sovereignty in the Arctic"[6] and "the Arctic is no country's backyard"[7] provoked fears in Canada, which is especially sensitive about sovereignty issues in the region. Chinese businessman Huang Nubo's initial plan to buy a piece of land in Iceland provoked similar concerns over the past three years about China's "increasing claim" to the Arctic, and that plan was aborted in the end due to unexpected ups and downs in the exhausting process. Thus, Chinese engagement in the Arctic has caused a lot of fear among commentators in Arctic countries. China is often suspiciously characterized as a dragon that looks hungrily toward the north, and reports with titles like "The Dragon Looks North" and *The Dragon Eyes the Top of the World* are widely circulated.[8] As a result, high-level Chinese officials have clearly stated on various occasions that China recognizes the sovereignty, sovereign rights, and jurisdiction of

4 Peiqing Guo, "An Analysis of New Criteria for Permanent Observer Status on the Arctic Council and the Road of Non-Arctic States to Arctic," *KMI International Journal of Maritime Affairs and Fisheries* 4, no. 2 (2012): 21–38.

5 Jiayu Bai, "Zhongguo Beiji quanyi jiqi shixian de hezuo zizhi yanjiu" [Research on China's Arctic Rights and Interests], *Study and Research,* no. 12 (2013): 90.

6 Gordon G. Chang, "China's Arctic Play," *Diplomat,* March 9, 2010 ~ http://thediplomat.com/2010/03/chinas-arctic-play. In fact, what Rear Admiral Yin Zhuo said in the original Chinese media is "according to UNCLOS, the North Pole and adjacent areas belong to no nation, but are the common heritage of all the peoples of the world." See Jianwen Luo: "Haijun shaojiang: Kaifa Beibingyang, Zhongguo buke 'quewei'" [Rear Admiral: In Exploiting the Arctic Ocean, China Should Not Be "Left Out"], *China News,* March 5, 2010 ~ http://www.chinanews.com/gn/news/2010/03-05/2154039.shtml.

7 Yu Jia, "Beiji diqu lingtu zhuquan he haiyang quanyi zhengduan tanxi," [An Analysis of the Dispute over the Arctic Region's Territorial Sovereignty and Maritime Rights], *Journal of Ocean University of China* (Social Sciences Edition), no. 1, (2010): 10.

8 Eugene Lim, "The Dragon Looks North: China's Emerging Arctic Policy," Global Risk Insights, May 7, 2013 ~ http://globalriskinsights.com/2013/05/07/the-dragon-looks-north-chinas-emerging-arctic-policy; and David Curtis Wright, *The Dragon Eyes the Top of the World: Arctic Policy Debate and Discussion in China,* China Maritime Studies, no. 8 (Newport: Naval War College Press, 2011) ~ http://www.usnwc.edu/Research---Gaming/China-Maritime-Studies-Institute/Publications/documents/China-Maritime-Study-8_The-Dragon-Eyes-the-Top-of-.pdf.

Arctic states in the region in order to try to assure the Arctic countries that China is more like a panda in the Arctic than a dragon.

Challenges and Opportunities

After being accepted as an Arctic Council observer, China is enjoying its new standing in the "Arctic game" and trying to engage more with the region. But more challenges lie ahead. The main challenge will be striking a balance between China's need to engage in the Arctic and the demand from Arctic states for China's participation. It would be a happy story if China's needs were to dovetail neatly with Arctic states' demands, but that is usually not the case in the real world. As a result, several key issues need to be made clear as China engages further in the Arctic.

First, China should make its intentions in the Arctic clear to the world in order to minimize the risk that they are misread or exaggerated. Although high-level Chinese officials have clarified the country's position on various occasions, China does not have an Arctic policy paper and has not issued an Arctic strategy. As a geographical outsider, it is not easy for China to issue an Arctic strategy, but a policy paper would be helpful in plainly stating the country's interests, intentions, and future plans in the region. Given that China has now joined the Arctic Council as a formal observer, issuing an Arctic Council agenda would be a good starting point.[9]

Second, because Chinese businesses are spearheading many development projects in the Arctic, responsible behavior adhering to principles of corporate social responsibility is critical, especially given that environmental protection is a top concern of indigenous Arctic communities. Most of the Chinese businesses with the capacity to operate that far north are state-run and are thus in the awkward role of being seen as representing the Chinese state, which is not always the case. Chinese shipping, mining, and fishing corporations must operate responsibly to improve their image when they are engaging in the Arctic.

Third, China should be realistic about its role in Arctic governance. Some commentators have expressed the unrealistic demand that the country play a bigger role in shaping the Arctic agenda. In reality, as an observer state in the Arctic Council, China only has limited power and influence in shaping the agenda in the region (although China is willing to contribute more to the good governance of the Arctic).

[9] James Manicom brought up the idea of China issuing an Arctic Council agenda during his remarks to the students and faculty of Ocean University of China on June 9, 2014.

Last but not least, as the Arctic Council increasingly focuses on climate change, China will face more and more pressure as one of the world's biggest greenhouse gas emitters. Deeper engagement in the Arctic Council, especially through the working groups, will offer China the opportunity to learn more about climate change and its impacts. Enhancing such cooperation with Arctic countries and other stakeholders is the only way for China to expand its engagement in Arctic affairs and realize its interests in the region. ◈

Future-Proofing Japan's Interests in the Arctic: Scientific Collaboration and a Search for Balance

Aki Tonami

In May 2013 the Arctic states convened in Kiruna, Sweden, in part to decide on whether six new states should be admitted as observers to the Arctic Council. Japan's application was accepted along with those of China, India, Italy, Singapore, and South Korea. At a glance, one might ask what credentials Japan has to be involved in the leading Arctic forum. However, a closer look at its engagement in the Arctic indicates that Japan has genuine interests in political, economic, and environmental developments there. This essay examines Japan's interests in the Arctic, its new role as an observer to the Arctic Council, and the international relationships that will affect Japan's engagement in the region.

Japan's Current Engagement in the Arctic

Japan is no newcomer to the Arctic. Already in 1925, the country became one of the fourteen high-contracting parties to the Spitsbergen Treaty, which recognizes the sovereignty of Norway over the Arctic archipelago of Svalbard. In 1990, Japan formally joined the Arctic research community by becoming a member of the International Arctic Science Committee (IASC) as a non-Arctic state. In the same year, the Centre for Arctic Research at the National Institute of Polar Research (NIPR) was established in Japan.

According to the Japanese government, the country's primary aim of engagement in the Arctic has been and remains understanding and protecting the natural environment.[1] As the negative impacts of climate change became more apparent, policies related to scientific research were given higher priority. Since May 2011, the NIPR has led a nationwide project that seeks to integrate the various strands of Japanese scientific research related to climate change in the Arctic.[2] In addition, since Japan made the

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1 Ministry of Foreign Affairs (Japan), "Hokkyoku: Kanosei to kadai no motarasu mirai" [The Arctic: The Future Arising from the Opportunities and Challenges], December 25, 2013 ~ http://www.mofa.go.jp/mofaj/press/pr/wakaru/topics/vol107.

2 National Institute of Polar Research, "To the Arctic...Where You Can See the Future of the Earth," October 2011 ~ http://www.nipr.ac.jp/grene/doc/grene_E.pdf.

decision to prioritize becoming an observer in the Arctic Council, the region has gained a certain level of political momentum and Japan's Arctic policies have started to gather pace and shape. For instance, just before the council's decision, an Arctic ambassador was assigned by Japan's Ministry of Foreign Affairs (MOFA) in March 2013, and the Arctic was included in the central government's new Basic Plan on Ocean Policy, published in April 2013.[3]

This greater focus on the Arctic can be partly attributed to a stronger lobby from the Ocean Policy Research Foundation (OPRF). OPRF is a think tank and lobbying organization for the Japanese shipping and manufacturing industries and has conducted several research projects on the Arctic, especially regarding the Northern Sea Route (NSR). Guided by the Basic Plan on Ocean Policy, a new interministerial committee on the Arctic (called Hokkyokukai Ni Kakaru Shomondai Ni Taisuru Kankei Shocho Renraku Kaigi, or the Liaison Committee among Ministries and Agencies on Various Issues Related to the Arctic) was set up in July 2013. The Ministry of Land, Infrastructure, Transport and Tourism (MLIT)—one of the more proactive and powerful ministries of Japan—has also shown an interest in the Arctic. In 2013, MLIT conducted a small project to study the practical legal implications of using the NSR along the Russian coast, with a view toward developing the sea route further. More recently, in January 2014, OPRF began collaborating with MLIT and the Ministry of Education, Culture, Sports, Science and Technology (MEXT) on a new project to specifically consider the construction of a new icebreaker for Arctic observations.[4]

Japan's Reasons for Joining the Arctic Council

Japan's decision to apply for observer status on the Arctic Council came at a time when the council was beginning to take on new responsibilities. As the Arctic region underwent climate changes, the council's adoption of new roles related to safety of navigation and search and rescue was taken as an indication that the council itself was changing and that the positions of member states were shifting.[5] The council is the only formal mechanism in the Arctic similar to the Antarctic Treaty System. As a major maritime

3 Cabinet Office (Japan), "Kaiyo kihon keikaku" [Basic Plan on Ocean Policy], April 2013.

4 "Hokkyoku kansokusen, seifu ga shinzo kento koro katsuyo, deokure bankai" [The Government Considers Building a New Arctic Observation Ship: Catch Up on Using the Sea Route], *Sankei Shimbun*, January 26, 2014 ~ http://sankei.jp.msn.com/life/news/140126/trd14012614110012-n1.htm.

5 Author's interview with an official at the Ministry of Foreign Affairs, Tokyo, February 17, 2012.

nation with a long history of polar research, Japan could not overlook the importance of participation in formal discussions regarding the Arctic. At the same time, Tokyo recognized that it did not have a legal basis to participate in such discussions other than through the United Nations Convention on the Law of the Sea (UNCLOS). Until it was able to gain observer status, Japan regarded it as important to at least be a part of the decision-making process and contribute to ongoing scientific research and the development of resources, sea routes, trade, and technology related to the Arctic.[6]

This decision was not motivated by immediate security threats or economic interests. Japan judged that the potential for security problems in the Arctic is minimal, unless relations between China and Russia or Russia and the United States become severely strained.[7] Hence, it was not particularly concerned that the council does not have a mandate to discuss national or international security matters. Moreover, based on previous research findings from OPRF, the Japanese shipping industry had concluded long before that any benefits from developing the NSR were too fragile to present significant financial or logistical advantages over existing routes. Instead, Japan regarded its decision to join the Arctic Council and collaborate with Arctic states on research and development as a step to secure future rather than present interests.[8]

Japan's Contributions to the Arctic Council

In Japan's view, scientific research is what it does best as a technologically advanced industrial nation. Japan also believes that this is what the Arctic Council expects it to do. The natural environment of the Arctic is fragile and requires large-scale, costly research in order to understand the possible repercussions of climate change. In terms of capacity at present, Japan owns three icebreakers, but only the *Shirase* possesses the capacity to be used as an icebreaker for Arctic expeditions. However, the *Shirase* is operated by the Japan Maritime Self-Defense Force and under current law can only be used as a supply vessel for the Japanese Antarctic Research Expedition (JARE).[9]

6 Author's interview with Tetsuo Kotani, Tokyo, November 6, 2012.

7 Author's interview with researchers at the National Institute of Defense Studies, Tokyo, October 22, 2012.

8 Aki Tonami and Stewart Watters, "Japan's Arctic Policy: The Sum of Many Parts," in *Arctic Yearbook 2012*, ed. Lassi Heininen (Akureyri: Northern Research Forum, 2012).

9 For more details, see ibid.

The purpose of the ongoing discussion between OPRF, MEXT, and MLIT on building an Arctic-specific icebreaker is to overcome this legal restriction in order to further promote Japan's Arctic scientific research. The Arctic ambassador, Toshio Kunikata, mentioned in his presentation at the Arctic Frontiers conference in 2014 that Japan, as a maritime nation surrounded by water, could additionally contribute its expertise to the search-and-rescue efforts of the member states of the Arctic Council.

Japan could also take the lead in promoting intra-Asia cooperation on the Arctic, which would benefit both the member states of the Arctic Council and the five new Asian observers. This initiative would save the member states time and effort, as there would be less need for them to have separate bilateral relations on the Arctic with each of the Asian states. All Asian observers, particularly the three East Asian states (China, Japan, and South Korea), would greatly benefit from cooperating with each other to develop the ports and necessary infrastructure to make the NSR a functioning reality. Although for the time being historical grievances, territorial disputes, and mutual suspicion are hindering the prospects for such cooperation, the Arctic Council gives Japan and other Asian countries a forum in which to meet and informally discuss opportunities for Arctic cooperation.

Building Greater Cooperation with China, Russia, and the United States

China. The consensus among Japanese scientists and business people engaged in the Arctic is that cooperation with China is important given the limits on what Japan can accomplish by itself. Interactions among scientists from the two countries already occur at academic conferences as well as during Antarctic expeditions, as both the Chinese and Japanese polar research centers have stations in Antarctica.[10] One Japanese scholar has pointed out that in order for the NSR to be truly effective, port facilities need to be improved in order to provide refuge to ships during emergency situations, both a search-and-rescue system and the infrastructure for it must be further developed, and hydrographic charts must be updated.[11] Given the cost of all three of these measures, the Chinese and Japanese shipping industries recognize that further cooperation would definitely

[10] Author's interview with a professor at the Polar Research Institute of China, Shanghai, June 5, 2013.

[11] Natsuhiko Otsuka, "Will the Northern Sea Route See a Bright Future?" (lecture at the Nordic Institute of Asian Studies, Copenhagen, January 27, 2014).

benefit both sides. As mentioned earlier, however, political tension and mistrust between the two countries hinder scientific and commercial cooperation. Both the Chinese and Japanese media and governments are keenly aware of each other's Arctic-related activities, as if to compete against each other.[12]

Russia and the United States. Japanese experts are divided on whether Russia or the United States is the best partner for Japan in the Arctic arena. For example, OPRF believes that Russia is the most important stakeholder for Japan's engagement in the Arctic. Among its nine specific policy recommendations made in 2012 regarding the Arctic, OPRF suggested that the government set up a formal mechanism for the two countries to discuss Arctic affairs.[13] However, the Japan Institute of International Affairs (JIIA), which is one of the most influential Japanese think tanks and has strong links to MOFA, argued differently. In its policy recommendations released in 2012, JIIA emphasized the promotion of peaceful and stable Arctic governance based on the international order but nonetheless recommended that Japan-U.S. cooperation be strengthened, particularly in terms of security, considering possible changes to the strategic environment.[14]

Despite these conflicting opinions among stakeholders, until the Ukraine crisis it appeared that Japan leaned more toward Russia than the United States as an Arctic partner. This view was supported by several factors. First, Moscow has made developing its isolated eastern territories, especially the Russian Far East, a high national priority, thereby increasing its eagerness to engage in joint development projects with countries like Japan.[15] Second, since Prime Minister Shinzo Abe returned to power in 2012, he has prioritized the bilateral relationship between Japan and Russia. As Yoko Hirose has noted, this is the result of a shift in Japanese foreign policy toward "value-based diplomacy" (*kachikan gaiko*), which itself is based on the U.S.-Japan alliance and the concept of the "arc of freedom

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12 See "Riben sheli zhu Beiji dashi, ni tigao zai Beiji 'cunzai gan'" [Japan Assigns the Arctic Ambassador: To Increase the "Presence" in the Arctic], *Huanqiu*, March 19, 2013 ~ http://world.huanqiu.com/exclusive/2013-03/3747218.html; and Okazaki Kenkyujo, "Hokkyokuken ni okeru Chugoku no omowaku" [China's Calculation in the Arctic] ~ http://wedge.ismedia.jp/articles/-/2903.

13 Ocean Policy Research Foundation, "Hokkyokukai no jizokukano na riyo ni muke Nippon ga tadachi ni okonaubeki sesaku" [Policies That Japan Should Implement Immediately for the Sustainable Use of the Arctic], 2012.

14 Japan Institute of International Affairs (JIIA), "Hokkyoku no gabanansu to Nippon no gaiko senryaku" [The Arctic Governance and Japan's Diplomatic Strategy], 2012, 98.

15 Rensselaer Lee, "The Russian Far East: Opportunities and Challenges for Russia's Window on the Pacific," *Orbis* 57, no. 2 (2013): 314–24.

and prosperity" from the first Abe administration (2006–7).[16] Russia is considered to be within this arc. Third, Tokyo has a clear motive to work with Moscow to increase gas imports as Japan became more dependent on liquefied natural gas (LNG) after the Fukushima nuclear accident in 2011 and the subsequent nationwide shutdown of nuclear power plants.[17] Finally, the U.S. approach to the Arctic is viewed in Japan as being mostly centered on achieving security rather than commercial goals, the latter of which Japan regards as more relevant.[18]

Challenges Confronting Japan as It Attempts to Interact in the Arctic

Against this backdrop, the recent illegal annexation of Crimea by Russia has placed Japan in a difficult position, especially in light of the positive relationship between Putin and Abe. Their closeness is considered exceptional, given the fact that Japan has a long-standing territorial dispute with Russia and no peace treaty was reached between the two countries following the end of World War II.[19] Business development in the Russian Arctic is one of the few areas where both countries could benefit from furthering their relationship. Therefore, finding the right level of cooperation with Russia, while maintaining the U.S.-Japan alliance and fulfilling its obligations as a member of the group of seven (G-7), will be a difficult balancing act for Japan. In the meantime, despite the divisions over Ukraine, there are signs that Japan is attempting to promote commercial cooperation in the Arctic with Russia while avoiding giving offense to the United States. For example, the Japan-Finland Business Forum, which promoted Finland as a "center of Europe and gateway to Russia," was held in Helsinki and St. Petersburg in May 2014, backed by the Finnish and Japanese governments.

In addition to pursuing cooperation with Russia in the Arctic, as mentioned earlier, it would be beneficial for Japan to improve trilateral cooperation with China and South Korea in dealing with the Arctic Council.

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16 Yoko Hirose, "Abe seiken no Roshia, kyu Soren chiiki no gaiko seisaku" [The Abe Administration's Dipmatic Policy Toward Russia and the Former Soviet Region], *Synodos,* August 6, 2013 ~ http://synodos.jp/international/5124.

17 Atle Staalesen, "French, Japanese Technology for Yamal LNG," *Barents Observer,* April 3, 2013 ~ http://barentsobserver.com/en/energy/2013/04/french-japanese-technology-yamal-lng-03-04.

18 JIIA, "Hokkyoku no gabanansu to Nippon no gaiko senryaku," 85.

19 "Japan's Relations with Russia: The End of the Affair," *Economist*, March 17, 2014 ~ http://www.economist.com/blogs/banyan/2014/03/japans-relations-russia.

Although China and South Korea are more eager than Japan to develop the NSR and natural resources in the Arctic, the three countries share concerns regarding navigation rights. China and South Korea have already made a bilateral research agreement regarding the Arctic. As important as Russia and the United States are for Japan's engagement in the Arctic, it would be unwise for Japan to ignore the opportunity this presents. Overcoming the political tension and mistrust with both China and South Korea will thus be key for Japan to achieve its goals in the Arctic. ◈

South Korea's Interests in the Arctic

Young Kil Park

Since the early 2000s, South Korea's interest in the Arctic has gradually grown in parallel with the acceleration of the melting of the Arctic sea ice. This interest peaked on May 15, 2013, when South Korea obtained observer status in the Arctic Council. Afterward, the headlines of newspapers were full of rosy depictions of the enormous benefits that such status would bring to South Korea. One year later, however, interest in the Arctic seems to have cooled. This essay examines South Korea's interests in the Arctic. It addresses five sets of issues: South Korea's economic interests in the Arctic, obstacles to the development of these interests, South Korea's involvement in Arctic governance, the Arctic Policy Master Plan, and the challenges ahead for the country.

South Korea's Economic Interests in the Arctic

South Korea's keen interest in the Arctic is due to the expectation that the region could become a driver of economic growth similar to the Middle East during the construction boom in the 1970s. The reasoning behind these expectation can be divided into the following four categories.[1]

First, it is expected that South Korea's companies and experts will participate actively in the development and exploitation of energy resources in the Arctic. The U.S. Geological Survey's report that 13% of the world's oil reserves (about 90 billion barrels) and 30% of all natural gas reserves (about 47 trillion cubic meters) are held in the Arctic has certainly piqued South Korea's interest.[2] As of 2013, South Korea imported 61.8% of its oil from Saudi Arabia, Kuwait, and the United Arab Emirates and about 53.3% of

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[1] Although South Korea's level of scientific interest and activity in the Arctic has been relatively low compared with that in the Antarctic, a plan to invigorate Arctic-related activities is in progress now that the country has obtained observer status in the Arctic Council. For example, while Korea has two comprehensive scientific research bases in Antarctica, Sejong Station and Janbogo Station, there is only one Korean Arctic research station, Dasan, at Ny-Ålesund in the Svalbard islands, which leases part of a small building for a couple of months every year.

[2] U.S. Geological Survey, "Circum-Arctic Appraisal: Estimates of Undiscovered Oil and Gas North of Arctic Circle," Fact Sheet, 2008 ~ http://pubs.usgs.gov/fs/2008/3049/fs2008-3049.pdf. South Korea has been exploiting 0.4 million tons of liquefied natural gas (LNG) per year in the East Sea area.

its natural gas from Qatar, Indonesia, and Malaysia.[3] Currently, the South Korean government provides incentives for oil imported from outside the Middle East with the goal of diversifying imports and becoming less dependent on Middle East oil. Expert analysis indicates that South Korea would save approximately $1 billion annually in transportation costs if Arctic oil replaced just 10% of Middle East oil.[4]

Second, interest in savings generated from using the Northern Sea Route (NSR) also encourages high economic expectations for the Arctic. Current sea routes connect South Korea with northern Europe through the Strait of Malacca and the Suez Canal. The NSR would decrease the transportation distance by 40% (about 8,000 kilometers, or 4,970 miles), thereby reducing travel time by up to ten days and cutting fuel costs by 25%.[5] These gains would increase the competitiveness of South Korean products on the European market. Given that 99% of South Korea's trade volume is handled via shipping and that Northern Europe is one of the country's major trade partners, opening an Arctic route would significantly benefit the South Korean economy. In order to promote use of the NSR, the South Korean government provides various incentives such as discounts on charges for port usage. Because of such measures, *Stena Polaris*, a freighter operated by the South Korean logistics company Hyundai Glovis, completed South Korea's first commercial freight voyage via the Arctic Ocean on October 22, 2013, after taking only 35 days to make the journey from the Russian port of Ust-Luga to the South Koran port of Gwangyang.

Third, there has been an increase in demand for offshore platforms and special vessels, such as icebreakers and ice-hardened ships, since the beginning of the new era of Arctic resource development and the opening of the Arctic sea routes. South Korean shipbuilders such as Hyundai Heavy Industries, Samsung Heavy Industries, and Daewoo Shipbuilding and Marine Engineering (DSME) are among the most competitive companies in the world for production of these high-value-added ships. In March 2014, DSME won a $300 million order from Russia's state-owned shipping company Sovcomflot to construct an icebreaking liquefied natural gas (LNG) carrier. This agreement is part of Russia's Yamal project, which is

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3 "Jinanhae jeonchae eneji suipryangsuipaik modu gamso" [Last Year, Volume and Amounts of Energy Were Reduced], NTN, January 16, 2014 ~ http://www.intn.co.kr/news/articleView.html?idxno=237997.

4 Sung-Woo Lee, "Potential and Protect of the Arctic Use" (presentation for the 1st Policy Forum for the Arctic Strategy, September 2012), 78 [in Korean].

5 Sung-Woo Lee et al., *Shipping and Port Condition Changes and Throughout Prospects with Opening of the Northern Sea Route* (Seoul: Korea Maritime Institute, 2011) [in Korean].

an initiative to develop the vast natural gas reserves (16.5 million tons) off the coast of the Yamal Peninsula in Western Siberia. The ship is the first of sixteen such carriers that DSME plans to build.[6]

Last, the opening of the Arctic sea route is expected to increase traffic in South Korean ports. As the route opens up, ports in Northeast Asia, including South Korea's Busan port, will gain a competitive advantage over Singapore and Hong Kong. South Korean companies can also expect to benefit from participating in the redevelopment of Russia's ports.

Obstacles to the Development of South Korea's Economic Interests in the Arctic

Despite the aforementioned attractions of the Arctic, many challenges must be overcome before the region could actually become a driving force for economic growth in South Korea. First of all, in terms of the extraction of energy resources, commercial production of oil and gas in the Arctic Ocean requires further technological development. So far, South Korea has not actively participated in joint resource development with Arctic countries.[7] In addition, the boom in shale gas development that began in the United States has been stabilizing energy prices, thereby reducing the motivation for Arctic resource development.

Second, the complete opening of Arctic sea routes fully depends on the conditions of the sea ice. For commercial shipping through the NSR, ships must be able to navigate the route for at least one hundred days every summer. However, it is difficult to predict exactly when this will become reliably possible, as the Arctic sea ice coverage fluctuates every year, having decreased again last year after reaching a record low in 2012.[8] Russia's expensive and highly unstable icebreaking and piloting fees present another obstacle to overcome. In addition, South Korean shipping companies

6 "Daeujoseon, 'buggeughanglo unhang' swaebing LNG-seon segye cheos suju" [Daewoo Shipbuilding Orders "Arctic Passage Route"—The World's First Icebreaking LNG Carrier], Yonhap News Agency, March 17, 2014 ~ http://www.yonhapnews.co.kr/bulletin/2014/03/17/0200000000AKR20140317077900003.HTML?input=1179m.

7 The Korea Gas Corporation (KOGAS) pursued development of the mining fields at West Cutbank and Horn River in British Columbia, Canada, by sharing equal stakes with the Canada-based Encana in 2010. In 2011, KOGAS acquired a 20% stake in the Umiak gas field in the Arctic.

8 "How Low Will Arctic Sea Ice Go?" Voice of America, Science World, web log, June 16, 2014 ~ http://blogs.voanews.com/science-world/2014/06/16/how-low-will-arctic-sea-ice-go.

will be forced to observe the "polar code," which will lay out mandatory requirements and guidelines for the protection of the Arctic environment.[9]

Third, although South Korea's shipbuilding industry is benefiting from deals for the construction of icebreakers and ice-hardened vessels, estimation of the demand for these vessels is difficult. As the melting of sea ice accelerates, the need for them will fade. Moreover, demand for offshore platforms will remain low until Arctic resource development actually begins. Even then, South Korean companies will still need to compete with Norwegian and Canadian companies that already possess advanced technology and much experience in Arctic development.

Last, there is a possibility that the actual increase in traffic at South Korean ports will be small. The increase in traffic from the opening of Arctic sea routes could be counterbalanced by the decrease in traffic from the Suez Canal. Regarding Russia's port redevelopment, Russian financial conditions should be considered before becoming too optimistic about these plans. Furthermore, it is uncertain to what degree South Korean companies will be able to participate in these projects. In short, while South Korea's engagement in the Arctic is expected to make an important contribution to the country's economy, some of the benefits have been exaggerated and many obstacles still must be overcome.

South Korea's Involvement in Arctic Governance

South Korea, which had been an *ad hoc* observer since 2008, became a "permanent" observer in the Arctic Council in May 2013. Yet despite South Korea's high expectations following this decision, there has been no significant change in the country's actual status in the council. South Korea still possesses no voting rights and has a very limited voice in the council. The only major difference from the past is that South Korea now can participate in meetings without a formal invitation.

Given this situation, the following implications can be drawn from South Korea's admission as an observer to the Arctic Council. First, the symbolic significance of the "permanent" observer status will provide the driving force for the South Korean government's Arctic policy. The Arctic Policy Master Plan, which will be discussed below, was developed in this atmosphere. Second, South Korea can improve its national image by

[9] The polar code is a "draft mandatory international code of safety for ships operating in polar waters," which is being developed by the International Maritime Organization (IMO). See IMO, "Shipping in Polar Waters" ~ http://www.imo.org/MediaCentre/HotTopics/polar/Pages/default.aspx.

actively participating in the work of the Arctic Council, including in the protection of the Arctic environment. Third, South Korea can represent non-Arctic states in the Arctic Council, especially in the development of rules and regulations for environmental protection and navigation through Arctic sea routes. This is important because both issues affect not only the Arctic nations but also the non-Arctic nations, even though the Arctic Ocean is mostly surrounded by the Arctic nations' territorial seas and exclusive economic zones. Given that the council recently accepted six new countries as observers, it may be more open to giving greater consideration to the positions of the non-Arctic nations and abandoning its previous one-way stance.

South Korea's economic interests in the polar region are also advanced through bilateral frameworks. The country's most important bilateral partner, among many, is Russia for the following reasons: First, Russia possesses the most abundant natural resources in the Arctic; second, most Arctic sea routes pass through Russia's territorial seas; and third, there is a high probability that South Korea can participate in Russia's port development projects. In this context, in October 2010 both states signed an agreement on maritime transport and agreed to construct a gas pipeline via North Korea, although North Korea did not express any opinion on this. Furthermore, in January 2014, South Korea's minister of oceans and fisheries and Russia's minister of transportation signed a memorandum of understanding (MOU) to cooperate in developing five Russian ports.

The Arctic Policy Master Plan

South Korea seeks to leverage its observer status in order to gain a foothold for entering the Arctic Ocean. To this end, on December 10, 2013, South Korea became the first non-Arctic state to issue an Arctic policy master plan. The plan was developed with pan-government collaboration and the support of relevant government-affiliated institutions, such as the Korea Maritime Institute and Korea Polar Research Institute.[10]

The plan consists of a vision statement, three policy aims, and four strategic challenges. Korea's vision is to be a state working toward a sustainable future in the Arctic. The policy aims are building Arctic

[10] The government participants are as follows: the Ministry of Oceans and Fisheries; Ministry of Foreign Affairs; Ministry of Science, ICT and Future Planning; Ministry of Environment; Ministry of Trade, Industry and Energy; Ministry of Land, Infrastructure and Transport; and Korea Meteorological Administration.

partnerships to contribute to the international community, enhancing scientific research to resolve common issues of mankind, and developing new industry in the Arctic by participating in economic activities. The four strategic challenges, which constitute the most important part of the plan, are strengthening international cooperation, enhancing scientific survey and research activities, developing Arctic-related businesses, and establishing an institutional basis. Each of these challenges has specific tasks or plans to be implemented annually over the next five years. Among the goals for 2014 are participation in the activities of the Arctic Council working groups and Arctic-related organizations and conferences, the initiation of a feasibility study for building a second icebreaker, and the conclusion of an MOU with Russia for the development of three major Russian ports along the NSR.

The master plan is well-balanced in that it accommodates the interests of the Arctic states and the international community and is prudent in that it includes only practicable plans, avoiding unrealistic expectations. However, the plan reveals that the Arctic will not bring tangible benefits to South Korea in the short term. Thus, first and foremost, the government must allocate sufficient funds to meet the plan's long-term goals. As such, a relevant statute should be passed indicating a formal adoption of the plan. There is currently a bill for the promotion of polar activities, which was submitted to the National Assembly at the end of 2012 and requires the government to create a national master plan for Arctic policy. If passed later this year, as is generally expected, the bill will become a driving force for the implementation of the Arctic policy master plan.

Challenges Ahead

It is clear that the Arctic will provide South Korea with an opportunity for economic development. However, the country must overcome many challenges before it can realize this potential. First, the Korean government needs to manage competition among local ports. Some local governments, such as Busan, Ulsan, and Kangwon, have asked the central government to invest large sums of money for the development and modernization of their ports, arguing without reasonable justification that their ports are the best fit for the Arctic era.

Second, the Korean government must prepare for the coming geopolitical changes in the East Sea (Sea of Japan), which will play a much larger role 20 to 30 years from now when the Arctic route will be freely navigable. China, which does not border the sea, has already acquired rights

to develop and operate ports in North Korea's Najin and Sonbong for the next 50 years. The two Koreas, Japan, and Russia may have to compete more fiercely in the East Sea given China's involvement. Based on these assumptions, the rising military and strategic value of this body of water should be taken into account, along with its increasing economic value.

Third, the South Korean government should carefully consider the relationship between the NSR and the Trans-Siberian Railway (TSR). Its "Eurasia initiative," announced in October 2013, aims to connect South Korea with Western Europe via the TSR through the construction of a new railroad called the Silk Road Express. If this rail link is completed, it may allow significant volumes of cargo to be transported from South Korea to Europe. Moreover, some ports in the Arctic might be connected to the TSR, which would reduce the need for the NSR.

Last, the unification of South and North Korea should be considered in the formulation of long-term policy regarding the Arctic. The president of South Korea claimed publicly that unification "would amount to 'daebak' or hitting the jackpot for all Koreans and an opportunity for us to take a great leap forward,"[11] and in March 2014 a special committee to prepare for unification was established. Although nobody knows when or even if reunification will occur, it is safe to say that unification would affect South Korea's Arctic policy in many ways, including port development and management of security issues. ◈

[11] "Unification Is Like Hitting Jackpot," *Korea Times,* January 6, 2014 ~ http://koreatimes.co.kr/www/news/nation/2014/01/113_149277.html.

The Arctic Novice: Singapore and the High North

Ian Storey

Singapore's decision in 2011 to apply for observer status to the Arctic Council took many people by surprise. Why would a densely populated city-state lying on the equator invest diplomatic time and effort into joining a forum composed of circumpolar states and indigenous Arctic peoples? The answer is threefold: a long-standing, proactive involvement in international forums that address global governance issues; a desire to better understand and respond to climate change; and an ambition to capture economic opportunities as well as prepare for potential commercial challenges.

Singapore is a global city that has established itself as an international financial, shipping, and aviation hub. The downside to being the poster child of globalization, however, is that developments in one part of the world can have a negative impact on the country's own economic fortunes, as was illustrated by the 2008 global financial crisis. Singapore has thus adopted a proactive approach to joining global governance forums and institutions so that it can help shape positive outcomes in areas that affect the city-state's core interests, such as ocean management, international shipping, and maritime legal regimes.

Singapore is also concerned about the impact of climate change. As a low-lying island less than fifteen meters above sea level, it is acutely vulnerable to rising sea levels, caused in part by the melting of glaciers in the Arctic. In addition to the prospect of coastal erosion and land loss, global warming poses other threats to Singapore such as water scarcity, flooding, and the spread of tropical diseases. In order to update its assumptions about climate change and ensure that appropriate protective measures are implemented,[1] Singapore wants to better understand environmental changes in the Arctic, where temperatures are rising twice as fast as in other parts of the world.

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[1] For example, in 2011 the height of reclamation projects in Singapore was raised from 1.25 meters to 2.35 meters to take account of rising sea levels. "S'pore Takes First Steps on Plan to Protect Its Coast," *Straits Times*, June 19, 2013.

Singapore also has economic interests in the Arctic. Unlike the energy-hungry giants of Northeast Asia—China, Japan, and South Korea, which also gained observer status to the Arctic Council last year—Singapore is less interested in consuming the region's natural resources than in marketing the cutting-edge maritime technologies that will be required to develop them, especially drilling platforms. But even as rapid sea ice retreat makes Arctic resources more accessible, it also raises the prospect of higher volumes of traffic on trade routes through the Arctic Ocean, which provide considerably shorter sailing times between Europe and Asia. It has been suggested that, in the long-term, one of these passages, the Northern Sea Route (NSR), could take away some of Singapore's lucrative shipping business. While Singapore is not alarmed by the prospect of increased traffic on the NSR, it remains vigilant, as shipping is its bread and butter.

This essay will examine Singapore's role and interests in Arctic affairs in three areas: the country's successful bid for observer status to the Arctic Council and the expected contributions it can make to Arctic governance, the potential commercial opportunities for Singaporean companies, and the possibility that the NSR will pose a challenge to the city-state's status as a global maritime transshipment hub.

Singapore and the Arctic Council

Singapore evinced a serious interest in Arctic affairs only in the late 2000s, when accelerated ice melt brought into sharp relief the serious impact of climate change, including the prospect of longer navigational seasons on the NSR. In May 2011 the opportunity arose for Singapore to play a modest role in Arctic governance when the Arctic Council, the region's principal intergovernmental forum, issued criteria for observer status and outlined the roles observers would play.[2] Once accredited, observers are invited to attend meetings and engage with the six working groups, and they may also propose projects through an Arctic state or permanent participant.

[2] Arctic Council, "The Nuuk Declaration," May 12, 2011, available at http://www.arctic-council.org/index.php/en/document-archive/category/5-declarations. The seven criteria are "to accept and support the objectives of the Arctic Council; recognize the Arctic states' sovereignty and jurisdiction in the Arctic; recognize that existing legal frameworks, notably the Law of the Sea, apply to the management of the Arctic Ocean; respect the values, rights, and cultures of Arctic indigenous peoples; demonstrate a willingness and financial ability to contribute to the work of the permanent participant organizations that represent the indigenous populations of the Arctic; demonstrate expertise relevant to the Arctic Council; and show a willingness to bring Arctic issues to global decision making bodies." See Arctic Council, "Observers" ~ http://www.arctic-council.org/index.php/en/about-us/arctic-council/observers.

Singapore formally applied for observer status in December 2011. To spearhead the diplomatic campaign, in January 2012 Ambassador Kemal Siddique was appointed special envoy for Arctic affairs. Singapore unequivocally accepted the seven criteria, and over the course of the next sixteen months Ambassador Siddique and his colleagues met with officials from the eight Arctic Council states and the six permanent participants to discuss Singapore's interests and possible contributions. Singapore could clearly demonstrate considerable expertise in maritime affairs; it was a key player in the negotiations that led to the 1982 United Nations Convention on the Law of the Sea (UNCLOS) and has been an active member of the International Maritime Organization, which is currently drawing up a mandatory polar code to improve shipping safety and environmental protection in the Arctic and Antarctica. During the lobbying process, Singapore was also able to offer specific expertise to three of the working groups: the Conservation of Arctic Flora and Fauna (CAFF), Protection of the Arctic Marine Environment (PAME), and Emergency Prevention, Preparedness and Response (EPPR). Singapore can contribute to CAFF through its studies of the migratory habits of Arctic birds that visit the country's Sungei Buloh Wetlands Reserve and other areas during the northern winter, while it can contribute to PAME and EPPR through its experience in preparing for and responding to oil spills and organizing search-and-rescue services. Singapore also paid special attention to the interests of the permanent participants, and in June 2012 hosted a study visit by members of indigenous Arctic peoples. A second visit is planned, and Singapore has also offered to partner with the Arctic states to develop training programs for indigenous communities through its successful Third Country Training Programme.[3]

Overall, Singapore's diplomatic campaign was among the most adroit and focused of the fourteen applications for observer status and garnered widespread support within the Arctic Council.[4] At the eighth ministerial meeting in Kiruna, Sweden, on May 15, 2013, the council approved Singapore's application, together with those from China, Japan, India, South Korea, and Italy. Since gaining observer status, Singaporean officials have been engaged with the work of CAFF, PAME, and EPPR and

3 Ministry of Foreign Affairs (Singapore), "MFA Press Statement: Visit of Senior Parliamentary Secretary for Foreign Affairs and Culture, Community and Youth Mr. Sam Tan to Reykjavik, Iceland from 11 to 14 October," Press Release, October 13, 2014.

4 Author's private correspondence with an Arctic Council official, March 2014.

have also been invited to participate in the Arctic Marine Oil Pollution Prevention Task Force.

Commercial Opportunities

Since achieving independence in 1965, Singapore has developed a world-class maritime industry that includes shipbuilding, ship repair, oil rig construction, offshore engineering, and a host of support services. The marine industry plays a key role in the country's economic development: in 2012, it generated an annual turnover of nearly $12 billion and employed 100,000 workers.[5] As a global player, Singapore's maritime industry is keen to explore business opportunities presented by the opening of the Arctic.

Thus far, however, those opportunities have remained quite limited. In the mid-2000s, Keppel Singmarine secured orders from the Russian energy company Lukoil for the construction of seven ice-class vessels, including two icebreakers—the first time such vessels had been built in Asia.[6] Keppel subsequently designed ice-capable, self-elevating mobile drilling platforms known as jack-up rigs—of which Singapore is the world's largest manufacturer—and has had commercial discussions with certain oil majors operating in the Arctic. However, because of the shale gas revolution in North America, and the consequent slowdown of offshore energy development projects in the Arctic, no firm orders for ice-capable jack-up rigs have been placed yet. Thus, for the foreseeable future, the construction of Arctic-class vessels will remain a niche market for Singapore shipbuilders.

Maritime Trade Route Rivals?

Sea-borne trade is Singapore's lifeblood. The city-state has the highest trade-to-GDP ratio in the world at around 400%.[7] After Shanghai, the port of Singapore is the second biggest in the world: in 2013 it handled 560.89 million tonnes of cargo, including 32.58 million twenty-foot equivalent units (TEU) of containers.[8] Given the country's dependence on maritime

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5 Association of Singapore Marine Industries, "A Closer Look at the Marine Industry" ~ http://www.asmi.com/index.cfm?GPID=29.

6 "Keppel Singmarine Completes Asia's First Two Icebreakers for the Arctic," Keppel Corporation, November 3, 2008.

7 World Trade Organization, "Trade Policy Review: Report by the Secretariat—Singapore," June 5, 2012.

8 Maritime and Port Authority of Singapore, "Port Statistics" ~ http://www.mpa.gov.sg/sites/global_navigation/publications/port_statistics/port_statistics.page.

trade, it is hardly surprising that the opening of Arctic sea routes has aroused considerable interest in Singapore.

There are three principal maritime trade routes across the Arctic that connect the Atlantic and Pacific Oceans and provide shortcuts both between Europe and Asia and between North America and Asia. The Trans-Polar Route, across the North Pole, is the shortest passage but is not yet commercially viable because of the year-round presence of thick ice. The Northwest Passage, which passes through the Canadian Arctic, is also unlikely to become a major trans-Arctic trade route for the foreseeable future owing to complex geography and multiyear ice.[9] It is the NSR, which stretches from Murmansk in northern Russia across the top of Siberia and through the Bering Strait, to which Singapore is paying the most attention.

The NSR reduces sailing times by 30%–50% for ships travelling between Europe and Asia. For example, between London and Yokohama, the distance on the NSR is 7,474 nautical miles compared to 11,447 nautical miles on the Suez-Malacca route or 12,581 nautical miles via the Panama Canal.[10] Because of the development of energy and mineral resources in the Barents Sea and longer navigational seasons in the summer, traffic on the NSR has expanded in recent years from a mere 4 ships in 2010 to 71 in 2013.[11] However, of those 71 vessels, only 20 made the trip between Europe and Asia (or vice versa). Moreover, these figures pale into insignificance compared with other maritime passages: in 2013, 16,596 ships sailed through the Suez Canal, 12,045 through the Panama Canal, and 77,972 through the Strait of Malacca.[12]

While traffic volume on the NSR is expected to increase over the next few decades, for a number of reasons few observers expect that it will grow to rival established maritime trade routes. First, upgrading the NSR's physical infrastructure (which atrophied after the dissolution of the Soviet Union in 1991) and improving navigational, meteorological, and search-and-rescue services will require investment on a massive scale. Russia does not possess

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9 Arctic Council, "Arctic Marine Shipping Assessment 2009 Report," April 29, 2009, 38.

10 Arbakhan Magomedov, "Russia's Plans for the Northern Sea Route: Prospects and Obstacles," *Russia Analytical Digest,* no. 129 (June 2013): 8.

11 Northern Sea Route Administration, "Object of Activity and Functions of NSRA" ~ http://www.nsra.ru/en/celi_funktsii/.

12 Suez Canal Authority, "Suez Canal Traffic Statistics," available at http://www.suezcanal.gov.eg/reports.aspx; Panama Canal Authority, "Panama Canal Traffic, Fiscal Years 2011 through 2013" ~ http://www.acp.gob.pa/eng/op/transit-stats/2014-Table01.pdf; and Marine Department Malaysia, "Numbers of Ships Reporting under STRAITREP until March 2014" ~ http://www.marine.gov.my/jlmeng/pic/article/NUMBERS_OF_SHIPS_REPORTING_UNDER_STRAITREP_UNTIL_MARCH2014.pdf.

the financial means to fund such improvements by itself, and thus far foreign investors—including from Asia—have shown little interest. Second, although the Arctic is rich in natural resources, their scale and commercial viability remain open to question. Developing resources from this region will be technically challenging and very expensive; exploiting energy and mineral resources in other parts of the world, such as the Middle East, Africa, and South America, is much cheaper and gives an advantage to existing shipping lanes that pass through Southeast Asia to Northeast Asia.

Third, and perhaps most importantly from the perspective of Singapore as a major transshipment hub, the economics of container shipping on the NSR are suboptimal. To improve economies of scale, and hence profit margins, shipping lines are investing in ever larger vessels; new generation container ships have a cargo capacity of over 18,000 TEUs. But because of draft and beam restrictions imposed by shallow waters and narrow straits in parts of the NSR, the largest container ships that can use the route have a maximum capacity of around 4,000 TEUs.[13] Thus while it may be faster for a container ship to use the NSR than the Suez-Malacca route, the cost per container could actually be much higher due to economy-of-scale limitations.[14] In addition, harsh and unpredictable weather conditions on the NSR affect the schedule reliability on which profitable container shipping depends, while the absence of major ports reduces opportunities to trade along the way. Shipping companies must also factor in the costs of Arctic-proofing vessels, providing special training for crew members, and paying compulsory icebreaker escort fees, as well as higher insurance rates owing to severe weather conditions and the lack of search-and-rescue assets.

As sea ice continues to retreat, the volume of traffic on the NSR will undoubtedly grow. However, for the reasons identified above, the NSR is unlikely to rival high-traffic maritime routes such as the Suez-Malacca passage for decades—if ever. An increase in trans-Arctic shipping along the NSR will benefit ports in Northeast Asia and therefore divert some traffic from Singapore. But a host of uncertain variables such as future world trade patterns, advances in technology, and global energy demand make the precise impact on Singapore's bottom line impossible to estimate at this time. What can be said with certainty, however, is that Singapore is much

[13] Malte Humpert, "The Future of Arctic Shipping: A New Silk Road?" Arctic Institute, Center for Circumpolar Security Studies, November 2013, 13.

[14] Stephen M. Carmel, "The Cold, Hard Realities of Arctic Shipping," *Proceedings Magazine*, July 2013 ~ http://www.usni.org/magazines/proceedings/2013-07/cold-hard-realities-arctic-shipping.

more concerned with the immediate challenges posed by the development of container ports in neighboring Southeast Asian countries such as Malaysia, Indonesia, and Vietnam than with the threat posed by the NSR.

Conclusion

Singaporean diplomats modestly refer to the country as an "Arctic novice." While this might be partly true, the city-state has a wealth of experience and expertise in shipping, safety of navigation and accident response, offshore technology, and maritime law and is therefore expected to make a significant contribution in these areas to the Arctic Council's working groups. Singapore will also use its observer status both to learn more about how climate change in the Arctic will affect Southeast Asia and to monitor the growth of shipping on the NSR. Thus, between now and when its observer status comes up for review in 2017, Singapore is intent on moving from novice to expert. ◈

India's Arctic Engagement: Challenges and Opportunities

Sanjay Chaturvedi

Marked by imagery of melting ice, opening sea routes, and dwindling numbers of polar bears, the circumpolar Arctic has come to geopolitically embody a rather abstract category of climate change. Both the climate-induced physical transformations in the Arctic—i.e., the dramatic physical retreat and thinning of the Arctic sea ice—and the various state and nonstate responses to them have resulted in a significant discursive transformation of the region. The Arctic has been seemingly turned into a site of shadow boxing where state and nonstate actors, both from within and outside the region, are imposing their own maps of values, priorities, and interests on highly complex geophysical, socioeconomic, and ecological landscapes. The Arctic is now widely seen as the most striking evidence at the regional level of the gravest global challenge humanity has ever faced. Yet the Arctic climate paradox persists: fossil fuels, which are chiefly responsible for climate change, are among the key catalysts for international geopolitical interest in a region that is warming at a rate twice the global average.

It is against such a backdrop that India is trying to figure out its stakes in various possible futures for the Arctic. The country's quest for a meaningful role in Arctic governance has just begun and faces both opportunities and challenges. This essay will map out Indian perspectives on the Arctic and identify some of the key challenges for India's engagement in the Arctic, especially as an observer to the Arctic Council. It will then conclude by reflecting on what added value India can bring, both individually and collectively with the other Asian observers, to Arctic governance.

Mapping Indian Perspectives on the Arctic

India's serious and systematic engagement with the science and geopolitics of Antarctica is more than 25 years old now and well documented. As far as the Arctic is concerned, India's direct presence and pursuit of scientific purposes is nascent but steadily expanding. In 2007 a five-member

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NOTE ~ The views expressed in this essay are those of the author and do not represent the views of the Indian delegation to the Antarctic Treaty Consultative Meetings.

team of Indian scientists visited the International Arctic Research facilities at Ny-Ålesund for a month and initiated three novel projects in atmospheric science, microbiology, and earth science and glaciology. Soon thereafter, India established the scientific research station Himadri at Ny-Ålesund, which conducts its operations under the guidance of the National Centre for Antarctic and Ocean Research (NCAOR) under the Ministry of Earth Sciences. India has undertaken seven expeditions to the Arctic so far and is expecting an icebreaker of its own in the near future.

Before the May 2013 meeting in Kiruna, at which the five Asian states (and Italy) were admitted as observers to the Arctic Council, a number of concerns were expressed by a handful of Indian scholars and analysts.[1] The extent to which some of these commentaries, which in some cases are highly speculative in nature, were driven by anxiety over India's potential role in the Arctic Council against the backdrop of steadily growing Asian engagement—especially Chinese—is difficult to ascertain. Some of this analysis challenged the Eurocentric view of the Arctic in favor of a pluralistic understanding of how and why the Arctic should figure in the larger ethical-moral concerns of the global commons and principles of public good. This reasoning was specifically expressed by the notion of the Arctic as a "common heritage of mankind"—a vision that some Arctic rim states might have found both ill-conceived and misinformed. Additionally, there were those who argued that India should lead an international campaign to designate the Arctic a nuclear-free zone, while others underlined the need to explore how the Arctic could possibly mitigate India's energy insecurity.

Some Indian observers of Arctic geopolitics argued that physical-ecological transformations in the Arctic induced by climate change could usher in hitherto unimaginable geoeconomic and geopolitical transformations with regional and global implications. For example, a more accessible blue Arctic could reorient transoceanic energy trade flows and force a serious rethinking of logistical infrastructural considerations such as shipbuilding and ports. Were this to happen, in the medium to long term the

[1] See, for example, Shyam Saran, "India's Stake in Arctic Cold War," *Hindu*, February 1, 2012; Vijay Sakhuja, "The Arctic Council: Is There a Place for India?" Indian Council of World Affairs, Policy Brief, 2011 ~ http://www.icwa.in/pdfs/policy%20briefs%20dr.pdf; Neil Gadihoke, "Arctic Melt: The Outlook for India," *Maritime Affairs* 8, no. 1 (2012): 1–12; and P.K. Gautam, "The Arctic as a Global Common," Institute for Defence Studies and Analyses, Issue Brief, September 2011. For a useful summary of and critical engagement with these commentaries, see P. Whitney Lackenbauer, "India's Arctic Engagement: Emerging Perspectives," in *Arctic Yearbook 2013*, ed. Lassi Heininen (Akureyri: Northern Research Forum, 2013) ~ http://www.arcticyearbook.com/images/Articles_2013/lackenbauer_ay13_final.pdf.

Indian Ocean sea lanes, as well as ports such as Singapore, might lose some of their traditional strategic importance. I have argued elsewhere that just as the emerging concept of the Indo-Pacific blurs the boundaries between the Indian and Pacific Oceans, the Arctic Ocean too could become a part of ocean basin–centric global geopolitics in the decades to come. Ocean and coastal areas play a critical role in today's interdependent and globalized world in the ecological, economic, and societal well-being of humanity as a whole.[2] Ambassador Shyam Saran, former foreign secretary of India, has raised a number of interesting questions that reflect the entanglement between geoeconomics and geopolitics in the Arctic.[3]

Fast forward to the post-Kiruna period, the grant of observer status to India was warmly greeted in the Indian print media and was flagged on the website of the Ministry of External Affairs a month later as "recognition of India's 'contribution to Arctic Studies.'"[4] The government acknowledges the fact that a fast globalizing Arctic is affected by (and will in return affect) environmental, commercial, and strategic equations in world affairs. It is pointed out that India's engagement with the Arctic dates back over nine decades to February 1920 when it signed the Svalbard Treaty.[5] India, we are told, has been "closely following the developments in the Arctic region in the light of the new opportunities and challenges emerging for the international community due to global warming induced melting of [the] Arctic's ice cap." Moreover, the country's interests in the Arctic region today are characterized as "scientific, environmental, [and] commercial as well as strategic."[6] It is worth mentioning that whereas India's scientific interests are mentioned at some length along with climate-related concerns, the category of "strategic" interests remains undefined. The note concludes by emphasizing that the increasingly global reach and impact of rapid transformations in the Arctic region demand the active participation of

2 Nearly 80% of the global merchandise trade by volume (reaching over 9 billion tons in 2012 for the first time ever) is carried by sea and handled by ports worldwide. See United Nations Conference on Trade and Development, *Review of Maritime Transport 2013* (New York: United Nations, 2013).

3 These questions include: Should five countries on the Arctic rim have the right to play with the world's ecological future in pursuit of their economic interests? If there are significant shifts in the world's shipping and, therefore, trade patterns, what will this mean for countries like India? Will the center of gravity of the global economy, which has been shifting to the Asia-Pacific, shift back to the trans-Atlantic via the northern tier? See Shyam Saran, "Why the Arctic Ocean Is Important to India? Developments in the Arctic Ocean Will Redraw the Geopolitical Map of the World," *Business Standard*, June 12, 2011.

4 Government of India Ministry of External Affairs, *India and the Arctic* (New Delhi, June 10, 2013) ~ http://mea.gov.in/in-focus-article.htm?21812/India+and+the+Arctic.

5 Ibid.

6 Ibid.

various stakeholders in the "governance of global commons" and that "India, which has a significant expertise in this area from its association with the Antarctic Treaty System, can play a constructive role in securing a stable Arctic."[7]

Challenges for India's Engagement in the Arctic

Scientific diplomacy. What will India do with its observer status? In order to meaningfully contribute to the deliberations of the Arctic Council, New Delhi will have to carve out a niche for itself in Arctic scientific diplomacy. Regular Indian participation in Arctic Council meetings and enthusiastic, well-informed contributions to various working groups will be seen by other countries as an important indicator of India's commitment to Arctic governance. India simply cannot afford to be conspicuous either by its total absence or by a highly undesirable silence at the council's meetings. What India should also consciously avoid is an imbalance between its physical scientific presence in the Arctic (e.g., its Himadri Station at Svalbard) and its participation in Arctic governance mechanisms. In other words, India's continuous presence at and well-informed participation in the deliberations of the Arctic Council will be as important as the pursuit of high-quality science.

Energy relations. The nature of bilateral relationships between the Arctic and non-Arctic countries, which are intimately anchored in the networks of neoliberal globalization, will influence their respective Arctic engagements. In its quest for energy security, India has turned in the direction of the Arctic, despite some Indian commentators making a passionate appeal against oil imports from the region. In May 2014, ONGC Videsh (a wholly owned subsidiary of India's national oil company, Oil and Natural Gas Corporation Limited) and Russia's Rosneft signed a memorandum of understanding. The two companies are already partners in the Sakhalin-I oil and gas project in the Russian Far East, and the memorandum "paves the way for the companies' cooperation in subsurface surveys, exploration and appraisal activities and hydrocarbons production in Russia's offshore Arctic." Two months earlier, during a March 2014 visit to India, Igor Sechin, head of Rosneft, was reported to have said: "India is a very important country for Russia. We have a very efficiently run project

[7] Government of India Ministry of External Affairs, *India and the Arctic.*

with ONGC (Sakhalin-I).... Now we want to expand our cooperation."[8] Yet as India's geoeconomic engagement with the Arctic grows with the passage of time, it will invite geopolitical interpretations. For example, the *Times of India* report on Sechin's visit bears the headline "Rosneft Oils India Ties to Counter West on Crimea."

Engagement with the Arctic Council. As far as India's present and future engagement with the Arctic through the medium of the Arctic Council is concerned, a key challenge is the imagined geographies of doubt and suspicion prevailing in some quarters over India's scientific presence in a far distant region of global ecological importance. The realist view that India and China are engaged in a "new Great Game" has been extended to the Arctic by some analysts. Such highly reductionist geopolitical narratives of fear seriously distort the complex interplay between geoeconomics and geopolitics that is likely to shape the key contours of a new circumpolar order. There is no convincing reason that the leading Asian economies, entangled as they are in a web of capital flows, supplier-consumer interdependencies, and international regulatory mechanisms, institutions, and norms, would undermine the mandate and mission of the Arctic Council and thereby destabilize the region.

India in the Arctic Council: Opportunities Ahead

What added value can India bring, both individually and collectively with the other Asian observers, to Arctic governance? Those who tend to view with suspicion the scientific rationale in support of India's Arctic presence are overlooking the fact that the Arctic (and Antarctica) are still among the least-understood parts of the globe. Given their ecological importance, both polar regions deserve to be perceived as "global knowledge commons" and demand international cooperation. They simply cannot afford to be subjected to governance regimes—however well-meaning, well-equipped, and well-represented—with huge gaps in scientific knowledge. The following observation from a World Economic Forum report vindicates India's emphasis on scientific research in the Arctic:

> While a few areas have received a relatively high level of attention and funding (e.g., Arctic Alaska, the Greenland ice sheet, ocean-floor bathymetric mapping to support Article 76 claims of the UN Convention on the Law of the Sea, the

[8] See "Rosneft Oils India Ties to Counter West on Crimea," *Times of India*, March 25, 2014 ~ http://timesofindia.indiatimes.com/business/india-business/Rosneft-oils-India-ties-to-counter-West-on-Crimea/articleshow/32618993.cms.

> Barents Sea), the vast majority of Arctic landscapes, oceans and ecosystems, as well as the climate, have received little field study.... Moreover, climate change in the Arctic affects climate elsewhere in the northern hemisphere, meaning that understanding the Arctic region will have a positive impact on managing the environment in non-Arctic areas.[9]

Proactive participation by India in the Arctic Council could prove to be a major catalyst for introducing legal-political innovations within the global knowledge commons. Since the 1980s, India has built an impressive scientific record in Antarctica, and similar efforts and investment are needed in the Arctic. For example, India has been carrying out scientific activities at Ny-Ålesund since July 2007. As further demonstration of its commitment to the objectives of the Arctic Council, India should draft an Arctic policy document as a first step toward establishing a bipolar strategy that emphasizes international scientific collaboration on climate change and sustainable development. Making contributions to the council's working group meetings on issues such as Arctic contaminants, conservation of flora and fauna, protection of the marine environment, and sustainable development is both highly desirable and feasible for India. Furthermore, with four of its five member states now observers in the Arctic Council (China, Japan, India, and South Korea), the Asian Forum for Polar Sciences could become an excellent platform for India to promote collaborative Arctic science.[10]

It is equally important for India to create and sustain centers of excellence in interdisciplinary polar studies. In the absence of expertise emanating out of a systematic institutionalized research program on the polar regions, the prospects remain high that India's (or, for that matter, Asia's) engagement with the Arctic will be tempered by the five pervasive "Arctic myths" identified by the Global Agenda Council. These five myths are described as follows:

1. The Arctic is an uninhabited, unclaimed frontier with no regulation or governance.
2. The region's wealth of natural resources is readily available for development.

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9 Global Agenda Council on the Arctic, "Demystifying the Arctic," World Economic Forum, January 2014, 6 ~ http://www3.weforum.org/docs/GAC/2014/WEF_GAC_Arctic_DemystifyingArtic_Report_2014.pdf.

10 Sanjay Chaturvedi, "Geopolitical Transformations: 'Rising' Asia and the Future of the Arctic Council," in *The Arctic Council: Its Place in the Future of Arctic Governance*, ed. Thomas S. Axworthy, Timo Koivurova, and Waliul Hasanat (Toronto: Walter & Duncan Gordon Foundation, the Munk School of Global Affairs, and the Arctic Centre, 2012), 250.

3. The Arctic will be immediately accessible as sea ice continues to disappear.
4. The Arctic is tense with geopolitical disputes and is the next flashpoint for conflict.
5. Climate changes in the Arctic are solely of local and regional importance.[11]

To counteract these myths, the time is right for India to appoint a "polar ambassador." This person could facilitate cooperation between the relevant Indian authorities and their counterparts in member states of both the Arctic Council and the Antarctic Treaty, as well as articulate India's stand on various issues related to science, diplomacy, and governance. ◈

[11] Global Agenda Council on the Arctic, "Demystifying the Arctic," 16.

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