ARCTIC – THE NEW "GREAT GAME" OR PEACEFUL COOPERATION

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> "We have an entire ocean region that had previously been closed to the world now opening up," Huebert said. "There are numerous factors now coming together that are mutually reinforcing themselves, causing a build-up of military capabilities in the region. This is only going to increase as time goes on."

> > Statement by Rob Huebert, Eric Talmadge, Arctic Climate Change Opening Region to New Military Activity, "The Huffington Post", 16 April 2012.

Abstract

The Arctic area with its harsh climate and austere icecap has not raised any great international passions in the past. However, enduring global warming has opened new views on exploitation of that area. If the climate gets steadily warmer in the future, it could mean the opening of the Northwest Passage for ship routes. On the other hand, it is estimated that the region has got remarkable gas reserves, which could amount to as much as 30 % of the world's undiscovered reserves, as well as oil, which encompasses some 13 % of world's undiscovered stocks.

As for now, any serious international conflicts in this area are not likely, even though there are real expectations and claims imposed by several nations. The current peaceful cooperation is supported by feasible treaties that are already in place. Until lately, the work of the Arctic Council has not raised any great international attentiveness, but the expected development in the area has activated stronger interest from many countries, and not only those from the Arctic region. There are several regional disputes among the five states, USA, Canada, Russia, Norway and Denmark about the Arctic Ocean.

As expert opinion still differs quite significantly about the resources available in the Arctic region and about the feasibility of the Northwest and Northeast routes, it is hard to say if there are any practical economic gains to be achieved. Although cooperation between the nations has been peaceful, the military presence in the area is increasing. Moreover, it remains to be seen how the recent Ukrainian crisis will affect the development in the area.

Key words: international security, the Arctic Circle, climate change, Northern Sea Route, the Arctic Council

The global warming issue has been an ongoing topic for decades and is very controversial. Different participants regarded climate changes as normal phenomena that have been present throughout history. Nevertheless, a majority of scientists seem to think that global warming, or the "greenhouse effect" is, in fact, still taking place and the world's average temperature is rising alarmingly. This process could have several outcomes. One of them could be the opening of the so called North-Western route through the Arctic from Northern Europe to the Pacific. Another result could be emerging opportunities to explore the whole area and its continental shelf followed by exploitation of the vast natural resources. Is this the opening of new frontiers or the start of a new "Great Game" among nations; this time in the Arctic area?

It has been recognised that the Arctic Ocean's summer ice cover is only half of what it was 50 years ago¹ and climate change has a meaningful impact on the indigenous people and possible exploitation of the region. What is important is that the natural resources include rare minerals, oil, gas and timber, all of which make them worth the attention of many nations. Moreover, access to new marine areas present new fishing opportunities, as traditional areas are already overfished. Arctic tourism to this exotic area is on the rise. As for now, there are four major global players interested in the Arctic: Russia, China, the US and the EU². They are all doing intensive research and looking for legal based options to exploit resources.

L. W. Brigham, Think Again: The Arctic, (Washington: 16 August 2010), http://www.foreignpolicy.com/articles/2010/08/16/think_again_the_arctic [accessed: 07 January 2014].
 J. Käpylä, H. Mikkola, *The Global Arctic 133 – The Growing Arctic Interests of Russia, China, the United States and the European Union,* (Helsinki, 13 August 2013), The Finnish Institute of International Affairs.

The natural resources in the Arctic are quite remarkable and include large deposits of nickel, zinc and iron ore. However, the most valuable resources are gas reserves. which could amount to as much as 30 % of the world's undiscovered reserves, as well as oil, which encompasses some 13 % of the world's undiscovered stocks³. This is confirmed by the U.S. Geological Survey (USGS) report, estimating that "more than 70 percent of the mean undiscovered oil resources are estimated to occur in five provinces: Arctic Alaska, the Amerasia Basin, the East Greenland Rift Basins, the East Barents Basins, and West Greenland-East Canada. More than 70 percent of the undiscovered natural gas is estimated to occur in three provinces, the West Siberian Basin, the East Barents Basins, and Arctic Alaska."4 Such vast reserves could be a source of competition involving the use of all available instruments of power by the global powers. According to the scholar, Scott G. Borgerson, without "U.S. leadership to help develop diplomatic solutions to competing claims and potential conflicts, the region could erupt in an mad armed dash for its resources." Nevertheless, so far nothing indicates that the disputes would cause major instability over the exploitation of the area. But, Russia shocked the world when its mini-submarine dive at the North Pole and placed a Russian flag on the seabed. Still, the arguments calmed quickly after this episode. The situation is further complicated as a result of the legal status of the Arctic region. Currently, eight countries have land borders there, namely: Denmark, Sweden, Finland, Iceland, Norway, Russia, Canada and the USA. However, this does not cause border disputes. Five of these states abut the Arctic Ocean and have land in the Arctic Circle: Canada, Denmark, Norway, Russia and the United States. Moreover, Iceland, Finland, and Sweden possess land within the circle⁶. The

³ S. Borgerson, C. Antrim, *An Arctic Circle of Friends*, (New York, 28 March 2009), the report in the New York Times states that "*Driving much of the new interest in the Arctic, however, are the stores of oil and gas that lie beneath the water — amounting to an estimated 22 percent of the earth's remaining supplies"*. http://www.nytimes.com/2009/03/28/opinion/28borgerson.html? r=0 [accessed: 07 January 2014].

⁴ U.S. Geological Survey report USGS Favt Sheet 2008-3049, *Circum-Arctic Resource Appraisal: Estimates of Undiscovered Oil and Gas North of the Arctic Circle*, (Washington 2008), http://pubs.usgs.gov/fs/2008/3049/fs2008-3049.pdf, [accessed: 07 January 2014].

⁵ L. W. Brigham, Think Again: The Arctic, op. cit.

⁶ B. Van Pay, *National Maritime Claims in the Arctic - Changes in the Arctic Environment and the Law of the Sea*, (Alaska 21 May 2009), the 33rd COLP Conference Seward, Office of Ocean and Polar Affairs, U.S. Department of State, http://www.virginia.edu/colp/pdf/Van_Pay-Arctic-Claims.pdf [accessed: 08 January 2014].

possession of land is an important factor as it is related to Exclusive Economic Zones (EEZ) which supports legal claims.

Nevertheless, there are currently some minor issues regarding maritime territory between Canada and USA in relation to the Beaufort Sea, and between Canada and Denmark in relation to the Baffin Bay. However, Norway and Russia have already agreed upon the boundary in the Barents Sea⁷. As for now, Norway and Russia are most actively exploiting the gas and oil resources in the area. In general, even though the region is rich in resources, its influence on boosting the economy of the regional eight is estimated to be moderate. It seems that the new emerging options could have a greater impact on rising economies like China and India, which are looking for opportunities to benefit from the Far North's resources⁸.

Arctic Highway found?

It has long been the dream of rulers and businessmen of Europe to open a free Northeast / Northwest Passage from Europe to the USA and the Pacific. The shorter route would make a sea trip faster and much cheaper. However, such an option will not be available as, even though the climate seems to be warming, the Arctic's ice cap does not diminish evenly each year. In autumn 2013 it seemed to expand steadily again, but then at the beginning of 2014 it diminished quite significantly. The Finnish News Agency Yle 1 Uutiset reported, "according to the American research institute, NSIDC, the northern sea ice cap has been the third smallest during the history of measurement and, for a while, the second smallest during this year. The satellite measures started in 1979. Last autumn, the Arctic ice cap expanded fast, but the increase slowed down in December. In mid-January, the ice cap was about 800'000 square kilometres smaller than the average over the last 30 years".

⁷ L. W. Brigham, Think Again: The Arctic, op. cit.

⁸ Ibid.

⁹ Y. Uutiset, *Pohjoisnavalla vähän jäätä (A little ice at the North Pole)*, (Luonto, 17 January 2014) http://yle.fi/uutiset/pohjoisnavalla_vahan_jaata/7037199, [accessed: 10 February 2014].

There are predictions that sea ice could speed up the melt down soon- in the summer of 2015 or 2016. Such an opinion was presented in the Guardian by the recognised ice expert, Prof Wadhams of Cambridge University¹⁰. He claims, "Climate change is no longer something we can aim to do something about in a few decades' time, and that we must not only urgently reduce CO_2 emissions but must urgently examine other ways of slowing global warming, such as the various geoengineering ideas that have been put forward." However, other estimates state that the northern sea routes would be ice free even sooner, but only for a few days or weeks during the summer period. However, ice-clogged winters throughout the current century could change the situation. Use of these routes would theoretically be possible but with significant constraints, as the speed of many ships will not be fast enough to overcome icy southern routes. Arctic navigation also includes risks linked with routes that are not in use all year-round.

Conflicts expected in the region?

As for now, any serious international conflicts in this area are not likely even though there are real expectations and Arctic claims have been imposed by several nations. The current peaceful cooperation is supported by feasible treaties that are already in place. The U.N. Convention on the Law of the Sea, for example, "comprises 320 articles and nine annexes, governing all aspects of ocean space, such as delimitation, environmental control, marine scientific research, economic and commercial activities, transfer of technology and the settlement of disputes relating to ocean matters". Some of the key features of the Convention are as follows:

• Coastal States exercise sovereignty over their territorial sea in which they have the right to establish its breadth up to a limit not exceeding 12 nautical miles; foreign vessels are allowed "innocent passage" through these waters;

¹⁰ J. Vidal, Arctic expert predicts final collapse of sea ice within four years, (London 17 September 2012), "The Guardian", http://www.theguardian.com/environment/2012/sep/17/arctic-collapse-sea-ice?newsfeed=true, [accessed: 10 January 2014].

¹¹ Ibid.

¹² L. W. Brigham, *Think Again: The Arctic*, op. cit.

- Ships and aircraft of all countries are allowed "transit passage" through straits used for international navigation; States bordering the straits can regulate navigational and other aspects of passage;
- Coastal States have sovereign rights in a 200-nautical mile exclusive economic zone (EEZ) with respect to natural resources and certain economic activities and exercise jurisdiction over marine science research and environmental protection;
- Coastal States have sovereign rights over the continental shelf (the national area of the seabed) for exploring and exploiting it; the shelf can extend at least 200 nautical miles from the shore and further under specified circumstances;
- All marine scientific research in the EEZ and on the continental shelf is subject to the consent of the coastal state, but in most cases they are obliged to grant consent to other states when the research is to be conducted for peaceful purposes and fulfils specified criteria¹³.

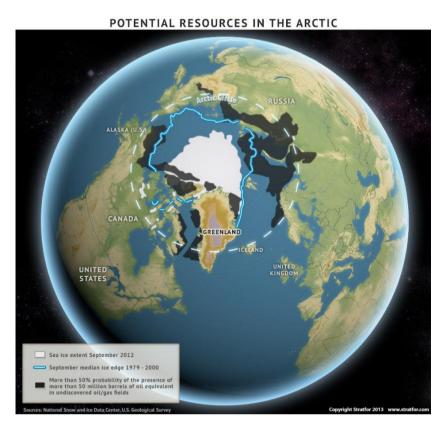
Each of the five states bordering the Arctic Ocean has claimed its respective EEZ and its outer limit cannot exceed 200 nautical miles. Recognition of their rights could have significant consequences as they could possess sovereign rights over all living and non-living resources in the water column, seabed, and subsoil. The limits of the EEZ are ambulatory¹⁴.

The U.N. Convention on the Law of the Sea (UNCLOS) is overarching and also gives broad rights to those nations that are not even bordering the countries of the Arctic Region. It emphasises the peaceful use and scientific research of the region and free passage through the straits used for international navigation. Another important organisation is the Arctic Council, a high-level intergovernmental forum founded in 1996 by the Ottawa Declaration. It consists of eight member states: Canada, Denmark (including Greenland and the Faroe Islands), Finland, Iceland, Norway, Russia, Sweden and the United States. Additionally, six international organisations representing Arctic Indigenous Peoples have membership participant status¹⁵. The aim of the Council is to:

¹³ United Nations Convention on the Law of the Sea of 10 December 1982, (Last update 22 August 2013), United Nations, Office of Legal Affairs. See: The overview and full text, http://www.un.org/Depts/los/convention_agreements/convention_overview_convention.htm

¹⁴ B. Van Pay, *National Maritime Claims in the Arctic*, op. cit.

¹⁵ The Website of the Arctic Council, (29 June 2011), http://www.arctic-council.org/index.php/en/about-us/member-states, [accessed: 09 January 2014].



Source: The Growing Importance of the Arctic Council, STRATFOR 17 May 2013, "The Growing Importance of the Arctic Council is republished with permission of Stratfor." [accessed: 12 January 2014].

Figure 1. Potential Resources in the Arctic

- provide means for promoting cooperation, coordination and interaction among
 the Arctic States, with the involvement of the Arctic indigenous communities
 and other Arctic inhabitants on common Arctic issues, in particular issues of
 sustainable development and environmental protection in the Arctic,
- oversee and coordinate the programmes established under the AEPS¹⁶ on the Arctic Monitoring and Assessment Programme (AMAP), Conservation of Arctic Flora and Fauna (CAFF), Protection of the Arctic Marine Environment (PAME); and Emergency Prevention, Preparedness and Response (EPPR),

- adopt terms of reference for, and oversee and coordinate, a sustainable development programme,
- disseminate information, encourage education and promote interest in Arcticrelated issues¹⁷.

It is remarkable that military security issues are not included in the agenda of the Arctic Council. Although the Council has not made bonding agreements or treaties, its importance has increased due to fruitful cooperation in recent years. The security aspect is nevertheless important. Even though military conflicts are not very likely in the area, there has been a noticeable growth of military presence there. Canada, Norway and Russia – members of the Council - have had military and naval exercises in the region. Conversely, the USA has not been very active, but lately has paid more interest in this hemisphere. The US Department of the Navy published the NAVY Arctic Roadmap on 10 November 2009 recognising that the climate is changing and the most rapid changes are taking place in the Arctic. As a result as "the Arctic is primarily a maritime environment, the NAVY must consider the changing arctic in developing future policy, strategy, force structure, and investment"18. What is important is that both the EU and NATO include members and non-members of the Arctic Council and neither organisation has been very active in an Arctic context vet. This is significant as these organisations could potentially play a much stronger role in building cooperation, trust and security in the area. The European Union's Arctic Conference is still planned, but with no visible timeline.

¹⁷ Declaration on the Establishment of the Arctic Council, (Ottawa, 19 September 1996), the Joint Communique of the Governments of the Arctic Countries on the Establishment of the Arctic Council.

¹⁸ D. Smalley, *Top Officials Meet at ONR as Arctic Changes Quicken*, (Washington, 13 December 2012) Office of Naval Research, http://www.navy.mil/submit/display. asp?story_id=71080, [accessed: 09 January 2014]. See also: *U.S. Navy Arctic Roadmap*, (Washington, 10 November 2009), US Department of the Navy.

Russian Arctic Policy – protecting an unalienable part of the Russian Federation

In late March 2009, the Kremlin publicly released the full text of its new Arctic strategy. The document, first issued in September 2008, lays out a remarkable expansion of official Russian sovereign interests in what was previously agreed-upon as part of the so-called "global commons" ¹⁹. It includes four chapters: 1. Russia's national interests in the Arctic; 2. Main goals and strategic priorities; 3. Fundamental tasks and means of carrying out state policy; and 4. Fundamental mechanisms for implementation of the policy. It does not provide any clear differentiation between the various terms employed in the document (e.g. "interests", "goals", "priorities", "tasks", "means" and "mechanisms"). The state policy emphasises the importance of the region in two domains: as the North Sea passage and "Russia's foremost strategic base for natural resources" by 2020²⁰.

The first chapter describes five main goals in the Arctic including expanding the resource base in the region to fulfil "Russia's need for hydrocarbon resources, aqueous biological resources, and other forms of strategic material"²¹. The second chapter deals with national security, protection and defence of national boundaries based on preserving military capabilities in the region. The next chapters highlight the preservation and protection of the natural ecosystem; formation of a unified information space, and the importance of "international cooperation, guaranteeing mutually beneficial bilateral and multilateral cooperation between the Russian Federation and other Arctic states on the basis of international treaties and agreements to which the Russian Federation is a signatory"²². The updated document provides general policy guidelines, which will be implemented by

¹⁹ B. Van Pay, *National Maritime Claims in the Arctic.*, op. cit.

²⁰ K. Zysk, *Russian Arctic Strategy. Ambitions and Constrains*, (Fort Lesley, April 2010), "Joint Force Quarterly", Issue 57, 2nd quarter 2010, the author is a senior fellow at the Norwegian Institute for Defence Studies (IFS), http://www.geopoliticsnorth.org/index.php?option=com_content&view=article&id=100 [accessed: 15 January 2014].

²¹ Ibid.

²² Russia's New Arctic Strategy - The Foundations of Russian Federation Policy in the Arctic until 2020 and Beyond, (Washington, Spring 2010) "The Journal of International Security Affairs" No 18, courtesy of the American Foreign Policy Council, translated from the Russian by M. Rusnak and I. Berman, http://www.securityaffairs.org/issues/2010/18/russia's_new_arctic_strategy.pdf [accessed: 15 January 2014].

all national structures related to the Arctic "on the basis of the document and, subsequently, on their implementation—or lack thereof. As experience with the previous ambitious plans shows, achieving the goals may take longer than scheduled, if they are achieved at all."²³

Figure 2 depicts potential areas of the continental shelf beyond 200 nautical miles (nm) for Canada, Denmark and the USA. These are theoretical maximum claims assuming that none of the states' claims the continental shelf beyond median lines with neighbouring states where maritime boundaries have not been agreed. In reality, the claimable areas may fall well short of the theoretical maximums. It is also possible that one or more states will claim areas beyond the median lines. (The map: © International Boundaries Research Unit, Durham University)²⁴.

Closely intertwined with the importance of the region to Russia are the country's efforts to delineate the outer limits of the continental shelf in the Arctic Ocean region, defined as a top priority task to be accomplished by 2015. What is significant is that the Russian government is clear that the process has to be carried out entirely within the framework of international law²⁵.

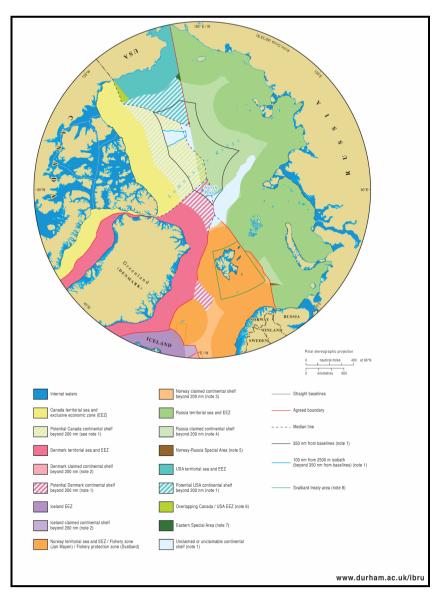
The importance of the Arctic is closely related to the Russian economy, which is still heavily dependent on export of raw materials. The policy paper outlines it clearly. Russia is placing a great part of the development of the economy on the exploitation of the vast Arctic energy resources and free passage for commercial traffic. It has no choice but to look for new resources, and at the same time denying their use to other actors to preserve their strong position on the resources market and to support economic development. To secure this, Moscow is building up and maintaining the required military capability within the ongoing process of its armed forces modernisation. The policy paper intentionally articulates the importance of cooperation with the international community according to the international treaties and agreements when exploiting the Arctic. Russia, as well

²³ K. Zysk, Russian Arctic Strategy..., op. cit., p. 104.

²⁴ International Boundaries Research Unit, Durham University, (Durham, 11 April 2013), www.durham.ac.uk/ibru, https://www.dur.ac.uk/resources/ibru/resources/Arcticmap.pdf, [accessed: 27 March 2014].

²⁵ K. Zysk, Russian Arctic Strategy..., op. cit., p. 106.

as its neighbour China, does not yet possess power projection capability to match that of the USA, so both countries prefer to influence the developments through international organisations like the United Nations.



Source: *Maritime jurisdiction and boundaries in the Arctic region*, International Boundaries Research Unit, the Durham University, UK; the map republished with permission of the Durham University, https://www.dur.ac.uk/resources/ibru/resources/Arcticmap19-07-14.pdf [accessed: 16 January 2014].

Figure 2. Maritime jurisdiction and boundaries in the Arctic region

Continental Shelf, (The United Nations Convention on the Law of the Sea)

Article 76, Definition of the continental shelf

1. The continental shelf of a coastal State comprises the seabed and subsoil of the submarine areas that extend beyond its territorial sea throughout the natural prolongation of its land territory to the outer edge of the continental margin, or to a distance of 200 nautical miles from the baselines from which the breadth of the territorial sea is measured where the outer edge of the continental margin does not extend up to that distance.

Rights of the coastal State over the continental shelf

- 1. The coastal State exercises sovereign rights over the continental shelf for the purpose of exploring it and exploiting its natural resources.
- 2. The rights referred to in paragraph 1 are exclusive in the sense that if the coastal State does not explore the continental shelf or exploit its natural resources, no one may undertake these activities without the express consent of the coastal State.
- 3. The rights of the coastal State over the continental shelf do not depend on occupation, effective or notional, or on any express proclamation.
- 4. The natural resources referred to in this Part consist of the mineral and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, are either immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.

Russian territorial claims

Under international law no country owns the North Pole or the region around it. The UNCLOS states that, "every State has the right to establish the breadth of its territorial sea up to a limit not exceeding 12 nautical miles, measured from baselines determined in accordance with this Convention. The outer limit of the

territorial sea is the line every point of which is at a distance from the nearest point of the baseline equal to the breadth of the territorial sea. Except where otherwise provided in this Convention, the normal baseline for measuring the breadth of the territorial sea is the low-water line along the coast as marked on large-scale charts officially recognized by the coastal State." So, following defined international law "no one owns the Arctic but adjacent countries can ask the United Nations for an extension of their own zones of economic interest beyond the standard 200 miles if they can prove that the seabed is an extension of their own continental shelf. Russia got started early, sending two major scientific expeditions into the deep Arctic to collect evidence that the sea floor all the way up to the North Pole, known as the Lomonosov Shelf, is actually a continuation of the Siberian landmass and, thus, Russian territory" 27.

Following the UNCLOS, the five states (USA, Canada, Russia, Norway and Denmark), that abut the Arctic Ocean are limited to an Exclusive Economic Zone (EEZ), which is: "The exclusive economic zone is an area beyond and adjacent to the territorial sea, subject to the specific legal regime established in this Part, under which the rights and jurisdiction of the coastal State and the rights and freedoms of other States are governed by the relevant provisions of this Convention. The exclusive economic zone shall not extend beyond 200 nautical miles from the baselines from which the breadth of the territorial sea is measured".

During the last century, the Polar region and a major part of the Arctic Sea and the sea bottom were considered to be international space. Nevertheless, two factors have prompted several countries to make new claims in the Arctic area: the adopted UNCLOS and the seasonal retreating ice cap in the area. However, the extended continental shelf does not spread over a state's EEZ since it is determined solely by drawing a 200-nautical-mile (370 km) line using territorial sea baselines as their starting point, as stated in Article 57 of the UNCLOS. There

²⁶ United Nations Convention on the Law of the Sea of 10 December 1982, Article 3 Breadth of the territorial sea, op. cit.

²⁷ F. Weir, *Arctic resource race heats up, as Russia, Canada stake new claims*, (Boston, 11 December 2013), "The Christian Science Monitor", http://www.csmonitor.com/World/2013/1211/Arctic-resource-race-heats-up-as-Russia-Canada-stake-new-claims-video [accessed: 20 January 2014].

²⁸ *United Nations Convention on the Law of the Sea of 10 December 1982*, Article 57: Breadth of the exclusive economic zone, op. cit.

are several disputes about territorial rights among several states. One of the older ones was a Russian and Norwegian 40 year long dispute related to, "dividing the Barents Sea and part of the Arctic Ocean into clear economic zones extending to the edge of Europe's northern continental shelf"²⁹. The two countries reached an agreement in 2010 and divided the area in question in half. The only party that was disappointed after this successful agreement was Greenpeace who were upset that the representatives talked about oil and gas right after the agreement and not about global warming³⁰.



Source: M. Dura, *Arktyka- prawdziwy priorytet rosyjskiej ekspansji* (Arctic – The True Priority of the Russian Expansion), 28 August 2014, Defence24, http://www.defence24.pl/analiza_arktyka-prawdziwy-priorytet-rosyjskiej-ekspansji [accessed: 30 August 2014]. Photo from. мультимедиа.минобороны.рф.

Figure 3. Russian troops exercising in Arctic

²⁹ W. Gibbs, *Russia and Norway Reach Accord on Barents Sea*, (New York, 27 April 2010), "New York Times", http://www.nytimes.com/2010/04/28/world/europe/28norway.html?_r=0 [accessed: 20 January 2014].

³⁰ Ibid.

Nevertheless, the Russian Federation has the greatest claims in Arctic area believing that its Lomonosov Ridge stretches all the way to the North Pole, which gives it the right to claim this sector of continental shelf (Lomonosov Ridge - see Fig. 2). The Russian expedition in 2007, when six explorers led by Artur Chilingarov planted a Russian flag on the seabed at the North Pole, caused a lot of international criticism, not least from Canada. Sergey Lavrov, the Russian Minister of Foreign Affairs, defended the expedition stating that planting the flag in unexplored territories is customary and that the mission was to take samples to prove Russian claims to that area. Pavel Baev in his research work, "Russia's Race for the Arctic and the New Geopolitics of the North Pole" writes: "Officially. Moscow has maintained that it acted in full compliance with the Law of the Sea Convention. The goal of the on-going series of expeditions is to collect scientific evidence for resubmitting to the UN Commission on the Limits of the Continental Shelf (CLCS) its request to confirm that some 460,000 mi² of underwater terrain between the Lomonosov and Mendeleev ridges are the continuation of the Siberian shelf and thus could be added to Russia's exclusive economic zone"31. According to Associated Press, President Putin: ... "angrily dismissed suggestions that the Arctic should be placed under the jurisdiction of the international community saying that "The Arctic is an unalienable part of the Russian Federation that has been under our sovereignty for a few centuries" and "it will be so for the time to come" 32.

China's emergence in the "Arctic Race" has made Russia more concerned, especially according to statements made by Admiral Vladimir Vysotsky, Russia is not going to back one inch in the Arctic area it considers its own³³. NATO's role in the area has also alarmed Vysotsky as, "Russia's economic interests are threatened by the activities of NATO and a number of Asian countries in the Arctic"³⁴. He is aware

³¹ P. Baev, *Russia's Race for the Arctic and the New Geopolitics of the North Pole*, (Washington, October 2007), The Jamestown Foundation, http://www.jamestown.org/uploads/media/Jamestown-BaevRussiaArctic 01.pdf [accessed: 28 January 2014].

 $[\]label{eq:composition} \textbf{32} \quad \text{V.Isachenkov,} \textit{Putin:RussiatoExpandArcticPresence,} (03\,\text{October}\,2013)\,\text{RealClearDefence,} \\ \text{reprint from "The Associated Press", http://www.realcleardefense.com/articles/2013/10/03/putin_russia_to_expand_arctic_presence_106898.html [accessed: 28\,\text{January}\,2014].}$

³³ Russian navy chief warns of China's race for Arctic, (London, 04 October 2010), "The Telegraph" http://www.telegraph.co.uk/news/worldnews/europe/russia/8041997/Russiannavy-chief-warns-of-Chinas-race-for-Arctic.html [accessed: 02 February 2014].

³⁴ V. Baranov, *Russia concerned by NATO, Asian states' activities in Arctic,* (Moscow, 06 July 2011), RIA Novosti, http://en.ria.ru/russia/20110706/165057023.html [accessed: 02 February 2014].

that politics must be supported by other instruments of power including military capabilities. As a result, the Northern fleet, one of Russian four fleets, is the strongest one and possesses about two thirds of Russia's total maritime strength and special Arctic forces brigades will be established in the area. All the units will be subordinated to the newly created Northern Fleet-United Strategic Command (Severny Flot-Obedinyonnoye Strategicheskoye Komandovaniye, SF-OSK)³⁵. The most recent clash of statements have been those of Russia and Canada, enhanced by the planting of the flag on the seabed at the North Pole. As soon as the then Canadian Foreign Affairs Minister, Baird, announced that Canada would expand its territorial zone all the way to the Pole, this caused a reaction from Russian President Vladimir Putin, who made a strong statement during the Defence Ministry Board in Moscow, saying "I would like you to devote special attention to deploying infrastructure and military units in the Arctic" ³⁶.

Recognising the need for dialogue, the SIPRI's Arctic Futures project, in cooperation with Russia's Institute of World Economy and International Relations (IMEMO), organised an international workshop in Moscow from 30 September to 01 October 2013 on Russia's Strategy for Developing the Arctic Region until 2020: Economics, Security, Environment and International Cooperation. The participants, officials and experts came from Russia, Europe, and North America but also, for the first time, from North East Asian states including the Republic of Korea and China³⁷. In his speech, Ambassador Anton Vasiliev, Russia's Senior Arctic Official to the Arctic Council, emphasised "the positive, stable and predictable" situation in the Arctic region highlighting the role of the Arctic Council as "the central institution of cooperation in the Arctic". Next, Dmitry Afinogenov, a representative of the Apparatus of the Security Council of the Russian Federation, underlined the strategic interests of the country; including national defence, economy and

³⁵ T. Pettersen, *Russia to reorganize military forces in the Arctic*, (17 February 2012), "The Barents Observer", http://barentsobserver.com/en/security/2014/02/russia-reorganize-military-forces-arctic-17-02 [accessed: 02 February 2014].

³⁶ Russia fires back at Canada's Arctic claims, vows increased military presence, (Vancouver, 11 December 2013), "The Province", The Canadian Press, http://www.theprovince.com/news/Russian+president+fires+back+after+Canada+salvo+Arctic+claims/9270757/story. html [accessed: 02 February 2014].

^{37 1} Oct. 2013: Russia's Strategy for Developing the Arctic Region Until 2020, (Stockholm, 01 October 2013), Stockholm International Peace Research Institute SIPRI, http://www.sipri.org/research/security/arctic/arcticevents/russias-strategy-for-developing-the-arctic-region [accessed: 03 February 2014].

business and energy security³⁸. During the workshop the following consensus seemed to prevail, "Participants agreed that an armed conflict in the Arctic is highly unlikely and that the Arctic is one of the most stable regions in the world." Although, "At the same time, the possibility of future conflict cannot be completely overruled but if conflict does happen it is more likely to be the result of spill-over from conflicts elsewhere. There may be a need to develop confidence-building mechanisms to avoid misunderstandings between the Arctic states in respect to traditional security issues."³⁹ It was also recognised that although shipping in the Northern Sea Route (NSR) has lately increased, it is not regarded as a serious competitor to the Suez Canal for a long time in the future. The reasons are the challenging weather conditions, short period of navigation and underdeveloped infrastructure⁴⁰.

When discussing the Russian approach it is noteworthy that the language differs as sometimes the official rhetoric is quite hard and offensive, whereas sometimes international cooperation, obedience to the international laws and peaceful development are emphasised. Moreover, the significance of the UNCLOS, the Arctic Council and OSCE is often underlined. One might assume that a large part of the hard talk is for internal purposes and directed to the Russian people as a part of domestic politics, as Moscow claims historical rights to the area. Whether the claims will show some practical benefit is a question for the future. The events in Ukraine during the second decade of the $21^{\rm st}$ century could be a warning that Russia, and maybe other nations, could be ready to use all necessary means to forward their political agendas in solving territorial disputes and claims. In relation to the Arctic this changes the situation by threatening possible developments.

Ibid.

Ibid.

Ibid.

Canadian Arctic Policy clashes with Russia, the USA and Denmark?

Canada is the second country in the "Arctic Five" to have vast claims in the Arctic. Each country that abuts an ocean has a right, according to international law, to claim up to 200 nautical miles of seabed beyond its territorial markers. Such a country can even claim a further extension up to 350 nautical miles, if it can prove that the seabed is connected to the country's continental base⁴¹.

To be accepted, these claims need a thorough and comprehensive mapping of the area for the U.N. A process like this is expected to last from several years to decades. A country that has signed the UNCLOS has ten years, from the signing of the agreement to make further claims. Canada signed UNCLOS in 2003, so the time to announce claims was limited and Prime Minister Harper did this at the last moment – in 2013⁴². It is a continuity of Canadian national policy as on July 9, 2007 Prime Minister, Stephen Harper, stated: "Canada has a choice when it comes to defending our sovereignty over the Arctic. We either use it or lose it. Make no mistake; this Government intends to use it. Because Canada's Arctic is central to our national identity as a northern nation. It is part of our history. And it represents the tremendous potential of our future."⁴³ The reference to "...national identity as a northern nation" sounds a bit like the Russian rhetoric about the Arctic issue. The press have speculated that this claim is more about domestic politics than the possible raw materials in the seabed⁴⁴. The new claim is expected to put Canada at odds not only with Russia, but also possibly with the USA and Denmark, and

⁴¹ *United Nations convention on the Law of the Sea (UNCLOS),* Part VI Continental Shelf, Article 76, http://www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf, access 27 March 2014

⁴² Canada to include the North Pole in its claim for Arctic territory, resources, (London, 10 December 2013), RT network, http://rt.com/news/canada-arctic-north-pole-claims-965/ [accessed: 03 February 2014] and K. Drummond, Cold wars: why Canada wants to claim the North Pole, (09 December 2013), The Verge, http://www.theverge.com/2013/12/9/5191740/ canada-russia-fight-over-north-pole-arctic [accessed: 03 February 2014].

⁴³ A. Lytvynenko, *Arctic Sovereignty, Policy Review*, (Ottawa, 05 April 2011), prepared for the Ad Hoc Committee of Deputy Ministers on the Arctic, http://www4.carleton.ca/cifp/app/serve.php/1355.pdf [accessed: 03 February 2014].

⁴⁴ K. Drummond, Cold wars:..., op. cit.

the latter is supposed to have its own claim about the North Pole. Meanwhile, the USA worries more about the NSR and its status as an international waterway⁴⁵.

The dispute with Denmark concerns the Hans Island located in the centre of the Kennedy Channel of the Nares Strait between Canada's Ellesmere Island and Denmark's Greenland. Both countries recognise it as an integral part of their territory. The island itself is small; but the ownership has an impact on the size of the maritime zone. Although the dispute goes on, it is so far peaceful and cooperative in nature⁴⁶. It is important to mention that there is no certainty about the possibility of exploiting natural resources in the Arctic Sea and also the option to use the NSR. Maritime zones are usually measured from the baseline where the dry ground ends and sea area starts. This baseline follows the contours of the coastline. In some cases, where the baseline is much dented with archipelagos and small bays, a country can draw a straight baseline around the whole area and count its maritime zone starting from this baseline. Doing so, Canada considers that the Northwest Passage is situated in its internal waters and, under international law; Canada has autonomous sovereignty over this area⁴⁷.

Contrary to the Canadian position in this matter, the USA regards the NSR to be in international waters. The country underlines that, "Under International law, a strait must meet a geographical and a functional requirement to be considered international. The geographical requirement is that it must be a water corridor between adjacent land masses that links two bodies of the high seas or other waters. The functional requirement is that it be used as a route for international maritime traffic. If a strait meets these two requirements and is, thu, s international in the legal sense, foreign states have navigation rights, or right of transit through the strait — which means that they do not have to request permission to navigate through it" have the US case weak. Others note that the traffic is supposed to increase because of global warming and it would fulfil the requirements for achieving international

⁴⁵ The Arctic: Canada's legal claims, (Ottawa, 24 October 2008), the Parliament of Canada, the Parliamentary Information And Research Service, Publication PRB 08-05E, p. 3, http://www.parl.gc.ca/content/lop/researchpublications/prb0805-e.pdf [accessed: 03 February 2014].

⁴⁶ Ibid., p. 2.

⁴⁷ Ibid., pp. 3-4.

⁴⁸ Ibid., p. 3.

status. The dispute between Canada and the USA is still ongoing. What makes it difficult to solve is the fact that the USA has not ratified the UNCLOS. So, on what basis could this case be solved?



Source: M. Bennet, *The (Canadian) Northwest Passage*, Foreign Policy Association, 03 December 2009), permission granted by H. Gais from Editorial Board, http://foreignpolicyblogs.com/2009/12/03/the-canadian-northwest-passage/ [accessed: 13 February 2014].

Figure 4. Map of the (Canadian) Northwest Passage

Another dispute between Canada and the USA is related to defining the maritime boundary between Yokon and Alaska in the Beaufort Sea. The region, "is considered to be resource-rich and both countries have their own concept how to delimitate the boundary. Multiple and overlapping claims create the constant potential for disputes. For instance, if the Lomonosov Ridge is proven to link Siberia and Ellesmere Island, then Canada, Denmark and Russia might face a three – way delimitation problem"⁴⁹, which will complicate the process, leading to possible legal battles.

China wants to sit at the same table

Even though the North-eastern Asian countries don't neighbour the Arctic areas, China, Japan and the Republic of Korea (ROK) have long wanted to join the Arctic Council as permanent observers. This action would not grant them the right to vote, but an invitation to meetings would come automatically, creating an opportunity to see the developments and each country's position in the debates. The three countries do not expect any gains soon, but they want to keep future options open. They are afraid that when the recent and possible future claims are solved the international portion of the Arctic will be much smaller⁵⁰. They have been successful, as on 15 May 2013 six countries (China, India, Italy, Japan, the Republic of Korea and Singapore) were granted Observer States status in the Council during the session in the Swedish Kiruna⁵¹.

As for now, the Arctic is not especially high on the Chinese agenda. But its political importance is growing. This is exemplified by the fact that the official authority dealing with the Arctic is not particularly large in terms of personnel. Affiliated to the State Oceanic Administration (SOA) of China, the Chinese Arctic and Antarctic Administration (CAA) performs the function of organising Chinese Arctic and Antarctic expeditions and administering Arctic and Antarctic related affairs on behalf of the SOA. The same administration handles both the Antarctic and Arctic. In the Antarctic, the Chinese research and exploration activities have a longer history; however, the activities in Arctic have been accelerated only lately. To do this, China has put great effort into lifting its Arctic profile in recent years, calling itself "a near Arctic state" and extending its research activities. Moreover, the new research centre, the China–Nordic Arctic Research Centre, was opened in Shanghai in December 2013 with the participation of six institutes from Norway, Finland, Iceland, Denmark and Sweden during its inauguration. A Chinese research station had already been established earlier in Ny-Élesund

⁵⁰ L. Jakobson, *Northeast Asia Turns Its Attention to the Arctic*, (Washington, 17 December 2012), NBR Analysis Brief, http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?lng=en&id=159103 [accessed: 04 February 2014].

⁵¹ Z. Cheng, *China granted observer status in Arctic Council*, (Beijing, 15 May 2013), English.news.cn, http://news.xinhuanet.com/english/china/2013-05/15/c_132384455.htm [accessed: 04 February 2014].

on the Norwegian archipelago of Svalbard⁵². The claims are also highlighted by the statement that the interest in the Arctic is caused by its direct climate and environmental impact on China. Qu Tanzhou, director of the CAA, stated that "we need to increase scientific research and expeditions to better comprehend the Arctic Ocean and global climate change"⁵³. China is showing a physical presence in other ways too e.g. by the ice breaker "Snow Dragon's" or "Xuelong's" showy expedition in 2012 and crossing the top of Arctic on the way back from Iceland. The plan is also to launch an ambitious concept by 2014, which "intends to launch the first of a series of new icebreakers to join Xuelong, thus enabling the CAA to conduct more frequent polar exploration and research missions"⁵⁴. The plan is rather important, as "when the 1.25-billion-yuan (\$198 million), eight-thousand-ton vessel sets sail, China will possess icebreakers that are larger than and qualitatively superior to those of the United States and Canada"⁵⁵. Such a fleet will also support sea transport through the region.

Sea transportation is a critical question for China as it greatly depends on energy imports. The Suez and Panama Canals are currently operating with maximum capacity and they are endangered by piracy for example. To avoid trouble, some companies have already chosen the much longer and expensive southern route around Africa. So, it is possible that the Northeast – Northwest route would be cheaper, faster and pirate-free compared to the traditional sea routes. But control of commercial traffic is not easy as with "its vast Arctic coastline, Russia not only controls the lion's share of Arctic resources within its exclusive economic zone (EEZ) but controls much of the Northern Sea Route". This is one of reasons why Moscow is a very important partner in the region for Beijing⁵⁶.

Besides the interests in ship routes through the Arctic, China is investing heavily in oil exploration in the Barents and Pechora Seas and is interested in Greenland

⁵² T. Nilsen, *China–Nordic Arctic Research Center opens in Shanghai*, (Kirkenes, 12 December 2013), "The Barents Observer", http://barentsobserver.com/en [accessed: 05 February 2014].

⁵³ Q. Wang, *Arctic research set to be beefed up*, (Beijing, 06 May 2010) "The China Daily", http://www.chinadaily.com.cn/china/2010-05/06/content_9814100.htm [accessed: 05 February 2014].

⁵⁴ S. Rainwater, *Race To The North - China's Arctic Strategy and Its Implication*, (Newport, Spring 2013) The Naval War College Review, Vol. 66, No. 2, p. 69, http://www.usnwc.edu/getattachment/31708e41-a53c-45d3-a5e4-ccb5ad550815/ [accessed: 05 February 2014].

⁵⁵ Ibid., p. 69.

⁵⁶ Ibid., p. 72.

iron ore, already being established there as an investor. The third special interest in the region is fishing. But, recognising its importance for small players like Iceland and Greenland, China has been establishing bilateral cooperation with these nations to get support in its interests in the Arctic Council⁵⁷. If the five circumpolar states were able to extend their Exclusive Economic Zones (EEZ). it would mean that international waters would consist only of a rather small portion of the Arctic. This would be a nightmare for China. The five "Arctic states" had a meeting in Ilulissat, Greenland, in 2008 and made a bilateral declaration, which states, among others things, "The Arctic Ocean stands at the threshold of significant changes. Climate change and the melting of ice have a potential impact on vulnerable ecosystems, the livelihoods of local inhabitants and indigenous communities, and the potential exploitation of natural resources. By virtue of their sovereignty, sovereign rights and jurisdiction in large areas of the Arctic Ocean, the five coastal states are in a unique position to address these possibilities and challenges. In this regard, we recall that an extensive international legal framework applies to the Arctic Ocean as discussed between our representatives at the meeting in Oslo on 15 and 16 October 2007 at the level of senior officials. Notably, the law of the sea provides for important rights and obligations concerning the delineation of the outer limits of the continental shelf, the protection of the marine environment, including ice-covered areas, freedom of navigation, marine scientific research, and other uses of the sea. We remain committed to this legal framework and to the orderly settlement of any possible overlapping claims."58 For China and other noncircumpolar states the declaration has given them the impression that they are excluded from the Arctic.

Recognising the complexity of the situation and using cooperative and diplomatic language through international organisations, some authorities have also used confrontational tones. According to *The Diplomat*, Chinese Rear Admiral Yin Zhuo stated, "*The Arctic belongs to all the people around the world as no nation has sovereignty over it*" and "*China must play an indispensable role in Arctic*

⁵⁷ A. Guschin, *Understanding China's Arctic Policies*, (Tokyo, 14 November 2013), "The Diplomat", http://thediplomat.com/2013/11/understanding-chinas-arctic-policies/[accessed: 06 February 2014].

⁵⁸ *The Ilulissat Declaration*, Arctic Ocean Conference, (Ilulissat, 27 – 29 May 2008), Greenland, http://www.oceanlaw.org/downloads/arctic/Ilulissat_Declaration.pdf [accessed: 06 February 2014].

exploration as we have one-fifth of the world's population"59. Zhuo is not the only Chinese authority using these kinds of warning words. China also questions the authority of the Arctic Council and its legitimacy, the International Maritime Organisation and the whole Arctic legal status. It seems that Beijing wants to reform the laws to better fit its own and more general international interests⁶⁰. Canada and the USA have been nonchalant facing China's aspirations, but Beijing has made softer approaches to some of the smaller Arctic countries, namely Iceland and Denmark. The relations with Norway are rather icy as a result of a dispute over the Nobel Prize granted to the Chinese human rights activist, Liu Xiaobo. But Iceland, with its recent economic problems, has been an easier target. With serious investments, China is hoping to get its "foot in the door" in Arctic policies. Also, Denmark has voiced its sympathy to Chinese aspirations but the challenges are linked with the development and exploitation of the vast resources on Greenland⁶¹. Besides its aspirations and interests, China seems to be lacking clearly defined strategic objectives in Arctic policy. This makes the other actors, mainly the Arctic states, uneasy. To avoid misunderstandings, "a blueprint" would diminish misperceptions in the matter⁶².

Disputes and cooperation

The USA is the leading superpower without question. However, its main interests have been elsewhere, in Afghanistan, Iraq and the Pacific region, and not in the Arctic⁶³. During the Cold War the region was used mainly for scientific research

⁵⁹ G. G. Chang, *China's Arctic Play*, (Tokyo, 09 March 2010), the Diplomat, http://thediplomat.com/2010/03/chinas-arctic-play/ [accessed: 08 February 2014].

⁶⁰ For details read: S. Rainwater, *Race To The North,..., op. cit.*, N. VanDerklippe, *For China, north is a new way to go west,* (Beijing, 19 January 2014) "The Globe and Mail", http://www.theglobeandmail.com/news/national/the-north/for-china-north-is-a-new-way-to-go-west/article16402962/ [accessed: 08 February 2014] and A. Guschin, *Understanding China's Arctic Policies*, op. cit.

⁶¹ Ibid.

⁶² Teddy Ng, *Blueprint called for on China's ambitions in Arctic and Antarctic*, "The South China Morning Post", February 20, 2014, http://www.scmp.com/news/china/article/1402721/blueprint-called-chinas-ambitions-arctic-and-antarctic [accessed: 02 March 2014]. Ibid.

⁶³ R. Huebert, E. Talmadge, Arctic Climate Change Opening Region To New Military Activity, The Associated Press AP, "The Huffington Post", (16 April 2012), http://www.

and as a manoeuvre space for submarines. After this period, American ambitions in the Arctic have slowly increased. The National Security Presidential Directive and Homeland Security Presidential Directive dated 9 January 2009, establishes the "national policy of the United States with respect to the Arctic region and directs related implementation actions". It emphasises the national security interests in this area to, "include such matters as missile defence and early warning; deployment of sea and air systems for strategic sealift, strategic deterrence, maritime presence, and maritime security operations; and ensuring freedom of navigation and overflight."64 Among other issues, the directive stresses that freedom of navigation "is a top national priority". The Northwest Passage is a strait used for international navigation and the Northern Sea Route includes straits used for international navigation; the regime of transit passage applies to passage through those straits. Preserving the rights and duties relating to navigation and overflight in the Arctic region supports our ability to exercise these rights throughout the world, including through strategic straits. "65 This standpoint clearly differs from that of Canada concerning the Northwest Passage. The paper also recognises the economic issues in the area, environmental aspects and international scientific cooperation.

Later that year, on 10 November, 2009, the US published a Navy Arctic Roadmap, which "considers a number of strategic drivers including national policy guidance, the changing Arctic environment, the potential increase in natural resource extraction and inter- and intra-Arctic shipping, the activity and interests of other Arctic nations, past and present Navy experience in the Arctic, and current Fleet capabilities and limitations for Arctic operations."66 The Roadmap recognises that the Arctic is warming up twice as fast as the rest of the globe and opening new possibilities if the nearly ice free summers occur during the next few decades. The paper states that "these developments offer opportunities for growth, but also are potential sources of competition and conflict for access and natural resources"67. As

 $huffing ton post.com/2012/04/16/arctic-climate-change-military-activity_n_1427565.html~[accessed: 09~February 2014].$

⁶⁴ National Security Presidential Directive and Homeland Security Presidential Directive, (Washington, 09 January 2009), Arctic Region Policy. http://www.fas.org/irp/offdocs/nspd/nspd-66.htm [accessed: 09 March 2014].

⁶⁵ Ibid.

 ⁶⁶ U.S. Navy Arctic Roadmap, Department of the NAVY, (Washington, October 2009), http://www.navy.mil/navydata/documents/USN_artic_roadmap.pdf [accessed: 09 March 2014].
 67 Ibid.

laid out earlier in the paper, America has disputes with Canada about the status of the Northwest Passage, as to whether it is an international area or not. The second major issue is the border between the Yukon and Alaska, as Washington has not ratified the UNCLOS. What happens if the Russian claims about the extension of its zone all the way to the North Pole are realised? Such challenges are recognised, as they could increase tensions in the region considerably.



Source: M. Dura, *Arktyka- prawdziwy priorytet rosyjskiej ekspansji* (Arctic – The True Priority of the Russian Expansion), 28 August 2014, Defence24, http://www.defence24.pl/analiza_arktyka-prawdziwy-priorytet-rosyjskiej-ekspansji [accessed: 30 August 2014]. Photo from. мультимедиа.минобороны.рф.

Figure 5. Russian troops exercising in Arctic

NATO as an organisation has not played a visible role or had a presence in the Arctic, although four out of the five circumpolar states are NATO members. Norway has been the most vociferous supporter of NATO's physical presence in the region. The ex-Prime Minister, Jens Stoltenberg, stated last year that "We have made the High North a top defence priority, and we will continue to encourage NATO and the European Union to play a higher role in its security". So far, NATO Secretary-General Rasmussen has rejected a direct "Arctic" presence⁶⁸. Instead of

⁶⁸ G. O'Dwyer, *NATO Rejects Direct Arctic Presence*, "The Defense News", (29 May 2013), http://www.defensenews.com/article/20130529/DEFREG/305290022/NATO-Rejects-Direct-Arctic-Presence [accessed: 15 March 2014].

a coherent NATO strategy in the Arctic there are the member states' own national strategies emphasising different aspects and national interests. The Russians see NATO's role in a different light, considering the Arctic as a possible new area to extend NATO's influence. This does not mean direct military confrontation, but rather rivalry in economic, technological and political fields. Russians believe that NATO regards the Arctic as a strategically important region and the new concept adapted after the Cold War has expanded NATO's area of activity beyond its 'old' Area of Responsibility. Russia has also observed that the military activities of NATO have greatly increased in the Arctic area since 2006 and they are expected to increase even more in the future⁶⁹.

The Russian International Affairs Council publication, 'NATO and a New Agenda for the Arctic' suggests two possible security scenarios in the region. The first would be the so called "negative security scenario" claiming that military presence and hostility in the Arctic will increase and the activities of the important international organisations, such as the Arctic Council and the Council of the Barents/Euro-Arctic Region (SBER), will gradually decline. The second is called, "the positive security scenario" highlighting the potential for enhanced international cooperation in the Arctic area. As such, "actualisation of the Arctic problems by a military-political bloc dominating in the world offers an opportunity to construct a new architecture of international relations in the Arctic based on positive security."⁷⁰

The recent Russia – Ukraine crisis might complicate the "positive security scenario" and cooperation in the Arctic region. Russia's acts in Crimea have created doubts about the willingness of Russia to comply with the United Nations Convention on the Law of the Sea and to cooperate in the context of the Arctic Council. The reopening of the old Soviet military bases in the region has caused

⁶⁹ A. Shaparov, *NATO and a New Agenda for the Arctic*, Russian International Affairs Council, North (Arctic) Federal University, (24 September 2013), http://russiancouncil.ru/en/inner/?id_4=2377#top [accessed: 15 March 2014].

⁷⁰ Ibid.

some criticism and even the cancellation of the Norwegian – Russian - US naval exercise "Northern Eagle". These developments have been a direct consequence of the crisis and the future is not easy to predict⁷¹.

Are we entering a new "Great Game"?

There seem to be several policies and strategies in the international community regarding the activities and use of the Arctic Region. It would be in the best interests of the Arctic circumpolar states and the whole Arctic Council to define the strategic objectives as accurately as possible and to establish the claimed enlarged zones as decided by UN. It is critical for all the relevant players to try to gain as much as possible before any internationally recognised decision is taken. Among them, Canada is no exception, being ready to compromise on several options, mainly with the US. Canada strives to have a credible and convincing presence in the region, but so far the effort has been modest. The US, on the other hand, has not showed great enthusiasm on the Arctic issue. Its stance is that a significant part of the Arctic Sea, which Canada considers as its inner area, is actually international waters. What makes this legally difficult is the fact that the US has not still ratified UNCLOS.

Russia and China, who both lack a real power projection capability to match that of the US, are trying to influence the situation, mainly through different international organisations. It is interesting how both use soft language, and then again confrontational tones, as the situation requires. Russia's objectives are clear and far reaching. If they materialise it would be the major player in the region. China's interests have increased only recently and it seems that China is trying to be a recognised actor who will not be excluded from the use of the region if

⁷¹ H. Mikkola, *The Return of Realpolitik? The deepening crisis in Ukraine may spill over to the Arctic*, The Finnish Institute of International Affairs, FIIA Comment 6/2014 (Helsinki, 2014), http://www.fiia.fi/en/publication/410/the_return_of_realpolitik/?utm_source=Julka isutiedote&utm_medium=S%C3%A4hk%C3%B6posti&utm_term=The%20Return%20of%2 0Realpolitik%3F%20The%20deepening%20crisis%20in%20Ukraine%20may%20spill%20ove r%20to%20the%20Arctic&utm_campaign=The%20Return%20of%20Realpolitik%3F%20The %20deepening%20crisis%20in%20Ukraine%20may%20spill%20over%20to%20the%20Arctic [accessed: 26 March 2014].

predictions come true. China is boldly exploiting the global economic situation to gain a better position at the "Arctic table". China has considerable economic power and it is using it mainly to affect the smaller Arctic Council states. Although Beijing is benefitting today, in the long run this cannot be in the best interests of the Council members, especially as the lack of a clear Arctic strategy is still confusing the "Arctic 5/8".

Besides new opportunities, climate change creates new threat scenarios. Greenpeace has made some spectacular and showy demonstrations against the oil drilling business motivated by environmental concerns. Ecological catastrophes could have a fatal influence on fauna and also the indigenous population. The limitations of fishing in the area and, on the other hand, the fishing policy of some Arctic nations, divide the eight Arctic countries today and will most likely do so in the future.

As expert opinion still differs quite significantly about the resources available in the Arctic region and about the feasibility of the Northwest and Northeast routes, it is hard to say if there are practical economic gains to be achieved. This uncertainty causes respective states to play a mainly political game. Russia, as the country with longest shoreline in the Arctic Sea, is a major actor in this context. The recent Ukrainian crisis will probably have some consequences in the Arctic. First, the European countries that are heavily dependent on Russian energy will seek alternative energy sources. The dependency on Russian gas has been widely criticised, not least by the leading NATO state, the US. Would Arctic energy resources be part of the solution?

Secondly, the confidence-building measures in the region have encountered a setback and the cooperation between the Arctic countries is going to be more difficult. Was planting the Russian flag on the seabed of the North Pole a starting point to a continuum which was followed by the war with Georgia and now the annexation of Crimea? And if so, how will this reflect on the Arctic issue? Will it lead to an increase in the militarisation of the area, given that now Russia has been excluded from the G8 Group? There have been demands by some Western countries to exclude Russia from other international forums. How this reflects on the work of the Arctic Council remains a question for the future. So far, trust building and cooperation in the Arctic area has been a leading and accepted principle.

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