

The Indo-Pacific Dimension in US Arctic Strategy

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The focus of US strategic thinking today is on China and the Indo-Pacific region. This has remained so through multiple presidential administrations and several years of complex global challenges, including the COVID-19 pandemic. While the two major political parties are far apart on many issues, there is remarkable bipartisan consensus on the China challenge. An example is the US Innovation and Competition Act, passed by a bipartisan 68–32 vote in the Senate in June 2021.¹ The legislation provides funds for key technological sectors, including computer chips, where competition is fierce, seeking to boost emerging fields and avoid Chinese dominance of key sectors.

The Interim National Security Strategic Guidance, issued by the Joseph Biden administration in March 2021, describes China as “the only competitor potentially capable of combining its economic, diplomatic, military, and technological power to mount a sustained challenge to a stable and open international system.” Throughout the document, the Indo-Pacific and China are consistently given first position as priorities for US strategy. For example, “our presence will be most robust in the Indo-Pacific and Europe” and “our vital national interests compel the deepest connection to the Indo-Pacific, Europe, and the Western Hemisphere.” Similarly, competition with China is discussed extensively, in contrast to Russia, which is given relatively scant treatment.

The Biden administration is reflecting consensus in the US defense community. The *2018 National Defense Strategy* similarly identified China as the primary US problem and the Indo-Pacific as the priority region.² The *2021 Annual Threat Assessment* from the Office of the Director of National Intelligence describes “China’s push for global power.”³ Assessments from academia and the think-tank community are part of this broad consensus, although there are degrees of difference.⁴

Alongside the clear strategic prioritization of the Indo-Pacific comes a growing interest in the Arctic region, although this remains a far lower priority. The US Air Force,⁵ Army,⁶ and Navy⁷ all recently issued Arctic strategic papers, and the Department of Defense (DOD) issued an Arctic strategy in 2019 as well.⁸ Interest is growing in the Arctic region for several reasons, including the changing climate and Russia’s well-publicized military buildup along its extensive Arctic periphery.

In addition, the Chinese government has evident interest in the Arctic region: its 2018 Arctic policy white paper describes China as “an active participant, builder and contributor” and “an important stakeholder” in Arctic affairs and identifies China’s goals as “to understand, protect, develop and participate in the governance of the Arctic.”⁹

These two regions—the Indo-Pacific and the Arctic—may be adjacent, but they are very different. Similarly, while China has expressed interest in the Arctic region, it is geographically located in the Indo-Pacific. And yet US-Chinese competition is a global phenomenon (and perhaps even beyond, taking space into account). What does this growing interest in the Arctic mean for the Indo-Pacific? How does prioritization of the Indo-Pacific affect the Arctic? Placing growing strategic interest in the Arctic in the context of the United States’ overarching prioritization of the Indo-Pacific yields actionable conclusions.

A first observation relates to DOD’s position in the priority region. The DOD continues to build its desired posture and balance of forces in the Indo-Pacific. A decade after President Obama’s “pivot to Asia,”¹⁰ the effort to rebalance US forces from the Middle East and Europe to the Indo-Pacific continues to move slowly. At the time, then-Secretary of State Hillary Clinton authored an article identifying key security objectives in the Indo-Pacific: defending freedom of navigation in the South China Sea, countering North Korean nuclear activities, and transparency in key regional military activities.¹¹ Ten years later, these challenges have grown: Zack Cooper and Adam Liff recently wrote that “America still needs to rebalance to Asia.”¹²

DOD’s 2019 “Indo-Pacific Strategy Report” noted that United States Indo-Pacific Command (USINDOPACOM) had more than 2,000 aircraft, 200 ships and submarines, and 370,000 personnel in its area of responsibility, mostly in Japan and Korea.¹³ Guam is a strategic hub supporting US forces in the region. However, the Strategy Report acknowledged the major challenges of readying US posture in the Indo-Pacific for a high-end fight: “Our armed forces are learning to expect to be contested throughout the fight.”¹⁴ Challenges include force modernization across multiple new platforms (including unmanned systems, cyber, and space), as well as the “tyranny of distance”—the sheer distance of the Indo-Pacific from the United States.¹⁵

The size of the Indo-Pacific region, and its distance from the continental United States, raises the costs of a US rebalance. These costs are compounded by the high-end nature of military competition in the region, as well as new generations of technology. In 2020, USINDOPACOM released an investment plan, titled “Regain the Advantage,” that laid out resourcing requirements for “establishing the necessary linkages between the strategy, required capacity, capabilities, and

budgetary priorities.”¹⁶ The plan called for more than \$20 billion over six years.¹⁷ The plan noted that “USINDOPACOM’s force design and posture must enable the convergence of capabilities from multiple domains and create the virtues of mass without the vulnerability of concentration,”¹⁸ implicitly acknowledging the threat posed by Chinese strike capabilities in theater. It went on to state that “this requires a force posture and joint force laydown west of the International Date Line . . . properly positioned to defend in depth, while possessing the capabilities and authorities to respond to contingencies across the region.”¹⁹

While USINDOPACOM is expected to advocate for additional resources, it has found a receptive audience in Congress. Congress established the Pacific Deterrence Initiative (PDI) in the 2021 National Defense Authorization Act to improve the posture and readiness of US forces in the region, devoting \$6.9 billion over two years.²⁰ Much like the 2021 Innovation and Competition Act, the PDI reflects bipartisan consensus on the challenge posed by China and the need for extra resourcing to meet that challenge.

The bipartisan consensus on shoring up the US position in the Indo-Pacific was underscored in July 2021, when Kurt Campbell, the Biden administration’s Indo-Pacific coordinator, gave remarks in which he stated bluntly: “I think we recognize that the United States has a lot of work to do. . . . We have historically a strong position in Asia. That position has slipped and we are at risk, and we need to make substantial investments across the board.”²¹

Much analysis has focused on needed improvements to US force posture in the Indo-Pacific, and many proposals are under discussion.²² The PDI itself, as well as the DOD’s spending plan, have all received critiques. Nevertheless, the roiling discussion makes clear that current US posture is not considered adequate, that major new spending is politically feasible, and that there are no simple solutions.

In this context, it is hard to imagine significant resources becoming available to other geographic regions such as the Arctic. Congress is facing a strong demand signal in the Indo-Pacific, and there appears to be enough bipartisan consensus to appropriate funds to meet this priority. However, the larger federal budget is under significant strain from ongoing pandemic-related displacement, and a divided Congress has slowed the legislative process.

A second observation is the position of the United States’ main competitor: the military challenge posed by an increasingly assertive China in the Indo-Pacific. As the DOD’s 2020 annual report on China states, the People’s Liberation Army is growing in capabilities and concepts, strengthening China’s “ability to counter an intervention by an adversary in the Indo-Pacific region and project power globally.”²³ A RAND report titled “War with China” concluded that “fighting would start and remain in East Asia, where potential Sino-US flash points and

nearly all Chinese forces are located.” Furthermore, the RAND authors note that “much of the Western Pacific” could be dragged into a war zone due to US and Chinese disposition of forces.²⁴ In June 2021, Secretary of Defense Lloyd Austin approved a classified directive “ensuring that the department lives up to the stated prioritization of China as the number one pacing challenge.”²⁵

Hal Brands has argued that, while “war is most likely to break out along China’s immediate periphery,” the keys to US–Chinese competition are the smaller states caught in the middle.²⁶ Brands identified four—Germany, Djibouti, India, and the Philippines—as particularly important. Notably, whether the prism of conflict is on China’s periphery or focused on third-party states, the Indo-Pacific region is where the preponderance of risk is located.

Globally, competition with China is dispersed across political-diplomatic, economic, and information domains. In 2020, the administration of Donald Trump released a report titled “United States Strategic Approach to the People’s Republic of China,” identifying three challenges posed by the People’s Republic of China (PRC) to the United States. The first identified, “Economic Challenges,” including protectionist trade practices, especially linked with technology; acquisition of US companies and assets; unauthorized cyber intrusions; the spread of corruption and environmental degradation associated with the massive Belt and Road Initiative; and the “use of economic leverage to extract political concessions . . . or exact retribution.”²⁷ These concepts were expanded in a policy planning paper by the State Department, released publicly in November 2020. The report, “The Elements of the China Challenge,” detailed what was termed “economic co-optation and coercion abroad,” including “debt-trap diplomacy.”²⁸

In the Arctic region, where the PRC has no sovereign territory and no military presence to speak of as of yet, this is also true. The Stimson Center’s Yun Sun notes that “China’s economic engagement in [the Arctic] could be a precursor to much more invasive political and strategic ambitions,” as well as that “China’s Arctic infrastructure development has the potential for dual-use facilities, paving the ground to Beijing’s permanent security presence in the region.”²⁹

Therefore, competition with China in the Arctic is, at present, not primarily military in nature. It is about preventing China from developing an economic or political position in the region that would justify a future military presence to protect. Evidence for this conclusion can be seen in the annual unclassified DOD “China Military Power Report,” which in 2019 devoted a special section to China in the Arctic that focused on Chinese oceanographic research in the Arctic, “which could support a strengthened Chinese military presence in the Arctic Ocean [and] could include deploying submarines.”³⁰ The following year, this prospective language was absent.³¹ In the Arctic, strategic Chinese investments and

influence-building activities are concerning, and they are rightfully receiving scrutiny across the US government.³²

The primary focus of economic or influence competition with China in the Arctic region may not be within DOD, although it is the largest department involved. State, Treasury, Commerce, Energy, and other departments may play important roles. Economic competition, including strategic investment, has received significant attention in recent years, focusing on investment in the United States as well as in third-party countries.

For example, in 2018, the Committee on Foreign Investment in the United States (CFIUS) was strengthened through the Foreign Investment Risk Review Modernization Act (FIRRMA), which broadened the authorities of both CFIUS and the president to review and take action to address national security concerns arising from certain foreign investments.³³ Treasury implemented FIRRMA through two regulations, which went into effect in February 2020. In brief, the FIRRMA regulations expanded and strengthened CFIUS review to include minority investments, as well as mandatory declarations for critical technologies, infrastructure, or data, as well as foreign entities that are partly owned by foreign governments.³⁴

In addition to congressional action to shore up screening of foreign investment in the United States, the United States is working to build consensus with allies and partners about the challenges posed by China. Cyberhacking is a major focus: in July 2021, the administration issued a statement noting “[a]n unprecedented group of allies and partners—including the European Union, the United Kingdom, and NATO—are joining the United States in exposing and criticizing the PRC’s malicious cyber activities.”³⁵

The June 2021 communiqué issued by NATO contained language on China: “China’s stated ambitions and assertive behavior present systemic challenges to the rules-based international order and to areas relevant to Alliance security.”

Greenland and Iceland frequently arise in discussions of potentially harmful Chinese investment in the Arctic region. Notably, Chinese strategic investment in Greenland and Iceland, as well as in other Arctic states, takes on added significance and urgency in the context of high-level US and NATO military interests in those locations: Thule Air Base in Greenland, and Keflavik in Iceland.

Even unspoken, potential competition with China may be an element of US strategy in the Arctic. For example, in May 2021, Secretary of State Antony Blinken traveled to Greenland to meet with the Premier Mute Egede of Greenland. Secretary Blinken explained, “I’m in Greenland because the United States deeply values our partnership and wants to make it even stronger.”³⁶ He pointed to the reopening of the US consulate in Nuuk, Greenland’s capital, after 70 years,

and explained, “At a time when the world is ever more complicated and challenging, it’s very important to reinvigorate out—not only our alliances, but our partnerships with countries that share our interests and values.”³⁷ The subtext in this statement is unmistakable.

Competition with China in the Arctic region therefore might be concentrated, at present, in forms of state power other than military: in the DIME framework (diplomacy, intelligence, military, economic), the D-I-E may be the most important streams of effort in the short term, while China’s military presence is largely prospective.

These observations frame the relationship between the Arctic and Indo-Pacific regions. Further, they provide a basis for developing strategic assumptions and recommendations for the future. Placing the Arctic and Indo-Pacific into a strategic hierarchy of US-Chinese competition in which the Indo-Pacific is primary and the Arctic is secondary helps clarify policy choices.

For example, one strategic conclusion might be that low-cost diplomatic, intelligence, and economic efforts should be centered in the Arctic, so that high-cost military efforts can be focused on the Indo-Pacific; that these efforts should increase US influence and block the growth of Chinese influence in the Arctic.³⁸ Given the primary focus on the Indo-Pacific and the need for expensive, high-end military capabilities—as well as other spending on competitive domains, such as science and technology, and space, as identified in the Innovation and Competition Act, described above—an approach to the Arctic that centers on diplomacy, intelligence, and economic development also may be fiscally achievable.

In the future, should China develop Arctic military capabilities, up to and including polar-capable ballistic missile submarines, this strategic calculus may evolve. However, the United States’ focus on China as the primary rival, and the Indo-Pacific as the primary theater of confrontation, appears to be enduring. Assessments of Arctic strategy should bear in mind that it is not the primary competitive theater between the US and China and further that the Arctic should be prevented from becoming a more competitive theater if at all possible. ✪

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Notes

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