

China's Polar Silk Road

Implications for the Arctic Region

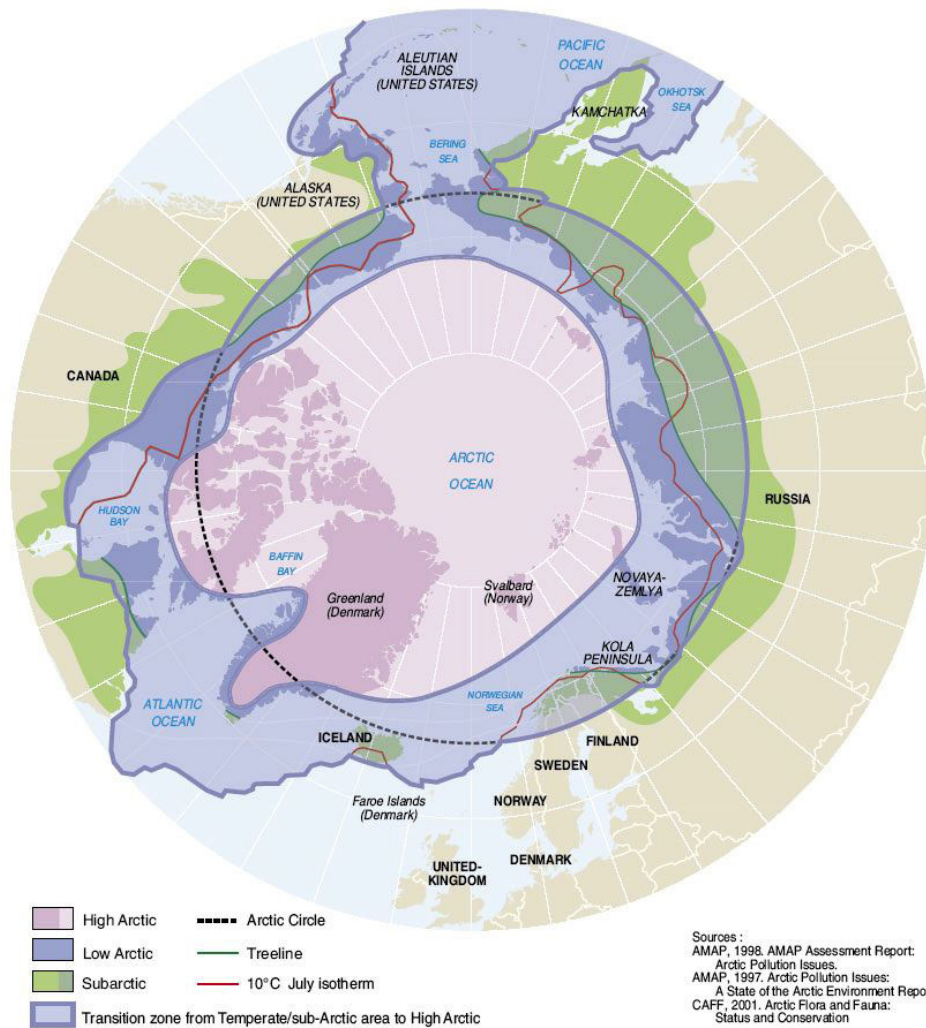
ANU SHARMA

The Arctic region has gained immense strategic, geopolitical, and economic importance in the twenty-first century. Its phenomenally rich biodiversity is responsible for the increased interest in this region by major powers such as the United States, Russia, and China, apart from the Arctic nations. However, the Arctic has also been in the news due to loss of ice, warming waters, increased sea levels, and the thawing of its permafrost. These are all due to increasing global temperatures and the extensive shifting of the Arctic's polar ice cap, eventually resulting in the thawing of sea ice. The increasing temperatures in the Arctic region have been drawing global attention for economic, geopolitical, and environmental reasons—among others. Unlike Antarctica, the Arctic is not a global common, with no overreaching treaty governing this region. All these factors have made the Arctic Five nations (Norway, Russia, Canada, Denmark, and the United States) as well as the three nations proximate to the Arctic Circle (Iceland, Finland, and Sweden) contemplate the probable scenarios related to the initiation of new navigational routes there. Furthermore, the discovery and utilization of untapped resources in this region have made it attractive to these nations and even vital for economic and geopolitical reasons. In the emerging geopolitical scenario, with the aim of acquiring great-power status and gaining geostrategic prominence, it has become crucial for nations to contemplate national strategies along with military capability in the Arctic. As far as strategic considerations, economic progress, geopolitical stakes, and sociocultural collaboration across borders have become important parameters.

With China emerging as one of the prominent players in the Arctic region, discussions and deliberations related to China's plans and policies have taken center stage. China has emerged from being a peripheral partner to an active member in the Arctic Council in the span of a decade. In that same decade, global warming and the emergence of new economic and strategic opportunities have led to the increased prominence of the Arctic not only in Chinese policy making but also in the policy-making circles of other major players such as the United States and Russia. Furthermore, from a scientific and environmental point of view, the Arctic region has emerged as a laboratory that every nation wants to explore.

Historically, this region was crucial during the Cold War due to intense military competition between the United States and the Soviet Union. During the Cold War, the region had faced a dramatic shift from being a subtle theater of operations (i.e., for the positioning of strategic weapon systems) to the center for various initiatives concerning transnational cooperation. During this period, the Arctic acted as a frontier between NATO and the Soviet Union and was littered with military bases and expensive hardware. However, after the disintegration of the Soviet Union, many of those assets were dismantled or allowed to decay. In contemporary times, this region is emerging as a geostrategic trigger point in a way similar to Cold War politics. With the exception of conventional Arctic nations, an increasing number of international organizations and non-Arctic nations—including China—are exhibiting amplified interest in this region. China proclaiming itself a “near-Arctic” state and assuming the position of being the keenest observer in the region is leading various other significant stakeholders in the region, such as Russia and the United States, to take note of China’s emerging Arctic policies. This context makes it important to analyze China’s emerging policies and plans.

In 2018, China released a white paper titled *China’s Arctic Policy* describing its policy in the Arctic. The analysis reflected China’s confident and proactive policies related to the region. Outlining Beijing’s precise aims there, the paper explicated Chinese stakes, linking them to the growing Belt and Road (BRI) trade initiative through the “Polar Silk Road.”¹ It can be said that Beijing’s aim is to build a Polar Silk Road in the Arctic region, thereby linking Asia and Europe through logistics and transportation channels traversing this region. Furthermore, China’s interests can be divided into two categories. First: Beijing’s close involvement in the domains of scientific research, resource survey (and the handling of this type of research), shipping, and maritime security. And second: the probable effects of climate change on the region, rightfully highlighted by China as a valid reason that warrants the concern of major players in Arctic matters. The thawing is producing a novel regional order for the practice of statecraft among Arctic and near-Arctic nations. As indicated by Chinese aspirations for its inclusion in the Arctic Council,² China identifies the prospect that its participation in the growth and expansion of the Arctic’s new regional order will lead to increased opportunity for Beijing to mold the Arctic to its advantage and its national interests. China’s aspirations related to the Arctic region and the evolution of its policy for the Arctic are discussed in detail further below.



Source: Arctic Centre

Figure 1. The Macro-Arctic Region, depicting the subregions therein

Issues in the Arctic Debate

The Arctic is not very populated; severe climatic conditions contrast abundant mineral resources that make it a significant air and water route. According to Joseph Roucek, “the Arctic Ocean is in reality the constituent of the Atlantic Ocean whose littorals include the landmasses of the Northern Hemisphere. It is also called as the ‘polar Mediterranean.’”³ The contemporary geopolitical scenario has imparted great significance to this region due to the presence of oil, gas, and other

noncombustible minerals as compared to the Antarctic region. This has led the Arctic to emerge as an ideal region in which technological developments related to resource utilization eventually force “a new evaluation of locational factors of the region.”⁴ This has eventually led the issue of governance to gain prominence, linked with diverse interests and aims of various nations (figure 1). The Arctic nations’ utmost desire is to pursue their rule of the area entirely; however, other nations visualize this region as part of the global commons. Much of the debate related to the legality of the Arctic region has focused on two aspects. First, whether there is a need to create new legal framework related to the Arctic region that is based on the International Treaty on the Arctic. (In fact, this International Treaty of the Arctic is based on the Antarctic Treaty.) And second, whether to authorize treaties signed in the past—for instance, changing the Arctic Council into a formal international organization.

The Ilulissat Declaration⁵ tried to communicate to other nations desiring to be part of the Arctic region that the original Arctic Five nations retain their primary role in governance. This was reaffirmed by the document, wherein it was declared that “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.” Subsequently, the Arctic Five’s innate right to be the vanguard of Arctic politics was pronounced once again: “[T]he Arctic Ocean is a unique ecosystem, which the five coastal states have a stewardship role in protecting.” This perspective raised a question regarding the limitation on the rights of both Arctic and non-Arctic nations to impact the region’s future. This question remains unanswered in the current scenario, and its answer depends on the future orientation of the Arctic Five. The declaration also played a key role in defining or highlighting universal cooperation in the Arctic. In this regard, the littoral states have tried to work, both independently and in cooperation with each other, to preserve environmental stability. Not only that, but the cooperation between littoral states is also causal to the Arctic Council’s exertions and collaborating in scientific research and information-sharing.⁶

The Arctic is attracting the political interests of various nations that are quite far from the region. These include the European and Asian big and small powers as well as polar and tropical powers. This interest correlates, at various levels, to several geopolitical factors related to the Arctic—the geographical positioning and placement of the Arctic region amid the three continents (North America, Europe, and Asia). This leads to shorter trade distances between various destinations in these continents, thereby reducing the transit duration. There exists also the presence of mineral and industrial resources, especially oil and natural gas. This presence is one of the primary reasons for the increasing strategic signifi-

cance of this region. The Arctic's natural resources have, in turn, increased the possibility of economic and energy security for the nations that are involved in regional resource extraction; the sea lanes of communication (SLOCs) around this region and their relation to the manmade circumstances and operational conditions; effects of global warming and climate change (in turn offering better conditions for the exploration and exploitation of resources); and the regulatory similarity to the prevailing global ocean agreements, particularly the third United Nations Convention on the Law of the Sea of 1982 (UNCLOS III).⁷ In fact, these factors have been responsible for the interests of the major players, providing a glimpse of the geopolitical scenario in the Arctic. In all this power play, Russia and China have been heavily investing in the Arctic, which will eventually affect the American presence there. Besides the increasing political and geopolitical significance of the region, its economic aspect is also relevant. With the possibilities of an increasingly ice-free Arctic region looming large, countries such as China are now eyeing the economic profitability of the region due to untapped oil and gas resources and its shorter international transit routes.⁸

Based on the above discussion there are three major issues that have come to the forefront of the Arctic debate: natural resources, maritime routes, and environmental concerns. The strategic calculus of all the major players revolves around these three specific issues.

Natural Resources

Natural resources have become a prominent reason for the enhanced interest in the Arctic. With the thawing of the Arctic ice cap, the readily available natural resources and their easy accessibility are enticing for all the major powers of the world, including China. The energy resources have tremendous potential, but the unfavorable climatic conditions and technological barriers they present prevent the full utilization of these resources for the profitability of the parties involved. There is no clear agreement on the precise volume of the undiscovered oil and gas reserves, but the projected volume of the Arctic Shelf's undiscovered oil and gas reserves is estimated to be around 90 billion barrels, 1,670 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids, according to the estimates of the American Geological Survey.⁹ These resources amount to almost 22 percent of the undiscovered resources in the world that can be harvested using existing technology. Out of this, almost 84 percent of these resources is anticipated to occur offshore.¹⁰ As such, major challenges can arise for the development of natural gas.

Even though this region is rich in natural gas resources, the development of the same could be hampered owing to the low market value of natural gas as com-

pared to oil. Additionally, consumers of natural gas located far from this region will have to bear greater transportation costs as compared to oil and natural gas liquid transportation.¹¹ Definitely, the difficult terrain and environment of the Arctic region—due to harsh climatic conditions as well as high and extremely cold winds—make the going difficult for the evolving energy projects. Consequently, it results in shorter operating seasons, which eventually require special equipment, thereby increasing costs. In contrast, the dearth of infrastructure networks poses its own challenges, making transportation difficult and economically burdensome due to longer travel distances and harsh weather, drastically and directly affecting the transportation timelines as well.¹² In environmental terms, the Arctic's ecologies are fragile and can be very easily disrupted due to the exploration activities inherent to oil and gas development. At the same time, the melting of tundra may become problematic for the construction of natural gas pipelines. This can eventually increase the significance of liquefied natural gas (LNG) and maritime transportation.



Source: Dr Jean-Paul Rodrigue, Department of Global Studies & Geography, Hofstra University, <https://transport-geography.org/wp-content/uploads/Map-Polar-Routes-Simplified.pdf>.

Figure 2. Polar shipping routes

Maritime Routes

There are currently two main maritime routes that are emerging from the Arctic: the Northwest Passage (NWP) and the Northern Sea Route (NSR). There are other plausible maritime route options that are available such as the Transpolar Sea Route (TSR) and the Arctic Bridge (figure 2).

At present, the passage is possible only in the summer months. However, due to presence of ice, the NWP route is still not viable.¹³ Furthermore, the COVID-19 pandemic added to an unanticipated delay in this effort. Once established, the NWP will definitely lessen maritime shipping distances and shipping time considerably. The maritime distance between East Asia and Western Europe would be only 13,600 km via the NWP as compared to 24,000 km traversing through the Panama Canal. The NWP was made operational in 2007 during the summer months.¹⁴ America has long maintained its right to pass its sea vessels through this shipping route without asking formal permission from Canada. Canada's disagreement with this practice and the United States' steadfast attitude toward this sea route have led to a mild disagreement between the two neighbors. However, this disagreement was resolved (with more of a political than legal fix) through the signing of the Canada–United States Arctic Cooperation Agreement in 1988.¹⁵

The NSR is located along Russia's Arctic coast. It is speculated that this maritime route likely will be the first to be free of Arctic ice; therefore, it has the highest commercial viability. It would minimize the maritime distance traveled between East Asia and Western Europe from 21,000 km via the Suez Canal to 12,800 km through this new route. Also, it will reduce the transportation time by 10–15 days. In the past, this route was used to supply military and resource extraction throughout the Soviet Arctic during the Soviet era. However, due to the fall of the Soviet Union in the early 1990s, this traffic dropped drastically but picked up pace again in the 2000s.¹⁶ In 2009, two German ships, *Beluga Fraternity* and *Beluga Foresight* (along with a Russian icebreaker escort), completed the first commercial journey across the NSR, linking Busan city (South Korea) to Rotterdam (the Netherlands) after various layovers. Trials by other shipping lines through this route haven't been particularly successful commercially.¹⁷ It was also at this time that the NSR was opened for international transits, with Russia employing resources for developing the route at various levels—including the introduction of changes in federal laws and regulations. Simultaneously, Russia also ventured into developing offshore and onshore infrastructure, as well as publicizing new shipping opportunities. However, this heightened interest of the major players in the NSR as a potential profitable maritime route has also emphasized the hindrances

related to the stable development and operation of this route. These challenges refer to the possible economic and environmental risks in the course of the NSR, due to the ambiguity related to the duration of the viable navigation season and sudden disparities arising in the oceanic and sea ice regimes in this region.¹⁸

Another emerging Arctic Sea route is the TSR. This route would utilize the central part of the Arctic Sea to connect the Bering Strait (which separates Russia and the United States slightly south of the Arctic Circle) with the Atlantic Ocean near Murmansk (a port city in northwest Russia). However, at present the route, even though most viable, remains hypothetical. The Arctic Bridge connects Murmansk (Russian port) or Narvik (Norwegian port) to Churchill (Canadian port). This bridge could be utilized for this transit route. Although this route is not a trans-Arctic route intrinsically, its aim is to link the two hinterlands (Northwest Europe and the North American Midwest) via the Arctic.

Definitely, freight transport within Arctic waters requires icebreakers and ice-class carriers. Currently, Russia tops the list of owning icebreakers with 46 (11 under construction and four planned) followed by the United States with five ice breakers (and three planned) and China with three ice breakers (and one under construction).¹⁹ China has become the first nation to use an atomic-powered icebreaker that competes in size with Russia's largest nuclear-powered icebreakers. It is pertinent to mention here that Russia is the only nation to have nuclear icebreaker capability. A nuclear icebreaker will enhance China's ability to navigate the Arctic Ocean even during the adverse winter climate. China's plans to develop a nuclear icebreaker can be considered as the most recent step in an effort to pursue a more active role in Arctic diplomacy.²⁰

Environmental Concerns

The Arctic's unique natural characteristics include severe weather conditions, extreme disparity in light and temperature, massive snow and ice cover in winter, and vast tracts of permafrost.²¹ The region is rich in hydrocarbons and fish stocks. The Arctic's environment is quite delicate and susceptible to technological development. Therefore, it has a pressing need for protection, as this region is the prime juncture for the network of ecological interactions of the whole planet. This region has witnessed the negative effects of climate change most of all, and due to these climatic variations, the Arctic has gained immense significance—to the detriment of the environment.²² The Arctic region includes three major biomes: the polar desert (nearest to the North Pole), the tundra, and the boreal forest (aka taiga in Eurasia) located in the southern parts of the Arctic. The region is the most affected of all by global warming. It is certain that climate change in this region has been responsible for physical, ecological, sociological, and economic impacts

around the globe. The major contemporary apprehensions are consequences due to long-range air and sea transport of pollutants as well as specific human activities. These include interference with ancient animal migration routes, oil and chemical spills into the sea, and the unanticipated influences of climate change resulting in the melting of the ice cover. Many of these effects will take an incredible amount of time and effort to reverse. These aftereffects of global warming have drastically affected the physical, chemical, biological, and human components of Arctic ecosystems. The damage is incalculable, widespread, and quickening. In fact, global warming has resulted in a domino effect of alterations in the physical form of the Arctic environment, which includes the melting of sea ice and rise in the sea level, reduction of albedo (surface reflectivity), coastal erosion, and enhanced warming of the ocean due to feedback loops among various climate factors.²³

China's "Polar Silk Road"—Conceptualization & Implementation

China's interest in the Arctic and the evolution of its Arctic policy began in 2010. However, the Arctic was not high in its list of foreign policy agenda at that time. These interests and ideas diversified with the increase of Chinese diplomatic and economic activities in the region. In fact, China aimed to increase its foothold there by involving itself in Arctic affairs and working to be acknowledged and included as an Arctic stakeholder. Through a video message, the Chinese foreign minister, Wang Yi, claimed that China is a "near-Arctic state" and, to substantiate this argument, discussed China's long history of Arctic interests going back to China being a signatory to the Spitsbergen (Svalbard) Treaty²⁴ in 1925.²⁵ He mentioned this at the Third Arctic Circle meeting held in October 2015 at Reykjavik, Iceland. It clearly indicates that through this he was trying to highlight—and legitimize—China's increasing interests and role in the Arctic region. These ideas were further reaffirmed and made visible in 2017 when the *Vision for Maritime Cooperation Under the Belt and Road Initiative* was released by China's National Development and Reform Commission in collaboration with the State Oceanic Administration. This document highlighted the "blue economic passage . . . leading up to Europe via the Arctic Ocean."²⁶ The basic idea of linking Europe and Asia through the melting Arctic was then extended and hailed as the "Polar Silk Road" in Beijing's white paper discussing its Arctic policy in 2018.

However, Chinese thinking behind the development of Arctic routes and investments goes back to 2013, when China decided to invest in the Russian Yamal LNG Project. Chinese stakeholders in the Arctic region have gradually become active in Arctic matters ever since May 2013, when China received observer status in the Arctic Council. In mid-2013, a commercial ship of the China Ocean Ship-

ping Company, *MV Yong Sheng*, commenced on the first trip from a Chinese port to Rotterdam through the NSR. It followed the maiden transit route taken by Chinese icebreaker *RV Xuelong* from China to Iceland in 2012 via an Arctic Sea route.²⁷

China's vision, policies, and actions related to the Arctic have focused on scientific aspirations. These look to the effects of climate change on this region, especially on its geography, climatology, geology, glaciology, and oceanography. China has built, developed, and maintained its own scientific station in the Arctic region since 2004 for that reason. The station, known as the Yellow River Station, located on Svalbard, is run by the Chinese Arctic and Antarctic Administration.²⁸ Since 1993, after purchasing the icebreaker *Snow Dragon* from Ukraine, China has conducted several expeditions to both the Arctic and the Antarctic regions. China has launched several expeditions and increased its efforts to develop networks and cooperation with other Arctic nations. China, seemingly like other non-Arctic nations, is actively taking part in general science diplomacy, collaborating with other nations through research activities to legitimize and support its rising presence and influence in the region. These scientific collaborations help China smooth out its Arctic diplomacy and facilitate its regional growth by improving and consolidating its image and relations with other Arctic states through trust-building and assimilating China into Arctic governing circles. In this regard, China is establishing scientific alliances with Russia to carry out collaborations in exploration exercises and research missions, as well as to explore the new and emerging shipping routes that will help China overcome its well-known "Malacca Dilemma."²⁹ However, it should be noted that China–Europe trade through the Malacca/Suez route via the Indian Ocean has more immediate and larger European concerns as compared to China's nascent Polar Silk Road. Almost 80 percent of trade between China and Europe passes through the Strait of Malacca, including oil trade. At the same time, it can also not be ruled out that China's Polar Silk Road through the Arctic region can create more competition for European nations in various fields such as maritime trade, shipbuilding, emerging growth niches in blue economy, and the global presence of the Chinese navy. These can result in friction between Chinese intentions in the Arctic versus claims by the European nations there.³⁰ It can be said that China's push to develop the Polar Silk Road will not diminish the importance of Strait of Malacca for either Europe or China. At the same time, the contestations between the two in the Arctic might result in retaining the significance of Strait of Malacca as a trade route.

Another important reason for China to take extensive interest in the Arctic region also pertains to commercial drivers and apprehensions related to safeguarding and expanding its energy supply chains. Chinese energy firms are vying for

access to the Arctic's onshore oil and gas explorations in the coming years. The usage of Arctic Sea routes, exploration, and development of the resources in this region can have a major impact on Chinese energy strategy—China being the top energy consumer in the world. China's monetary might, technological know-how, market base, knowledge, and expertise will play significant roles in broadening the shipping route networks. China has attempted to clarify its mutual interests with other Arctic states, linking it with a shared future with other global players.

Another important driver of China's Arctic policy remains the SLOCs. The Belt and Road Initiative expansion to the Arctic region is built particularly on the promotion of maritime operations through the NSR along the Russian coast in the Arctic Ocean. Due to the melting of glaciers and sea ice, global warming, and climate change, the Arctic region's vast resource wealth has been acknowledged as a new economic hinterland. The region contains almost one-fourth of the world's unexplored oil and gas resources, in addition to other natural resources. Therefore, all these factors combined stimulate China's enhanced aims as well as the emerging geopolitical dynamics. Greater demand for energy and hydrocarbon resources at home to boost the domestic economic scene, as well as the full utilization of the Arctic maritime routes, emerge as significant, economically helpful possibilities for China. Also, navigation routes such as the NSR and the NWP are vital for the expansion of the BRI in the Arctic region. China's proclamation of being a near-Arctic state is its attempt to strengthen its legal right to increase its influence in the geopolitical developments. In this scenario, the white paper clearly proclaims China's ambitions and how it wants to use the Polar Silk Road to link its enormous commercial and infrastructure projects in Asia and Europe through an extension of the BRI to the Arctic.

Moreover, Chinese alliance and cooperation with other nations through bilateral and multilateral means have become clear through policy expansions. An example is China's collaboration with Russia for its Yamal LNG project.³¹ Yamal is the linchpin of China's Arctic infrastructure projects and signifies an "anchor" project intended to establish a commercial presence that will eventually back all the related investments in the region under the BRI umbrella.³² To move forward in advancing maritime cooperation as part of BRI, Beijing in 2017 declared plans for three purported "blue economic passages" that will connect Asia with Africa, Oceania, Europe, and beyond.³³ Among them, there is a single passage route that links China with Europe through the Arctic Ocean. It officially connects the BRI to Beijing's Arctic interests, aims, and ambitions. China approaches the Arctic region from multiple perspectives, including Beijing's interest in resources, trade and investment owing to domestic requirements, and preserving a symbolic presence in the geopolitics of the Arctic. China's Arctic engagement takes place

through bilateral partnerships, mainly with the European Arctic states, as well as multilateral alliances through institutional engagement, largely the Arctic Council. In all this, Russia has so far shown a welcoming attitude toward Chinese involvement in the NSR and Arctic; however, the pace of Chinese involvement has been quite slow. But China's strong desires and ambitions are pushing it to quicken the pace as well as "gradually increasing its participation in projects that represent its crucial interests."³⁴ China is also one of the most important nations that is involved in international maritime trade. China is placed fourth in the ownership of vessels around the world and executes 90 percent of its commercial trade through maritime transport.³⁵

It can safely be said that China's engagement in the Arctic is based on win-win gains between China and various other players including Russia. This has been underscored by participation in multilateral cooperation with other Arctic nations and by being a part of Arctic Council. China's emergence confirms its strengthening presence in global power politics. In the Arctic, China's engagement tracks its official policy as declared in its white paper highlighting its determination to sustainably utilize opportunities to turn geopolitical dynamics in China's favor. Due to repeated declarations by China regarding climate change and other environmental threats, it has shown its intent to protect this region from environmental hazards—that is, China is intent on projecting a perception of being a concerned and accountable nation in the Arctic region. However, it should be kept in mind that China is the largest emitter of greenhouse gases globally, followed by the United States and India.³⁶ China's permanent membership at the United Nations Security Council, observer status at the Arctic Council, and emergent bilateral and multilateral partnerships with several Arctic nations allow China to claim a legitimate presence in Arctic affairs. This claim is again reaffirmed by China's self-proclamation of being a "near-Arctic state," with the ultimate goal of reinforcing the validity of its soft-power presence in the Arctic.

At the same time, the challenges facing China range from the difficult geographical environment of the Arctic to the economics related to infrastructure and investment projects China is undertaking in the region. Added to this is a delicate environmental balance that makes human activities challenging. At present, oil resource extraction in the Arctic is comparatively less cost-effective when compared to extraction in any other parts of the world, coupled with the uncertain risks associated with Arctic conditions. This has emerged as the primary reason for the reluctance of businesses to invest in projects there. Similarly, the Arctic routes—especially the NSR—are not yet advanced enough to serve as regular international navigation routes. Still, China's move toward the Arctic can be considered strategic. And the recent developments under the BRI's extension to the

Arctic suggest that China is progressively, but definitely, becoming more assertive in its regional multilateralism.

Russian and American Actions in the Arctic

Russia and the United States have jockeyed for regional supremacy in the Arctic as the melting ice cap provided the opportunity to explore the resource-rich region. Both nations share a maritime border along the Bering Strait and around the Arctic Ocean. They also share a mutual interest in continued collaboration related to preserving Arctic waters. This has accelerated the race for hegemony. The shifting geopolitical environment has forced other major players and stakeholders to step up their game.

United States

The United States, by virtue of Alaska, has repeatedly asserted its position in the Arctic region, highlighting its substantial interests. US military forces, mainly the Navy and the Coast Guard, have focused their attention on planning operations. The US Department of Defense (DoD), US Navy, and the Coast Guard all released Arctic strategy documents in 2019 detailing their strategy vis-à-vis the Arctic.³⁷ However, the emergent debate has focused on whether the DoD and the military services are allocating sufficient resources and taking adequate actions to defend American interests. This issue has also gained traction with congressional oversight committees. Furthermore, the US Coast Guard possesses two operational polar icebreakers—the heavy polar icebreaker *Polar Star* and the medium polar icebreaker *Healy*; the Coast Guard has received funding to procure three new heavy icebreakers.³⁸ In addition to all the apprehensions raised in Congress, a major source of friction between the United States and Russia remains, related to the NSR: the major exercise in March 2020 was proposed to take place in Norway, between the United States (with 7,500 troops likely to participate) and other NATO countries.³⁹ This was aimed to understand the American desires and ambitions. The exercise, code-named Cold Response 2020, was supposed to involve a massive mock battle with an imagined Russian invading force. However, following the outbreak of the COVID-19 pandemic, Cold Response 2020 was cancelled in early March 2020 to prevent the outbreak and exposure of this pandemic to armed forces.⁴⁰

To better understand the Arctic policy of the United States, CSIS scholar Heather A. Conley identifies three prime features that are influencing this American strategy. First and foremost is the geopolitical factor—the great-power competition between the United States and the largest Arctic coastal nation, Russia.

Added to these apprehensions is the self-proclamation by China of being a “near-Arctic state.” Second is the environmental factor—gradual changes in the Arctic’s maritime and territorial environment perplexing scientists while also promoting the development of flexible governance structures. And third is the economic factors that are linked with the exploration of mineral resources and global commodity prices.⁴¹ For the United States, as for many Arctic nations, the changing conditions and national policies form the basis of a new Arctic doctrine of sorts. US concerns are based on resources, national and homeland security, science, and foreign policy. In the Arctic, these policies are inextricably linked. Historically, the United States staked its claim to Arctic territory in 1867 with the purchase of Alaska from Russia. When Alaska was integrated into the United States, it started witnessing the movement of people looking for mineral resources, especially the Gold Rush of 1889. In later years, circumpolar political cooperation assumed a prominent place on the US agenda. Most recently, two major factors made it imperative for the United States to become urgently engaged in Arctic affairs. First was former US president Barack Obama’s initiative of making climate change an issue of political priority (notwithstanding his country domestically struggling with the issue of climate change). Second was the initiative by the Arctic Council to take a proactive role in Arctic governance, which gained momentum with the signing of a legally binding agreement related to cooperation in search and rescue operations. The Council seemed to be gradually evolving from what had often been called a “high-level discussion club” to “a body of practical significance.”⁴² American ambitions related to the Arctic were strengthened when the then-US president Obama formed the Arctic Executive Steering Committee in 2015 to support the White House in coordinating Arctic strategies.

All these factors underscore how economic development, competitiveness, and the easy availability of large Arctic resources remain the driving forces behind America’s Arctic policies. However, in official political rhetoric, international cooperation and collaboration remain a work in progress. Conflict and strategy also remain important in American policy making. In this debate, two issues appear at the forefront. First is the association to UNCLOS, as the diminishing sea ice has raised questions about maritime rights and rights to marine resources; this issue has gained considerable political traction. Second, the shift in America’s Arctic policy has been related to attitudes toward climate change. In this discussion, President Obama’s posture stands in contrast to his predecessor, George W. Bush. With the election of President Donald Trump, the focus shifted toward climate change denial and facilitating prospects for the Alaskan oil and gas industry. For continuity in the United States’ Arctic policy to remain, it is necessary that these two competing views be resolved in the Joe Biden administration.

Russia

Russia visualizes itself as the top Arctic power, and in fact it is the largest Arctic nation by virtue of land and population. Added to this, Russia's commercial and military investments in the region have produced significant returns. Geographically, Russia accounts for 53 percent of Arctic Ocean coastline. It is hardly surprising that Russia wants to enhance its impact on trade, energy, and defense-related opportunities. All these form part of Russia's Arctic strategy. As part of Russian diplomacy, working with regional and international organizations serves to enhance its influence. Backing the Arctic Council and the Arctic Economic Council makes Russia a frontrunner in Arctic affairs, validating its moves—which include promoting environmental conservation and the welfare of the Arctic's Indigenous population. All these aspects of Russian Arctic strategy are regularly strengthened, making Russia an Arctic nation keen on cooperating with all concerned parties.⁴³ At the same time, jointly working with the other Arctic nations remains a crucial purpose of Russian leaders as they attempt to claim widespread stretches of the Arctic seabed.⁴⁴

Official Russian doctrine identifies the significance of the future of the region and calls for collaboration for preserving it. The Russian energy strategies of 2003 and 2009 and the National Security Strategy of 2009 enumerate natural resources as being vital to Russian growth and development. In this context, the two Russian Arctic strategy documents (2008 and 2013) emphasize regional and multilateral cooperation to meet national security interests.⁴⁵ Since 2013, Russia has spent several billion dollars on construction/upgrades of seven military bases on islands and peninsulas throughout the NSR, positioning its advanced radar and missile defense systems—with the capability of striking aircraft, missiles, and ships—in the areas where temperatures can fall below -50°C.⁴⁶ Russian strategy related to military deployment in the Arctic also reinforces its nuclear deterrence and contributes to its military operations around the world. Russia's military doctrine released in 2015 discusses the Russian initiative to defend its northern edges through an all-inclusive (i.e., land, air, nuclear, and maritime) command structure. Russia's Northern Fleet, which is located in the Arctic, has crucial access to the Atlantic Ocean. The fleet's tactical nuclear weapons and strategic submarine capabilities strengthen Russian deterrence. Furthermore, Russia's western Arctic zone also connects the Baltic Sea to the Kola Peninsula, where prepositioned Russian forces guard its northern flank from NATO.⁴⁷ This provides Moscow with complete military coverage of its full coastline and adjoining waters. This will put ships traversing through the region under Russian oversight. Also, with the low volume of traffic during the three ice-free months, it is much easier to manage. However,

as anticipated, with the growing volume of maritime traffic and burgeoning shipping business, Russia has pressed for legislation to enhance its control over Arctic routes. It has given Rosatom supreme authority for managing access to the NSR by utilizing icebreakers that can shepherd ships,⁴⁸ including with its first-of-its-kind nuclear-powered icebreaker. All these factors and deployments indicate that Russia views the possibility of confrontation to be more likely than collaboration in the Arctic region.

As for Russia's Arctic strategy, there emerge two plausible narratives. First, Russian conduct in the Arctic region is motivated by nationalism, expansionism, and aggression. Russian activities, unilateral and militarily aggressive, are designed to achieve and protect its national interests. The second narrative is that Russia's policy is guided by realistic economic motivations and a proclivity to cooperate on Arctic issues in regional and multilateral institutions. Yet, there emerges a third narrative, characterizing the Russian Arctic strategy as more nuanced, "neither benevolent nor belligerent." Pavel K. Baev of the Carnegie Endowment explains that Russia visualizes the Arctic through a nationalistic rather than an economic prism. The changing political and economic dynamics in the world, as well as the uncertainty related to the actual oil and gas reserves in the region, have pushed Russia to take a step back and analyze the situation before plunging in. Russia's determination to develop the resources of the Arctic region has pushed it to over-protect its Arctic territories. But this can make Russia politically isolated from Arctic partners that are unmoved by Russia's power games. In such a scenario, pursuing Moscow's Arctic aims may be more risky than rewarding.⁴⁹

On the issue of Russian-Chinese cooperation in this region, it is increasingly becoming part of negotiations after both countries pledged collaboration in the field of oil and gas explorations in Siberia—Russia's Far East. This demonstrates that although China is also keen on developing the energy projects in the Arctic region—and with Russia showing interest to forge an alliance with China on this issue—there are several political, strategic, and regional challenges. It will be necessary for Russia to show political benevolence to actually attract Chinese investments for developing Russian-Chinese energy cooperation. At the same time, international sanctions imposed on Russia can act as a hindrance and have an adverse effect on Chinese willingness to become involved in various investment and energy cooperation projects with Russia. Also, the contemporary volatile political and economic scenario might have made the Russian market less attractive to Chinese companies, which are also under ever-increasing pressure to gain profitable and secure deals.⁵⁰

Conclusion

China's Arctic policy is mildly revisionist, as it poses both challenges and opportunities for cooperating with circumpolar states. This article has outlined that China's white paper portrays how it envisages the Arctic region, highlighting a strategic position in favor of China's interests in SLOCs, resource extraction, scientific exploration, and climate policy. At the same time, the white paper reinforces China's position, one in which China can project authoritative guidelines to marshal its Arctic activities. China's admission to the Arctic Council with member status as a permanent observer sends a clear message regarding its intentions to influence Arctic matters. What kinds of competitions and frictions emerge in the Arctic region remain to be seen. China's assertions of being a "near-Arctic state," a "responsible power," and an "important and legitimate stakeholder" form a major part of the argument in the white paper. At the same time, adherence to an international legal framework and environmental norms remains at the heart of Chinese politics. With its expanding BRI plans, China has emerged as one of the most powerful economies in the world, with the primary aim of promoting its political influence in world affairs. Beijing regards the BRI's extension to the Arctic through the Polar Silk Road as a project that will help it further realize China's ambitions to become a political and economic global power. As an economic powerhouse, China aims to play a leading role in global politics. However, China is chasing this dream through alternate methods as compared to traditional norms (i.e., a peaceful rise to great-power status through sustained economic growth). The Polar Silk Road, if successfully functional, can underwrite China's economic ability globally, promote its strategic soft-power diplomacy, and ultimately achieve its aim to be a truly great power.

The mounting tensions between the United States and China will pose a challenge to China's Arctic strategy. At the same time, China's involvement and behavior related to the South China Sea dispute might pose its own hindrance to the bigger goal. It will be beneficial for China not to engage in confrontational behavior due to the strategic value of the Arctic. At the same time, through various economic and commercial commitments, China has taken constructive diplomatic steps to cultivate relations with the Arctic Council that will facilitate Chinese interests. China has entered into joint ventures with Russian gas companies, in addition to building an embassy in Iceland and financing the Kouvola–Xi'an train in Finland. China has also warmed relations with Norway and Greenland through various investments. This inflow of investments will, in turn, help Greenland to lessen its reliance on Denmark. Moreover, all this has helped China to increase its foothold in Arctic nations. Though China has maintained positions

that it is concerned about the climate and environment of the Arctic region and has economic interests there, it cannot be ruled out that all this may be only a small portion of the larger geopolitical narrative that China is pursuing as it strives to be recognized as a responsible major power with growing global reach at a time when the United States is stepping back from international commitments. ❁

Anu Sharma

Ms. Sharma is a PhD scholar at the Centre for International Politics at the School of International Studies (SIS), Central University of Gujarat, Gandhinagar, India; and an associate fellow at the Centre for Air Power Studies, Subroto Park, New Delhi, India.

Notes

1. “China’s Arctic Policy,” State Council Information Office of the People’s Republic of China, 26 January 2018, <http://english.www.gov.cn/>; and Lu Hui, “China’s Arctic Policy,” *Xinhua*, 26 January 2018, <http://www.xinhuanet.com/>.

2. The Arctic Council is the chief intergovernmental platform facilitating cooperation and collaboration among the Arctic States. Members of the Arctic Council include Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States. Read more at: <https://arctic-council.org/>.

3. Joseph S. Roucek, “The Geopolitics of the Arctic,” *American Journal of Economics and Sociology* 42, no. 4 (October 1983): 463–71, <https://www.jstor.org/>.

4. Roucek, “The Geopolitics of the Arctic,” 463.

5. The five coastal states of the Arctic Ocean (i.e., the United States, Russia, Canada, Norway, and Denmark) declared the Ilulissat Declaration on 28 May 2008. The political-level summit during the Arctic Ocean Conference in Ilulissat, Greenland, was held to address various issues related to Arctic Ocean—climate change, the protection of the marine environment, maritime safety, and the sharing of emergency responsibilities—as and when the new shipping lanes become operational.

6. “The Arctic Council: A Backgrounder,” Arctic Council, 20 May 2015, <https://arctic-council.org/>.

7. Willy Ostreng, “On the Geopolitical Significance of the Arctic States,” *Arctic Knowledge Hub*, 2010, <http://www.arctic-search.com/>.

8. Alexandre Piffero Spohr et al., “The Militarisation of the Arctic: Political, Economic and Climate Challenges,” *UFRGS Model United Nations Journal* 1 (2013): 11–70, <https://www.ufrgs.br/>.

9. “Resources in the Arctic 2019,” *Nordregio*, January 2019, <https://www.nordregio.org/>.

10. “Resources in the Arctic 2019,” *Nordregio*.

11. US Energy Information Administration, “Arctic Oil and Natural Gas Resources,” 20 January 2012, <https://www.eia.gov/>.

12. Lisa Palmer, “Melting Arctic Ice Will Make Way for More Ships—and More Species Invasions,” *Scientific American*, 6 March 2013, <https://www.scientificamerican.com/>.

13. "Ice Persists in the North West Passage", *NASA Earth Observatory*, 22 August 2021, <https://earthobservatory.nasa.gov/>.
14. Chris Mooney, "The Arctic's Fabled Passage is Opening Up. This is What It Looks Like," *Washington Post*, 7 August 2017, <https://www.washingtonpost.com/>.
15. M.D., "Who Owns the Northwest Passage?" *The Economist*, 22 May 2019, <https://www.economist.com/>.
16. Yevgeny Aksenov et al., "On the Future Navigability of Arctic Sea Routes: High-Resolution Projections of the Arctic Ocean and Sea Ice," *Marine Policy* 75 (January 2017): 300–17, <https://www.sciencedirect.com/>.
17. Trivun Sharma, "Melting Arctic Sea Ice Opens New Maritime Shipping Route," *Global Security Review*, 23 May 2019, <https://globalsecurityreview.com/>.
18. Aksenov et al., "On the Future Navigability of Arctic Sea Routes."
19. "Major Icebreakers of the World," USCG Office of Waterways and Ocean Policy, <https://www.dco.uscg.mil/>.
20. Malte Humpert, "China to Use First Atomic Icebreaker as Test for Future Nuclear Aircraft Carriers," *High North News*, 30 December 2019, <https://www.highnorthnews.com/>.
21. *Permafrost* is defined as ground that remains at or below zero degrees Celsius for at least two consecutive years.
22. UN Environment Programme, "Arctic Region," <https://www.unenvironment.org/>; and European Commission, "The Changing Arctic Environment," 8 July 2019, <https://ec.europa.eu/>.
23. Marine Mammal Commission, "Climate Change and the Arctic," <https://www.mmc.gov/>.
24. The Svalbard Treaty acknowledged Norway's sovereignty over the Arctic archipelago of Svalbard. It was referred to as the Spitsbergen Treaty at that time. The treaty governs the demilitarization of the said archipelago. Under this treaty, the signatories had equal rights to engage in commercial activities on the Arctic islands. The People's Republic of China joined this treaty in 1925.
25. Camilla T. N. Sorenson and Ekaterina Klimenko, "Emerging Chinese–Russian Cooperation in the Arctic: Possibilities and Constraints," *SIPRI Policy Paper* 46 (June 2017), <https://www.sipri.org/>.
26. State Council Information Office: People's Republic of China, "Vision for Maritime Cooperation under Belt and Road Initiative," 20 June 2017, <http://english.scio.gov.cn/>.
27. Henry Tillman, Yang Jian, and Egill Thor Nielsson, "The Polar Silk Road: China's New Frontier of International Cooperation," *China Quarterly of International Strategic Studies* 4, no. 3 (2018): 345–62, <https://www.worldscientific.com/>.
28. "China's Arctic and Antarctic Administration," *Gate to the Poles*, <http://www.polar.org.cn/>.
29. Oki Nagai, "China and Russia Battle for North Pole Supremacy," *Nikkei Asian Review*, 10 April 2018, <https://asia.nikkei.com/>.
30. Mathieu Duchâtel and Alexandre Sheldon Duplaix, "Blue China: Navigating the Maritime Silk Road to Europe," Policy Brief, European Council on Foreign Relations, <https://ecfr.eu/>.
31. Donald Gasper, "China and Russia Want to Develop Arctic Energy Resources Together, and US Disapproval May Not Deter Them," *South China Morning Post*, 12 September 2018, <https://www.scmp.com/>.
32. Zheng Xin, "LNG from Arctic Reaches Jiangsu," *China Daily*, 20 July 2018, <https://www.chinadaily.com.cn/>; and "Oil Majors Expand Alliances and Investments in Belt, Road Economies," *China Daily*, 30 April 2019, <http://global.chinadaily.com.cn/>.

33. “China Proposes ‘Blue Economic Passages’ for Maritime,” *China Daily*, 21 June 2017, <https://www.chinadaily.com.cn/>.
34. Kamrul Hossein, “China’s BRI Expansion and Great Power Ambition: The Silk Road on the Ice Connecting the Arctic,” *Cambridge Journal of Eurasian Studies*, 25 January 2019, <http://dx.doi.org/10.22261/CJES.F3OSGP>.
35. Hossein, “China’s BRI Expansion.”
36. Robert Rapier, “The World’s Top 10 Carbon Dioxide Emitters,” *Forbes*, 4 December 2019, <https://www.forbes.com/>.
37. Department of Defense, *Arctic Strategy*, 6 June 2019, <https://media.defense.gov/>; US Navy, *Strategic Outlook for the Arctic*, January 2019, <https://www.navy.mil/>; and US Coast Guard, *Arctic Strategic Outlook*, April 2019, <https://www.uscg.mil/>.
38. Ronald O’Rourke et al., *Changes in the Arctic: Background and Issues for Congress* (Washington, DC: Congressional Research Service, 7 September 2021), <https://crsreports.congress.gov/>.
39. O’Rourke et al., “Changes in the Arctic.”
40. Peter B. Danilov, “NATO’s winter exercise Cold Response 2020 was cancelled today, Lieutenant General Rune Jakobsen said at a press conference,” *High North News*, 11 March 2020, <https://www.highnorthnews.com/>.
41. Heather A. Conley and Matthew Melino, “The Implications of U.S. Policy Stagnation toward the Arctic Region,” Center for Strategic and International Studies, 3 May 2019, <https://www.csis.org/>.
42. Annika E. Neilsson, “The US and the Making of an Arctic Nation,” *Polar Record* 54, no. 2 (2018): 95–107, <https://www.cambridge.org/>.
43. Cadra Peterson McDaniel, “Russia’s Arctic Strategy: An Analysis of the Role of Diplomatic, Cooperative, and Domestic Policies,” Arctic Institute, 28 November 2017, <https://www.thearticinstitute.org/>.
44. McDaniel, “Russia’s Arctic Strategy.”
45. Stacy R. Closson, “Russian Foreign Policy in the Arctic: Balancing Cooperation and Competition,” *Kennan Cable* 24 (June 2017), <https://www.wilsoncenter.org/>.
46. Nastassia Astrasheuskaya and Henry Foy, “Polar Powers: Russia’s Bid for Supremacy in the Arctic Ocean,” *Financial Times*, 28 April 2019, <https://www.ft.com/>.
47. Neilsson, “The US and the Making of an Arctic Nation.”
48. Neilsson, “The US and the Making of an Arctic Nation.”
49. Dmitri Trenin and Pavel K. Baev, “The Arctic: A View from Moscow,” Carnegie Endowment for International Peace, 2010, <https://carnegieendowment.org/>.
50. Sorenson and Klimenko, “Emerging Chinese–Russian Cooperation in the Arctic.”

Disclaimer

The views and opinions expressed or implied in *JIPA* are those of the authors and should not be construed as carrying the official sanction of the Department of Defense, Air Force, Air Education and Training Command, Air University, or other agencies or departments of the US government or their international equivalents.