Melting a Chinese Iceberg

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Abstract

For the Chinese Communist Party, the twenty-first century marks the inevitable return of the Middle Kingdom to its “rightful place” as the preeminent power in the world. The Arctic fits into this expansive and ambitious Chinese Dream to supplant the United States as the preeminent global power by 2050. China views the Arctic to be one of the world’s new strategic frontiers, disposed for competition and resource exploitation. China privately seeks to become a polar great power while publicly moderating its strategic goal until it gains unstoppable momentum.

Beijing consequently pursues a classic Chinese strategy, first proposed by Sun Tzu, to “win without fighting” in the Arctic by setting the stage, seizing the initiative, and consolidating wins. To counter this asymmetric strategy, Washington should also heed Sun Tzu and pursue an enduring cumulative strategy of integrated deterrence and gray-zone campaigning to undercut China’s Arctic strategy, weaken the developing Sino-Russian Arctic alliance, curb Beijing’s aspiring Arctic Council ambition, and undermine China’s developing Arctic partnerships by holistically, asymmetrically, and continuously imposing costs, encouraging restraints, denying the benefits or objectives, and winning the narratives.

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Climate scientists project the Arctic Ocean will become ice-free by 2040. Political scientists likewise forecast China may become a polar great power, capable of exercising maritime superiority (sea denial transitioning to sea control) over the disputed and contested Arctic Ocean much like the more headline-grabbing South China Sea (SCS). If so, a dominating and persistent Chinese maritime presence in the Arctic will be normal and routine in the future. Consider the following scenario:

A Chinese nuclear-powered ballistic missile submarine patrols near the North Pole. A Chinese surface action group operates in the Chukchi Sea. Chinese naval combatants and patrol aircraft exercise freedom of navigation operations in the Arctic seas of Beaufort, Chukchi, East Siberian, Laptev, Kara, Barents, Greenland, and Lincoln. Chinese air and naval forces conduct joint maritime exercises in the polar region. Chinese commercial shipping transits the opened Arctic shipping lanes. Chinese fishing fleets, accompanied by Chinese maritime militias (“little blue men”), roam the ice-free Arctic waters in search of migrating fish
stocks. Chinese oil and gas corporations explore and exploit the estimated 90 billion barrels of oil reserves (13 percent of the world’s total undiscovered oil) and 1,670 trillion cubic feet of natural gas reserves (30 percent of the world’s total undiscovered natural gas) under the Arctic Ocean.\(^3\) And last, but certainly not least, Chinese Coast Guard (CCG) vessels, already the world’s largest coast guard and rapidly growing, sail throughout the Arctic safeguarding Chinese national interests in shipping, fishing, and energy extraction and exercising de facto jurisdictional authority over the strategic waterway.\(^4\)

While conjectural now, this dystopian future could become a stark reality if the extant geopolitical trends persist. Beijing is on track to reset the liberal international order in China’s favor, creating new global norms with Chinese characteristics. China could dominate the key interconnected domains across the instruments of national power and eventually realize the Chinese Communist Party’s (CCP) ambitious and expansive Chinese Dream to supplant the United States as the preeminent global power by 2050.\(^5\) Therefore, the strategic risk to the current global rules-based order is too high to defer action or to do nothing to alter this strategic arc. The time to act is today. It is much easier to slow or stop a small iceberg now than it is to wait for it to grow in size and momentum later. Inaction, or worse yet, retrenchment, further emboldens Beijing’s strategic ambitions and reinforces the ingrained belief that China is an unstoppable rising power and America is an irreversibly waning power. For the CCP, the twenty-first century marks the inevitable return of the Middle Kingdom to its “rightful place” as the preeminent power in the world.

**China’s Arctic Approach**

Like in other disputed and contested maritime zones, China tailors its hybrid strategy for the Arctic to the local geopolitical conditions. Unlike the relatively ungoverned SCS, the Arctic is what researcher Elizabeth Buchanan called, a “complex zone of functional governance structures and adherence to agreed international laws” in which Beijing brazenly injects itself to exploit the region’s vast resources.\(^6\) China seeks to indirectly and incrementally undermine the longstanding Arctic order through “cooperative state-to-state, multilateral, and environmental narratives to disguise aggressive and assertive ambitions and operate beneath the threshold of overt strategic challenge.”\(^7\) Beijing obfuscates its strategic intent with disingenuous noble activities, including efforts to redefine the Arctic as a “global common for all of mankind.” The self-serving initiative is diametrically opposed to Beijing’s strategic diplomatic and legal positions on the SCS, which China hypocritically considers territorial vice international waters. As such,
the CCP believes it has the inherent right to dictate who can occupy territories, exploit resources, and conduct commercial and military activities in the SCS.

With the Northern Sea Route (NSR), Russia mirrors China’s jurisdictional exceptionalism in the SCS. Moscow argues that the NSR constitutes “straits used for internal navigation,” and is not subject to all United Nations Convention on the Law of the Sea (UNCLOS) rights, such as innocent passage. While China steadfastly defends its jurisdictional exceptionalism in the SCS, Beijing contradi-ctorily rejects Russia’s application of the same jurisdictional exceptionalism along the NSR.

Moscow interestingly remains neutral of Beijing’s positions and actions in the SCS; challenges, but not assertively, Beijing’s contrarian positions and actions in the Arctic; and even seeks to expand Sino-Russian economic integration and development in the Arctic—a form of commercial realpolitik. While double standards and political expediency are nothing new in international politics, the ways in which Beijing selectively interprets international laws to support China’s national interests is a common practice for the CCP. Beijing conveniently disregards the Permanent Court of Arbitration at the Hague’s 2016 landmark ruling that dismissed China’s excessive claims to much of the SCS, while it also opportunistically manipulates international laws and politics to assert China’s own claims to Arctic rights.

Beijing pursues a classic Chinese strategy, first proposed by Sun Tzu, to “win without fighting” in the Arctic by setting the stage, seizing the initiative, and consolidating wins. First, China uses legal warfare (lawfare) to create legal concepts, supporting domestic laws and policies, and citing facts on the ground to advance its strategic interests and complementary strategic narratives. Second, Beijing exercises China’s instruments of national power—diplomatic, information, military, and economic (DIME)—to exploit vulnerable national seams by cajoling or, when necessary, coercing international legal and political acquiescence and then influencing international laws and politics in its favor. Third, Beijing uses its economic and financial power to integrate itself into standing and emerging international governing bodies and fora to solidify and protect China’s gains, extract the benefits, and reshape the international structures to nullify any possibility of strategic reversal.

**Setting the Stage (Yesterday): Near-Arctic State**

Three years ago, this author forewarned of Chinese growing presence and activities in the Arctic and outlined developing Chinese Arctic policies. In January 2018, Beijing issued its first and only white paper on the Arctic, its pseudo Arctic strategy. There, Beijing boldly proclaimed China’s strategic intent to partake in the vague and broad activities of its self-proclaimed status as a “near-Arctic
state”—developing Arctic shipping routes; seeking and extracting oil, gas, mineral, and other material resources; using and conserving fisheries; promoting Arctic tourism; and so on. There is, unsurprisingly, no legal or international definition of a near-Arctic state. China conveniently invented the concept and coined the term to inject itself into the Arctic dialogue, empower its observer status on the Arctic Council, advance its goal of full membership in that exclusive Arctic club, and lay the foundation for future Arctic claims.

Beijing justifies its broad political, economic, and legal stance by saying “the natural conditions of the Arctic and their changes have a direct impact on China’s climate system and ecological environment, and, in turn, on its economic interests.” In other words, China stakes its tenuous and flimsy Arctic claims on geographic proximity, effects of global climate change on the country, expanding cross-regional diplomacy with extant Nordic states, and the broad legal position that although non-Arctic countries are not in a position to claim “territorial sovereignty,” they do have the right to engage in scientific research, navigation, and economic activities. And while vaguely underscoring that China will respect and comply with international laws like UNCLOS in a “lawful and rational matter,” a deliberately ambiguous interpretation, Beijing was nevertheless quite explicit and emphatic in the white paper that China will use Arctic resources to “pursue its own national interests” much like it does in the SCS. Therefore, China is ready and willing to compete in this new contested domain—“with the increase of the Arctic’s strategic value, international political and economic forces are falling into complex conflicts and fierce competitions for interests in the Arctic . . . the multipolarization trend of the Greater Arctic region is becoming increasingly evident.”

Beijing reinforced the political and diplomatic rhetoric with “hard” military, scientific, and economic activities to establish an Arctic foothold. It also conducted soft, gray-zone activities (below the level of armed conflict) to gain access in and influence over Arctic nations and their citizens through investments in infrastructures and resources, which may serve military or security as well as commercial purposes but often make poor or little economic sense, as well as scientific research that advances military and commercial interests. In the Arctic, where working capital is much needed to fund basic infrastructures, there are many opportunities for Chinese investment campaigns. So, while the Arctic remains peaceful for now, Chinese influence and coercion are quickly growing, and dual-purpose capabilities are rapidly increasing opportunities for future Chinese expansion and competition.
Seizing the Initiative (Today): Sino-Russian Arctic Alliance

Beijing opportunistically leveraged Russia’s invasion of Ukraine to expand its strategic collaboration with Moscow; extend its presence, influence, and partnership in the Arctic; and advance its strategic goals to realize its Chinese Dream. On 4 February, on the sideline of the Beijing Olympics and ahead of Russia’s invasion of Ukraine, Chinese President Xi Jinping and Russian President Vladimir Putin issued a joint statement on international relations entering a new era. They confidently declared a shift in the global order, one in which the United States does not lead. Multipolarity, the redistribution of world power, is the new global order where the “United Nations play a greater role in international affairs vice a hegemon [United States] that asserts its own biased democratic standards on other countries” and poses “serious threats to global and regional peace and stability and undermines the stability of the world order.”

The most noteworthy aspect of their bold declaration is a refinement of the Sino-Russian strategic relationship. Beijing and Moscow previously defined their relationship as the “three do’s and three don’ts”—do be good neighbors, good partners, and good friends; don’t enter an alliance, oppose each other, or act against a third party. The February joint statement redefined the relationship in terms of the “three no’s” (no end lines, no forbidden areas, and no upper limits) that portend a maturing strategic alliance of convenience. In substance, the joint statement identifies collaborative areas in which China and Russia will cooperate, including development, technology, transportation, climate change, health, terrorism, arms control, artificial intelligence, and finally, the Arctic. Putin promised Xi cooperation on future joint Arctic development projects and trade in return for the de facto diplomatic and economic support of Russia’s invasion of Ukraine. The scope, nature, and extent of previously mentioned Arctic cooperation remains publicly undefined to date.

The durability and sustainability of such a promise is tenuous. Xi and Putin do not play by established diplomatic rules or social norms. They often make empty promises to achieve their short-term objectives and buy time and space to set the conditions to realize their long-term goals. They accordingly honor agreements to the extent that such serve their ends. They have no qualms about breaking their ends of bargains after the other party has fulfilled its obligations. For Xi, the Russian promise lays the groundwork for future Arctic endeavors and provides a steppingstone toward becoming a polar great power that will undoubtedly come in conflict with Russian Arctic interests and ambitions. Hence, it is likely that Xi will opportunistically exploit the economic sanctions, political condemnation, and diplomatic isolation placed on Putin for his Ukraine incursion to push for greater
concessions on Arctic cooperation and enhance China’s strategic positions for future Arctic competition.

**Consolidating Wins (Tomorrow): Arctic Council**

The still evolving Sino-Russian Arctic alliance is mostly driven by political and business interests and is therefore transitory in nature. The tipping point will be when the political costs outweigh the economic benefits. The critical question moving forward is whether Beijing can exploit the current strategic window of opportunity to garner enough gains and translate them into enduring wins. More importantly, though, will be how soon China can start reaping the economic benefits of the relationship. If China can assert itself and gain an advantage over Russia, we can expect Beijing will renew its efforts to become a full member of the Arctic Council, after which it will then recast the international structures to consolidate and preserve China’s gains by blocking or nullifying future international actions to reverse the new reality.

The developing Sino-Russian Arctic alliance and Beijing’s enduring aspiration to become an Arctic Council member are consistent with China’s current understanding of how the Arctic fits into the Chinese Dream. Last year, the Brookings Institution published a comprehensive report examining China’s internal discourse on the Arctic, as well as Beijing’s activities and ambitions across the region. The report underscores the CCP’s propensity to speak with two voices when it comes to the Arctic—a guarded external voice aimed at foreign audiences and an unguarded internal one highlighting competition and Beijing’s Arctic ambitions. The report goes on to summarize the ongoing Chinese campaign of influence and coercion and provides geopolitical context to how Washington can alter the extant strategic arc and shape the future Arctic environment in the United States’ favor. Key findings include:

- China privately seeking to become a polar great power but publicly moderating its strategic goal, in accordance with Deng Xiaoping’s dictum of “observe calmly, secure our position, cope with affairs calmly, hide our capacities and bide our time, be good at maintaining a low profile, and never claim leadership.”

- China claiming the Arctic to be one of the world’s “new strategic frontiers,” disposed for competition and resource exploitation. Beijing mistakenly views the Arctic as ungoverned or undergoverned spaces in which China must prepare for competition over the region’s vast resources. CCP officials have also unrealistically suggested that China’s share of these resources should be commensurate to its share of the global population: about 20 percent.
• Chinese military thinking considers the Arctic as a domain for future military competition. Military texts note that the great powers will increasingly focus on the struggle over and control of global public spaces and argue that China cannot rule out the possibility of using force in this coming scramble for new strategic spaces.

• Chinese policy makers and policies propose state investments in Arctic science to strengthen China’s strategic position and influence in the Arctic. They intend Arctic science to cultivate China’s identity as an Arctic state and thus secure resources and access.

• Beijing publicly supports Arctic governance but privately expresses concern that China will be excluded from the region’s vast resources. Beijing advocates for alternative Chinese governance concepts—in some cases to supplement and in other cases to operate outside of the Arctic Council to include the controversial Polar Silk Road.

• Acquiescing to and accommodating China’s Arctic ambitions seldom engender enduring goodwill. Norway was the first country to allow China to build an Arctic science station (on Svalbard), and Sweden likewise was the first country to allow China to build its own satellite facility in the region. Both goodwill and good faith gestures did not insulate either country from later economic and diplomatic coercion for state actions that Beijing perceived contrary to its national interests.

• Arctic dependence on trade with China is minimal for now. For the five smallest Arctic economies—Sweden, Norway, Denmark (Greenland), Finland, and Iceland—China only accounts for 4 percent of their exports.

• China heavily invests in Arctic diplomacy to boost its regional influence. Beijing aggressively lobbied to become an Arctic Council observer, actively participated in regional fora, and established its own diplomatic and regional initiatives to deepen relations with Arctic governments, industries, and non-governmental organizations.

• China’s military posture in the Arctic has steadily and subtly increased, and its growing scientific activities provide complementary strategic advantage. China deployed naval vessels to the Arctic, including to Alaska and later to Denmark, Sweden, and Finland for goodwill visits. China has built its first indigenously produced icebreaker, the *Xuelong 2*, plans for more conventional heavy icebreakers, and is considering investments in nuclear-powered icebreakers that can also serve as mobile power stations.
• China’s scientific activities in the Arctic provide greater operational access and experience. China sent 10 scientific expeditions into the polar region; established science and satellite facilities in Norway, Iceland, and Sweden, while pursuing additional facilities in Canada and Greenland; and used the Arctic as a testing ground for new dual-use capabilities.

• China’s infrastructure investments in the Arctic are oftentimes dual-use, raising suspicions and apprehensions about Beijing’s strategic intent.

• China’s commodity investments in the Arctic have mixed outcomes. Despite some initial commercial successes, many Chinese investments have failed, and China unilaterally abandoned the joint ventures to the detriment of their partners.

Retaking the Initiative and Thwarting Wins

The supreme importance in war is to attack the enemy’s strategy, next best is to disrupt his alliances, next best is to attack his army, the worst policy is to attack his cities.

—Sun Tzu

Although the United States has significantly increased its presence and activities in the Arctic, like the latest Joint Pacific Multinational Readiness Center exercise,26 this renewed strategic focus will not curb China’s Arctic ambitions unless the activities are deliberately expanded, enhanced, synchronized, and most importantly, sustained. To do that, the United States should heed Sun Tzu and pursue an enduring cumulative strategy of integrated deterrence and gray-zone campaigning—a series of connected actions that, when taken together, asymmetrically undercuts China’s Arctic strategy, weakens the developing Sino-Russian Arctic alliance, curbs Beijing’s aspiring Arctic Council ambition, and undermines China’s developing Arctic partnerships by holistically, asymmetrically, and continuously imposing costs, encouraging restraints, denying the benefits or objectives, and winning the narratives across the DIME and across the interconnected and contested domains. Altogether, it makes more strategic sense to operate and compete in the gray zone and more advantageous and less costly to take risks and deter a conflict now than to pay the price of actually fighting one later. Otherwise, Washington cedes the strategic initiative to Beijing in the Arctic Ocean and further emboldens China to unilaterally act in the same manner as it does in the SCS (flashpoint) and ultimately dictate who can occupy territories, exploit resources, and conduct commercial and military activities in the disputed and contested waters.
Impose Costs

Be mindful of China’s Polar Silk Road ambitions and the potential geopolitical ramifications thereof. As part of the greater Belt and Road Initiative, Beijing seeks an Arctic link between China and Western Europe. Beyond giving China access to strategic infrastructures and resources in the Arctic, the real danger lies in the accumulated economic leverage that could and would be used for political leverage. To blunt the danger, Washington should consider establishing an exclusive Arctic trading bloc and making the United States the partner of choice for economic integration and development. Compete with Beijing for every economic contract and make China work hard for any future business deals. At best, outbid them for the contracts. At least, raise the costs of the contracts for Beijing by reminding prospective Arctic partners of China’s poor economic and environmental records, corporate unreliability, and political propensity to lash out at countries Beijing perceives as acting contrary to China’s national interests.

To further blunt the danger, Washington should also consider strengthening the Arctic Council and maintaining the status quo in its membership. Work with the other Arctic states (Russia, Canada, Iceland, Denmark, Sweden, Norway, and Finland) to exercise shared polar governance over the strategic high ground. Support the extant Arctic Council framework for observers, but make clear that the council does not recognize the term near-Arctic state and its expansive political, economic, and legal assertions. And last, but not least, reach a consensus on climate change to deny Beijing an opening to put a wedge between the United States and the other Arctic Council members. President Biden recent announcement to establish a new ambassador-at-large position to safeguard the United States’ Arctic interests and counter climate change and geopolitical threats is a step in the right direction.27

Encourage Restraints

To disrupt the Sino-Russian Arctic alliance and put a wedge between the strategic competitors, Washington should consider exploiting the historical distrust (and at times animosity) between Beijing and Moscow and sowing personal mistrust between Xi and Putin. For Moscow, highlight China’s quiet buildup of military capabilities and capacities and subtle increase of military presence and operations in the NSR; underscore the dual-use nature of China’s infrastructure investments and projects in the Arctic to mitigate Chinese obfuscation of its strategic objectives; and point out the potential for China to incrementally exercise maritime superiority over the strategic waterway, unilaterally extract Arctic resources without any constraints or restraints, and eventually impose its national
will in the Arctic. For Beijing, highlight the Russian buildup of its military capabilities and capacities, increase in military basing along the NSR, and posturing to exert effective control and jurisdictional authority over the air and water spaces of the Arctic; underscore the reality that China and Russia have contrasting strategic objectives and their national interests will conflict; and point out the collaborative alliance of convenience will eventually become competitive as political interests outweigh economic interests. In essence, expand the continuum of strategic competition by encouraging Beijing and Moscow to restrain each other, not just in the Arctic but also in other parts of the globe and in other domains (space, cyberspace, and so forth).

**Deny Benefits or Objectives**

Do not let China change the facts on the ground in the Arctic as it did in the SCS. Do not let another Scarborough Shoal incident happen, where, in 2012, the United States largely did nothing when China illegally seized the shoal and brazenly embarked on its campaign to exert effective control and jurisdictional authority of the strategic waterway. To do that, Washington must maintain a robust and enduring presence in the strategic waterway. Presence and activity matters. Otherwise, non-presence and inactivity (or minimal presence and activity) yield the strategic high ground and initiative to Beijing. Consider the following initiatives:

- **Establish more joint bases along the Northwest Passage now to prepare for the eventual opening of the Transpolar Route later in collaboration with Canadian allies and partners.** The new route will change global trade flows, and the United States must be ready and postured to adjust to the coming economic reality. America can ill-afford to let others exert effective control of the strategic waterway in the coming years.

- **Increase US presence in the Arctic in terms of permanent basing, persistent maritime presence, sustained naval operations, and scientific research.** Invest more in Arctic science to better understand the harsh operating environment to operate more effectively and efficiently in the future therein. Invest more in Arctic (and Antarctic) capabilities and infrastructure, such as icebreakers to enable increased and enhanced US operations across the board to preserve enduring US national interests in the Arctic.

- **Build up the US Coast Guard, the lead federal maritime law enforcement presence in the Arctic maritime zone.** As more Arctic waters become navigable—NSR, Northwest Passage, and Transpolar Route—increased Coast Guard capabilities and capacities will be needed to enforce domestic and
international laws and regulations, safeguard US maritime interests, and uphold the rule of law and global norms.

**Win Narratives**

Do not let Beijing have the strategic communications advantage in the Arctic. Link China’s Arctic policies and strategies to its ambitious and expansive Chinese Dream. Push back on the new world order championed by Xi and Putin in their February 2022 joint statement on international relations entering a new era.

Publicly and privately challenge China’s claim to be a near-Arctic state when it comes to resource exploration and extraction. Call out China’s legal and policy inconsistencies in the Arctic and the distinct “say-do” mismatch. Question the disparate legal and diplomatic logic of Chinese inconsistencies between jurisdictional exceptionalism in the SCS vis-à-vis the Arctic. Cite China’s Arctic approach as another example of Beijing egregiously interpreting international laws and creating questionable legal concepts to advance its strategic interests.

**What If**

For contingency planning purposes, let us consider a future scenario wherein the United States averts the dystopian future described at the beginning of this article but finds itself in a contested operating environment similar to what it faces in the SCS today. In that case, how best might America operationally counter Chinese gray-zone activities in the contested Arctic? The current situation offers some key operational considerations for future Arctic operations. The United States and its allies should make it known that the Chinese Coast Guard and maritime militias are legitimate military targets should they engage in acts of war. The goal is to strip away their masks of legal ambiguity that afford the PLA Navy operational and tactical advantages.

Posture US forces, particularly the US Coast Guard, to asymmetrically deal with the Chinese Coast Guard and maritime militias in terms of training, tactics, and equipment. Train US forces more and better in sustained Arctic and counter gray-zone operations. Develop appropriate law enforcement procedures and rules of engagement for interaction with the Chinese paramilitaries across the continuum of conflict. Equip US forces with more nonkinetic capabilities to better counter gray-zone operations and better recording equipment to document more gray-zone activities for the courts of international law and public opinion.

Advance shared situational awareness of Arctic activities to promote transparency, enable collective response, and strengthen deterrence against Chinese activities below the threshold of armed conflict. Persistent maritime domain aware-
ness gives pause to Beijing if it knows that it is being monitored and that its actions are attributable. Put simply, countries cannot act collectively without first knowing what, how, where, and when to act.

**Must Act Now**

At the end of the day, it is quite clear that the status quo or retrenchment in the Arctic will have grave consequences for the United States, its allies and partners, and the region. It is also equally clear that Washington must act now to turn the tides in the Arctic and avert a dystopian future where Beijing exercises either overt or tacit maritime superiority over the Arctic’s strategic waterways. The proposals outlined above provide a wide range of options but must be initiated now to increase the likelihood of success. Otherwise, the Arctic Ocean may become a future colder version of the SCS, with China dictating who may transit, extract resources, and conduct commercial and military activities in the Arctic environs.²⁸

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**Notes**


20. Doshi, Dale-Huang, and Zhang, “Northern Expedition.”


24. Doshi, Dale-Huang, and Zhang, “Northern Expedition.”

25. Doshi, Dale-Huang, and Zhang, “Northern Expedition.”


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