

Great Powers, Greenland, and Geostrategic Competition in the Arctic

Main Takeaways:

Geostrategic and commercial Arctic dynamics bring renewed focus on whether the United States should ratify the Law of the Sea Treaty.

Russia's approach to sovereignty and to shipping prices and security in the Arctic needs to be watched, but its concern about China's growing role creates opportunities for cooperation with Western Arctic states.

China is establishing a strategic foothold in the Arctic that can be used to upgrade its future presence across a wide range of commercial, strategic and scientific sectors.

Greenland is open for business but is aware of the security aspects which necessitates putting in place mechanisms such as investment screening and remaining a close partner of the United States and a NATO member.

Arctic research plays a key role in influencing the geopolitical dynamics of the region, facilitating cooperation between states that have serious conflicts.

Summaries of the Participants Remarks:

Patrick Cronin, who holds the Asia-Pacific Security Chair at Hudson Institute, pointed out that the **United States** so far has failed to understand the geostrategic importance of the Arctic as the polar ice melts, changing the commercial, energy, environmental, military and law enforcement dynamics between resident and external powers in the Arctic.

Kathryn Lavelle, Professor at Case Western Reserve University, points out that the melting polar ice challenges the idea that territory is fixed at a time when the Arctic states Denmark, Canada and Russia have competing claims to territory and maritime zones. In addition, changing weather patterns due to climate change alter the regional commercial and strategic dynamics. The idea of the Arctic as a zone of peace is challenged by new opportunities for pursuing opportunities in shipping as new sea routes open up, in natural resources as they become financially viable to exploit, and in scientific research which at times have dual-use qualities playing into regional geostrategic dynamics. The geostrategic and commercial developments bring renewed interest to the process of **ratification of the Law of the Sea Treaty**. The Arctic Council was not established by a treaty and hence is not really an international organization with state membership as we ordinarily think of it and it is explicitly prohibited from engaging in military affairs. The Arctic Council is decentralized and works effectively on scientific research through working groups. Despite the sanctions against Russia, it has been able to continue to operate.

Stacy R. Closson, Wilson Center Global Fellow, argues that **Russia** has a lot riding in the Arctic in pursuit of great power. Russia's long-term strategic aim is to gain as much control geostrategically and over waterways and resources as possible. Russia has at least a fifth of

the Arctic Circle landmass. Russia has two-thirds of the Arctic population and one-third of Russia's landmass is Arctic. The Northern Sea Fleet based in the Arctic is Russia's largest with critical access to the Atlantic Ocean. The Northern Sea Fleet's tactical nuclear weapons and strategic submarines provide strategic nuclear defense and deterrence and therefore most of its bases are in the Western part of the Arctic. Russia's military presence is also meant to protect its oil and gas interests and in minerals such as gold, diamonds, platinum and rare earths. Russia estimates that in future 22 percent of its GDP will come from the Arctic.

Russia is trying to change Arctic challenges into advantages. One challenge is that the other Arctic states are NATO members or EU member states or both (Denmark/Greenland/Faroe Islands, the United States, Canada, Norway, Finland, Iceland, Sweden), but Russia is not, and it sees NATO as the No. 1 threat in the Arctic. However, Russia has cooperated with these countries on search & rescue, oil spill response, polar codes for navigation in its waters and fisheries. Russia experiences population flight from the Arctic but Russia's efforts to combine economic and military development of the Arctic is its strategy for bringing in people to the Arctic.

We need to be aware of Russian tactics in the Arctic. Russia is pursuing a disinformation campaign on the sovereignty of Svalbard and Spitsbergen which is Norwegian territory but allows states that signed the 1920 Svalbard Treaty to pursue scientific and economic interests. On the Northern Sea Route, only Russia thinks it is internal waters, no one else does. China pays approximately half a million US dollars per transit which may create a precedent for high costs to use the Northern Sea Route.

Opportunities for cooperation with Russia in the Arctic persist because Russia needs partners and it is not entirely convinced that China is the best partner. There is some talk of encouraging a St. Lawrence type of international seaway in the Arctic, and Russia might be interested because it is skeptical of a Chinese polar silk road. Offshore oil and gas production cooperation have been restricted by Western sanctions, but France, Japan and China are cooperating with Russia now on gas projects and perhaps other states should consider the same.

Liselotte Odgaard, Hudson Institute Senior Fellow, argues that **China's** current Arctic presence is limited. However, China is establishing a strategic foothold that can be used to upgrade its future presence across a wide range of commercial, strategic and scientific sectors. Chinese interest in investments in abandoned naval bases, rare earths, and energy resources are examples of this strategic approach.

At present, China's predominantly commercial and scientific interests are in the exploratory phase and these interests would be damaged if China were to attempt to play a major geostrategic role at a time where much criticism of China's Belt and Road Initiative is emerging and its relations with Russia is watched with concern. At present, China backs out when there is a risk that it becomes entangled in Russia's geopolitical agenda.

The fact that China is entering the Arctic at this sensitive time gives other actors good opportunities to influence the trajectory of China's future engagement. For example, China

was not allowed to buy the abandoned naval base in Grønneidal in Greenland. China backed out quietly rather than retaliate or make public complaints because it has an interest in not being seen as a disruptive and threatening Arctic actor at present. China's tendency to sign on to agreements and then fail to comply with them in practice needs to be watched. For example, for now China has agreed to a fisheries moratorium in regional high seas to obtain the right to conduct scientific research in the Arctic, but it needs to be watched if China sticks to the agreement in future. China's tendency to revise institutions and norms from within to better suit Chinese interests has set a worrying precedent for its institutional engagement in the Arctic.

Inuuteq Holm Olsen, Minister Plenipotentiary and Head of Representation for **Greenland** at the Danish Embassy in Washington, D.C., argues that there has been a shift in the United States from an environmental and climate focus to a much more security related focus in the Arctic. Greenland welcomes the greater US governmental cooperation we have at present, which entails expanding cooperation beyond the military sector to include trade, energy, minerals and the reopening of the US consulate in Greenland's capital Nuuk. Indeed, the United States and Greenland have signed agreements to promote rare earths and energy cooperation.

At present, Greenland is very dependent on fisheries for its export, and we are very interested in diversifying into other sectors, such as minerals, energy, tourism, hydropower and sand and we need better infrastructure to do this. In the minerals sector, progress has been made, two mines are open now and we would like to see more of this. We are committed to seek mutually beneficial development of relations, including alliance relations, with the United States. As an independent country, Greenland will become a NATO member. Three new airports are being built in Greenland, and we are looking at the possibility of dual military-civilian use in at least one of them together with the United States.

Greenland is open for business. Our main trade partners are in Europe and Asia, but we would like to expand trade relations with our Western neighbors. This is quite natural since geographically we are located in North America. There has been a lot of hype about China's engagement in Greenland, which goes back a decade. Our most important relationship with China is in our fisheries exports, which amounts to about 200 million US dollars annually. In the mining sector, Canada and Australia have the most licenses in Greenland. These companies are responsible for developing the business case, raising the money, finding buyers, developing the necessary infrastructure, so we have the rules and regulations, but the companies themselves find the capital.

We are open for business, but we are aware of the security risks when dealing with critical sectors, which is why an investment screening mechanism is being developed with Denmark and I believe with the EU setting as well. It is important for us that the Arctic remains a region of low tension and cooperation. The Arctic used to be isolated, but now it is part of the global trading system.

In 2018, the Arctic Five (the United States, Russia, Denmark/Greenland/Faroe Islands, Norway, Canada) reiterated their commitment to the 2008 Ilulissat Declaration which entails resolving issues through negotiation and in respect for international law. Multilateral

cooperation on Arctic issues is quite important for all of us to facilitate sustainable development. For military affairs, we have the Arctic Coastguard Forum which includes also Russia, but I am not optimistic in terms of expanding the role of the Arctic Council to encompass geopolitical dynamics.

Greenland began the process of self-termination in 1979 and it was expanded with the self-rule act in 2009 that determines the relationship between Denmark and Greenland, including the secession process so it is a well-known issue that in the long term Greenland seeks independence or to come to a point where we can take a decision on that issue. Denmark respects that. We are not focused on the number of years it takes, but more on the process of gradually taking over more and more areas and this has been going on for more than 40 years. Most of Greenland's parliament is for independence, we know of only one party who is against it and it has only one member. An independent Greenland will remain a close US ally.

John Farrell, Executive Director of **the U.S. Arctic Research Commission**, argues that science gives us information that informs geopolitical decisions. The Arctic Ocean is opening and military as well as commercial actors have recognized that it will give access to resources, fish stocks and new trade routes. So science is just one of the inputs to policy making. Science usually has the first word on everything and the last word on nothing so we give input but we don't make the final decisions.

There has been White House engagement on Arctic research at a very senior level in this and previous administrations. Two weeks ago there was a meeting in the White House chaired by the Director of the National Science Foundation and had very senior folks from 14 agencies including the head of the Office of Science and Technology Policy, Kelvin Droegemeier, this group puts together a five year plan on Arctic research with a budget of approximately 500 million US dollars annually from the different agencies, and they met two weeks ago to formulate the next five year plan for 2022-27.

I represent a very small agency called the US Arctic Research Commission, we are very much linked to the group of people just described. We were created in 1984 through the Arctic Research and Policy Act and our primary role is to provide advice to the President and Congress on what the nation should focus on with respect to Arctic research on a biannual basis and this information can be found on arctic.gov in a report called Goals and Objectives.

We develop Arctic research policy and foster domestic and international coordination and we review federal programs. We have five goals in this report: 1) how to build and design military and civilian Arctic infrastructure, DoD is funding projects on how we can build infrastructure that lasts 20-40 years in the Arctic, it is of great importance to place like Thule Airforce base and to other bases across the Arctic, 2) assess what the nation has in terms of Arctic resources, 3) environmental change, 4) Arctic human health research, 5) international scientific cooperation. So the process is that we release this report, it goes to the IARPC group of 14 agencies who makes recommendations on which money to spend on what by making a program plan, and that goes into the president's budget, and then we report to congress how well the program plan matches the president's budget so it is a powerful thing the commission has the opportunity to do.

Since the Obama administration in 2016, we have had Arctic Science Ministerials where ministerial level personnel, such as the head of the National Science Foundation in the US, show up from 26 countries to find out how they can work together to pursue Arctic research projects. Japan with Iceland will host the next meeting in 2020.

China's Arctic research is still relatively small and is not near to what the US spends but it is increasing very rapidly compared to other nations. China wants to increase capacity. China sees science as an acceptable normative way of participating in the Arctic as a non-Arctic nation. They have done a good job of cooperating with international partners on a variety of projects, such as the MOSAiC project of freezing a ship into the Arctic. China will participate in resupplying this ship. China is also party to the Central Arctic Ocean fisheries agreement. They have a research station in Svalbard, they have a research icebreaker and they just delivered another one in July 2019. There is discussion of China having a nuclear powered icebreaker in future. The claim that China is a near-Arctic state can be justified in at least one area, that of the changing jetstream which is becoming more wavy and this increases the smog level in China. Other areas such as the Himalayas are also affected by the Arctic climate.

Speakers

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<https://www.hudson.org/events/1721-great-powers-greenland-and-geostrategic-competition-in-the-arctic92019>