Conflict, Competition, or Cooperation in the Arctic?

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The Arctic states all agree that “peaceful cooperation” is critical to regional stability; however, none reject the possibility of future conflict. The Arctic occupies a central position within Russia’s foreign policy, and Russia has become the dominant regional power. Concerned by Russia’s build up, the other Arctic Nations are strengthening their Arctic capabilities. There are three issues poised to become future regional flash points: competition over strategic resources, challenges to maritime control, and antagonistic geopolitical balancing. Growing regional uncertainty threatens the historically cooperative relationships in the North. In response, the United States must shed the title of the ‘reluctant Artic power’ and lead the effort to increase cooperation. Operationalizing the U.S. Arctic strategy will take time and resources, but it is necessary to mitigate the threat of miscalculations that could lead to future conflict. Increased security cooperation is possible by establishing a viable international security forum, increasing transparency, and defining the acceptable range of military actions and arms in the High North.
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Abstract

The Arctic states all agree that “peaceful cooperation” is critical to regional stability; however, none reject the possibility of future conflict. The Arctic occupies a central position within Russia’s foreign policy, and Russia has become the dominant regional power. Concerned by Russia’s build up, the other Arctic Nations are strengthening their Arctic capabilities. There are three issues poised to become future regional flash points: competition over strategic resources, challenges to maritime control, and antagonistic geopolitical balancing. Growing regional uncertainty threatens the historically cooperative relationships in the North. In response, the United States must shed the title of the ‘reluctant Artic power’ and lead the effort to increase cooperation. Operationalizing the U.S. Arctic strategy will take time and resources, but it is necessary to mitigate the threat of miscalculations that could lead to future conflict. Increased security cooperation is possible by establishing a viable international security forum, increasing transparency, and defining the acceptable range of military actions and arms in the High North.
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The community and interrelationship of the interests of our entire world is felt in the northern part of the globe, in the Arctic, perhaps more than anywhere else.

— Mikhail Gorbachev

On October 1, 1987, President Mikhail Gorbachev conferred the honorific title “Hero City” on Murmansk for its perseverance during World War II. He used the backdrop of conflict in the symbolic capital of Russia’s Arctic to introduce the Murmansk Initiative, a set of comprehensive measures designed to change the Cold War dynamics of the High North. Gorbachev’s initiatives proposed sweeping changes to Arctic military presence and international cooperation because he saw an “immense potential for nuclear destruction concentrated aboard submarines and surface ships [that] affects the political climate of the entire world.”

His goal was nothing short of transforming the Cold War’s central nuclear theater into a region of international cooperation and dialog. Gorbachev called for a radical lowering of military confrontation in the region: “Let the North of the globe, the Arctic, become a zone of peace. Let the North Pole be a pole of peace.” His security initiatives included establishing a nuclear free zone in Northern Europe and restricting naval activity in the waters of the Arctic Ocean. Gorbachev also championed the peaceful development of Arctic resources, cooperative scientific research, and environmental protection. Ultimately, Gorbachev’s aim was to persuade the Arctic nations to “conduct affairs so that the climate here is determined by the warm gulfstream of the European process and not by the polar chill of accumulated suspicions and prejudices.”

Less than four years after Gorbachev’s visit to Murmansk, many of his ideas become reality—not by choice, but by circumstance—with the collapse of the Soviet
Union. The Murmansk Initiative laid the foundation for an unprecedented level of cooperation in the Arctic as the front lines of the Cold War gave way to cooperative institutions such as the Barents Euro-Arctic Council, the Nordic Council of Ministers, and the Arctic Council. Unfortunately, principles born of circumstance are rarely permanent, and 30 years later Gorbachev’s ‘polar chill’ can be felt in the Arctic once again. Unprecedented climate change coupled with global energy anxiety and geopolitical uncertainty have renewed strategic interest in the region. Each of the Arctic nations has pledged peaceful cooperation in the Arctic; however, none reject the possibility of future conflict. While far from the centers of violent conflict in other parts of the world, the Arctic is “a highly dynamic global frontier region, where states vigorously pursue their national interest, often in a manner that indicates they are uncertain about the long-term intentions of their neighbors.”5 Russian actions are at the heart of the uncertainty around the Arctic Circle.

Although Russia’s Arctic strategy has changed over time, the region’s central role in Russian policy has not, and that is the key to understanding the trajectory of international relations in the North. This trajectory is elevating three issues that could become regional flash points: competition over strategic resources, challenges to maritime control, and antagonistic geopolitical balancing. To address these issues, the United States must exercise true leadership in the High North and aggressively operationalize its Arctic strategy in order to “ensure the Arctic is a stable, secure region where U.S. national interests are safeguarded and the homeland is protected.”6 Conflict in the Arctic is not inevitable, but could quickly become reality if the dominant powers do nothing. To mitigate this risk, the United States and Russia must agree to establish a
cooperative security forum to resolve Arctic disputes, increase regional transparency, and define acceptable military presence in the Arctic. Understanding how history, geography and economics have shaped Russia’s Arctic policy over time is the key to understanding its Arctic perspective and why that perspective is so different from that of the United States.

Figure 1. The Arctic States
History and Perspective

Contemporary headlines such as “East vs. West in the Arctic Circle”⁸ and “A New Race for the Arctic”⁹ seem to predict an inevitable clash between Russia and the Euro-Atlantic community in the High North. Most people blame climate change; however, geopolitical turmoil and uncertain energy futures have historically boosted strategic interest in the Arctic. Unlike its polar opposite, the Arctic has a rich history of human presence, exploration, scientific cooperation, and military confrontation dating to Greek and Viking eras. The earliest European explorers set out to discover a sea route linking Europe and China through the Arctic Ocean. Exploration led to discovery, and discovery ultimately resulted in claims of sovereignty. Russian Tsar Alexander I initiated the Arctic land grab in 1821 when he issued a decree extending Russian sovereignty over everything stretching from the pole to the 51st degree of north latitude and declaring a 100-mile exclusion zone around its territorial possessions. As the 19th century gave way to the 20th, war replaced exploration as the primary catalyst revealing the strategic value of the Arctic, and often the Russians learned the most severe lessons.¹⁰

Defeat in the Russo-Japanese War, withdrawal from World War I, and the Russian Revolution all highlighted Russia’s exposed Arctic flank. These lessons led to Russia’s 1920 Svalbard treaty with Norway and its 1926 decree that all “lands and islands [in the Arctic], both discovered and which may be discovered in the future…are proclaimed territory of the USSR.”¹¹ World War II once again exposed Russia’s northern vulnerability when Germany launched OPERATION WESERÜBUNG against Denmark and Norway in April 1940, followed by OPERATION SILVER FOX against Russia in June 1941. SILVER FOX’s objective was to capture Murmansk and deny its vital year-round port to Allied resupply efforts. Russia would defend Murmansk until 1944 when
the Germans retreated to Norway. This was the steadfast defense that earned Murmansk the title of “Hero City,” and that Gorbachev memorialized when he spoke of the historical experience which cost Murmansk dearly.\textsuperscript{12} In contrast to Russia’s wartime experience, science would underpin America’s Arctic perspective.

The United States became an Arctic nation in 1867 when it purchased Alaska from Tsar Alexander II, and quickly became the leading scientific force in the region. U.S. polar explorer Robert E. Peary laid claim to the North Pole in 1909 and announced his success to President Taft by telegraphing: “Have honor of placing North Pole at your disposal.” Taft established U.S. Arctic policy for the next 85 years when he replied, “Thanks for your interesting and generous offer. I do not know exactly what I could do with it.”\textsuperscript{13} Even after General Billy Mitchell called Alaska the “most important strategic place in the world,”\textsuperscript{14} America failed to grasp the importance of “Seward’s Folly,” and the Arctic would remain far from the top of Washington’s foreign policy agenda. Unlike Canada and Russia, the U.S. share of the Arctic is relatively small and the region has traditionally not been used for identity-building purposes.\textsuperscript{15} Russia’s “historic Arctic narrative—both of man conquering the forces of nature and the relentless focus to achieve military and industrial progress—is a source of national pride and identity.”\textsuperscript{16} Canadian Prime Minister Steven Harper referred to the Arctic as “an expression of our deepest aspirations, our sense of exploration, the beauty and bounty of our land, and our limitless potential.”\textsuperscript{17}

After the World War II allies parted ways, the Arctic became one of the central theaters of the ensuing Cold War as the United States and Soviet Union entered a new era of confrontation. During the Cold War, the Arctic provided access to the Atlantic and...
Pacific Oceans and would become the lynchpin for control of the Euro-Atlantic sea lanes of communication in the event of an all-out war for Europe. As a result, the Arctic quickly became the primary theater for the movement and deployment of Soviet and American sea based nuclear forces. The Soviet Northern Fleet headquartered in Severomorsk on the strategically vital Kola Peninsula became home to two-thirds of the Kremlin’s sea-based nuclear deterrence. Together American nuclear submarines and the Soviet Northern Fleet created one of “the most heavily militarized regions in the world.” Then, on December 26, 1991, the Soviet Union ceased to exist and the future of the Arctic changed overnight.

As the Northern Fleet fell victim to Russia’s fiscal meltdown and the Soviet nuclear threat receded, “the Arctic lost most of its strategic military purpose and U.S. foreign policy interest.” NATO slashed its military presence in the Arctic, and Cold War antagonism gave way to high levels of environmental, social, and even military cooperation. This new level of polar cooperation contributed to the creation of the Barents Euro-Arctic Council in 1993 (Denmark, Finland, Iceland, Norway, Russia, Sweden, and the European Commission), and the Arctic Council in 1996 (all eight Arctic nations [see Figure 1], six indigenous peoples organizations, and several non-Arctic observer countries). Today the Arctic Council is the preeminent international forum whose objective is to promote cooperation, coordination and interaction among the Arctic states on common Arctic issues. As the 20th century gave way to the 21st, the Arctic would prove to be no less dynamic with the advent of the most significant environmental and geopolitical changes in Arctic history. The region’s growing strategic value is one of the driving forces behind these changes.
The United States Geographic Survey estimates that the Arctic contains 13 percent of the world’s known oil reserves and more than 30 percent of the remaining natural gas. The region’s undiscovered potential is even more staggering, with an estimated 412 billion barrels of oil waiting to be discovered in Russia’s Arctic territory alone.\(^{23}\) As of 2014, ten percent of the oil and 25 percent of the natural gas consumed world-wide originated in the Arctic. Of those amounts, 80 percent of the oil and 99 percent of the gas come from Russia.\(^{24}\) In addition to oil and gas, Arctic fisheries produce ten percent of the world’s catch. Timber reserves, minerals, and coal deposits are also found in abundance throughout the High North.\(^{25}\) Even the much smaller U.S. Arctic territory holds an estimated 30 billion barrels of oil, 220 trillion cubic feet of natural gas, rare earth minerals, and renewable wind, tidal, and geothermal energy resources that could be worth trillions of dollars.\(^{26}\) It is easy to see why the Arctic is so important to Russia and its future, and why it should be more prominent in U.S. policy.

Russia’s Arctic zone spans eleven time zones from Norway to the United States. Combined, Russia’s Arctic and sub-Arctic zones encompass more than 60 percent of Russian territory and would be the world’s largest country if they formed an independent state.\(^{27}\) Home to one percent of Russia’s population, the Russian Arctic Zone accounts for approximately 11 percent of its gross domestic product, 22 percent of its export revenue, 95 percent of its total gas production, and 70 percent of its national oil production. In addition to oil and gas infrastructure, Russia’s Arctic territory is the most nuclearized area in the world--home to significant civilian and military nuclear infrastructure. Finally, Russia’s Northern Sea Route (NSR), the more accessible and potentially more profitable cousin of the fabled Northwest Passage, transits Russian
Arctic waters. Because the Arctic is so important to Russia, it has rapidly become the dominant power north of the Arctic Circle.

Russia’s Arctic Strategy

In 1939 Winston Churchill said of his World War II ally, “I cannot forecast to you the action of Russia. It is a riddle, wrapped in a mystery, inside an enigma.” Churchill’s advice was to examine historic Russian interests. Understanding Russia’s present-day ambitions in the Arctic is no different. While Russia has always looked north, “the record-breaking reduction in Arctic Sea ice [in 2007]…acted as a critical juncture in terms of the formulation of Russia’s Arctic policy.” This reduction caught most Arctic states off guard, and Russia moved quickly to establish its formal Arctic strategy. In September 2008, President Dmitry Medvedev approved Russia’s “State Policy in the Arctic.” President Vladimir Putin updated the “State Policy” in 2013, and released updates to Russia’s military doctrine and national security strategy in 2014 and 2015. Together these documents illuminated significant shifts in Russia’s Arctic strategy.

Russia’s “State Policy in the Arctic” lists four national interests: 1) Promote the use of Russia’s Arctic Zone as a strategic resource base to enable social and economic development within the country, 2) maintain the Arctic as a zone of peace and cooperation, 3) preserve the Arctic’s unique ecological systems, and 4) improve the Northern Sea Route as a national and international transportation route. Associated with these national interests are six objectives that promote economic development, military security, environmental security, information technologies and communication, science and technology, and international cooperation. Russia’s strategy also details the ways to achieve their objectives such as using international law to delimit maritime boundaries, creating a regional search and rescue system, strengthening bilateral ties
within the Arctic Council and Barents Euro-Arctic Regional Council, and modernizing Arctic infrastructure. Russia’s published strategy is similar to those of the other Arctic nations in most respects, and none of its interests, objectives, or priorities appear out of the norm. Collectively the Arctic states all highlight the importance of protecting the polar environment, strive for increased cooperation, and identify the need develop better Arctic governance mechanisms. Unique to Russia’s position is the use of military force to maintain “a favorable operative regime in the Arctic zone of the Russian Federation, including…a necessary fighting potential of…the Armed Forces.” Despite their stated intentions in the High North, understanding Russia’s contemporary strategy in the Arctic remains challenging.

While internal and external pressures have forced Russia to periodically modify their strategy, the Kremlin’s overarching policy has actually “displayed remarkable continuity over the years.” Putin’s singular objective for Russia is the restoration of its great power status. Due to the importance of the Arctic as Russia’s strategic resource base, “Arctic security issues cannot be separated from the larger context of global security,” and Russia’s behavior in the Arctic “will be shaped by its great power aspirations, its relationship with other great powers both in the Arctic and outside of it and the resources available to the Russian state.” Russia has three inter-connected foreign policy objectives that converge in the Arctic. The first is to gain recognition of Russia’s traditional spheres of privileged influence by NATO and the international community. The second is to weaken NATO cohesion and limit the influence of the United States. Third, Russia is dedicated to the “protection and expansion of Russian energy sources and infrastructure [as] the cornerstone of Russian wealth.” To achieve
these objectives, Putin has gradually centralized power within the Kremlin by replacing liberal technocrats with personal allies from the security, defense, and energy sectors. Along with Putin, the goal of those in his inner circle is a “strong state that can reestablish Russia’s greatness internationally and in the region. And, not unimportantly, the thinking is…in geopolitical zero-sum terms on a large scale.”

The second key to deciphering Russia’s strategy is understanding its two-track foreign policy approach that relies on both conflict and the appearance of cooperation. This conflict-cooperation “dichotomy is primarily a question of Russia’s perception of and participation in Arctic international relations.” Putin’s geopolitical zero-sum thinking is emblematic of Russia’s conflict track: “strongly patriotic and partially colored by romantic nationalist rhetoric, which deals with…Russian balance of power and is permeated with notions such as ‘conquest,’ ‘exploring,’ ‘Russia’s greatness,’ ‘struggle,’ and ‘sovereignty.’” The supporters of this track call for “putting power, including military power, behind the national interests in the area.” Russian cooperation is rooted in an “international law-inspired and modernization-focused discourse, which is characterized by words such as negotiation, cooperation, and joint ventures and which has an axiom that the companies and countries operating in the Arctic benefit the most if they cooperate peacefully.” Examples of Russia’s liberal approach are its 2002 and 2015 submissions to the United Nations requesting recognition of an extended continental shelf in the Arctic Ocean. The conflict-cooperation dichotomy maximizes Putin’s flexibility: liberalism protects Russian territory and energy claims through international recognition, while realism justifies unilateral action in the face of frequent hostility from the Euro-Atlantic community. Throughout the last century, the prevailing geopolitical
climate has determined Russia’s foreign policy approach—conflict or cooperation—in the Arctic.

During the Cold War, Russia sought to maintain absolute control over its Arctic waters to ensure the credibility of their nuclear deterrent. When the Soviet Union collapsed, the Northern Fleet was unable to sustain its Soviet-era operational tempo, and between 1991 and 2013 “no more than one or two SSBNs were on patrol at any given moment and occasionally there were periods when no SSBNs were on patrol at all.”44 Russia’s worsening economic crisis, separatist movements along its periphery like Chechnya, and the deterioration of its military might forced President Boris Yeltsin to shift Russia’s focus south and west. Russia’s Arctic strategy became “haphazard and focused primarily on emergency measures to respond to economic and social crises in the region.”45 Putin’s rise to the presidency in 1999 began the process of reestablishing Russia’s position in the Arctic.

Putin’s first presidential term sustained many of the cooperative measures that marked Yeltsin’s tenure, and his approach to the Arctic was “based on principles of market economics with an eye towards ensuring the North became a profitable part of the Russian State.”46 Following several years of strong economic growth (primarily from rising energy prices) during Putin’s second term, “there arose in Russian political circles a feeling that ‘we are back.’ As a great power, mind you.”47 In 2007 Putin used the podium at the Munich Security Conference to challenge the post-Cold War international order. Later that year he marked Russia’s return to the world stage by sending Russia’s leading polar explorer Artur Chilingarov to plant a small flag on the Lomonosov Ridge 14,000 feet beneath the North Pole. While the act was meaningless under international
law, it did serve notice that the geopolitics in the High North were changing. Chilingarov commented that the Arctic historically consisted of “Russian territorial waters and islands [and] now we are recovering it.”

Always critical of Russia’s Arctic ambitions, Canada responded by declaring “This isn’t the 15th Century. You can’t go around the world and just plant flags and say ‘We’re claiming this territory.’”

Putin’s hand-picked successor, Dmitry Medvedev, continued along the parallel tracks of cooperation and conflict. In May 2008 Russia signed the Ilulissat Declaration and “confirmed their commitment to the international legal framework and to the orderly settlement of any possible overlapping claims in the Arctic.” Less than three months later, Russia ignored the international frameworks and invaded Georgia. The subsequent increase in security-first rhetoric quickly echoed throughout the High North. Deputy Prime Minister and head of Russia’s Arctic Commission Dmitry Rogozin stated that the sale of Alaska to the United States was a “betrayal of Russian power status and that Russia has the right to reclaim our lost colonies.” Admiral Nikolai Kudinov concluded that Russia was “doomed to geopolitical confrontation with NATO in the Arctic.” Putin returned to the presidency in 2012 and significantly elevated the status of the Arctic in Russia’s foreign policy.

In August 2012 Putin unveiled his plan to expand Russia’s presence in the Arctic by refurbishing Cold War facilities where possible and building new facilities where required. He ordered the Northern Fleet to resume Arctic SSBN patrols in 2013 (complementing the long-range strategic bomber patrols in place since 2007), and then established the Joint Strategic Command-North in December 2014. From 2013 to 2014, Putin increased the number of nuclear warheads in the region from 1,400 to 2,472, and
by 2015 had moved over 81 percent of Russia’s sea-based nuclear arsenal to the
Northern Fleet.\textsuperscript{54} In addition to building infrastructure and establishing command and
control mechanisms, Moscow moved army, navy, and special operations units to the
Russian Arctic Zone and began to exercise them regularly. \textit{Vostok-14} mobilized over
100,000 troops and included operations in the Arctic. February 2015 saw the first large-
scale nuclear submarine fleet exercise designed to prepare the force to respond to
projected military threats in the Arctic, and to protect regional national interests. A
month later, Putin mobilized the entire Northern Fleet and conducted the largest post-
Soviet Arctic exercise designed to test “preparation for a potential large-scale conflict
with NATO.”\textsuperscript{55}

Despite Moscow’s emphasis on the Arctic, it is Russia’s actions in the near
abroad that worry their Arctic neighbors the most. Russia’s annexation of Crimea and
direct support to Ukrainian separatists “permanently changed relations between Russia
and the international community, including between Russia and NATO,” according to
Norwegian Defense Minister Eriksen Søreide. Norway borders the Kola Peninsula, and
Søreide voiced concern that in a crisis “Russia might seek to gain control over the areas
adjacent to the Kola Peninsula and deny others access”\textsuperscript{56} to protect the Northern Fleet
and Russian strategic interests. In a show of solidarity, the Nordic countries signed a
defense cooperation agreement in March 2015, noting that “Russia’s conduct
represents the gravest challenge to European security,” and that Russia’s leaders “have
shown that they are prepared to make practical and effective use of military means in
order to reach their political goals, even when this involves violating principles of
international law.”\textsuperscript{57} All of Russia’s Arctic neighbors also joined the United States and
imposed additional economic sanctions against the Kremlin. The result is a new reality where “the Arctic has reemerged as a region of geo-political consequence,” and “as the only non-NATO Arctic littoral state, Russia’s approaches to the many disputes in the region will undoubtedly have the greatest bearing on the future security environment.”

Potential Flash Points

Former Supreme Allied Commander Europe Admiral James Stavridis predicted three futures for the Arctic: conflict, competition, or cooperation. While opportunities for cooperation exist, the realities of competition and the potential for conflict are just as real. Writing in 2010, Michael L. Roi (Royal Military College of Canada) predicted that “Russia’s behavior in the Arctic over the next decade and beyond will be shaped by its great power aspirations, its relationship with other great powers both in the Arctic and outside of it and the resources available to the Russian state to support its Arctic ambitions.”

Roi went on to define four trends that will play out globally and will have significant impact in the High North. Russia will continue to impede the United States’ ability to exercise influence globally, and will promote Euro-Atlantic discord by seeking to undermine NATO. The Kremlin will also increasingly assert its national interests in regions vital to survival and prosperity like the Arctic, and will continue to view force as the final guarantor of its vital interests. Based these trends and Russia’s foreign policy objectives, three potential flash points emerge: competition over strategic natural resources, challenges to maritime control, and antagonistic geopolitical balancing.
Strategic Natural Resources

Oil is much more than a commercial commodity in Russia—it is the foundation of their national wealth, a powerful political instrument, and the means “to ensure the continuation of the restoration of Russia’s position as a great power.” Moscow relies on the “proceeds from its oil and gas industry to rebuild its military capability…and influence friend and foe alike with inducements and threats.” Because Russia’s economy is overly dependent on hydrocarbons, market volatility has a significant impact
on their military capabilities. Russia’s “strategic stabilization” fund (largely based on proceeds from the energy sector) nearly doubled between 2007 and 2008. Since then, however, oil prices plummeted from their peak of $154.38 per barrel in June 2008 to $29.01 per barrel in January 2016. As a result, Russia’s top priority has become securing and developing its future strategic resource base. Rapid development is especially important since outputs from Russia’s traditional oil and gas deposits in western Siberia are expected to decline significantly between 2015 and 2030.

Russia’s potential oil wealth in the Arctic is staggering. Approximately 80 percent of the Arctic’s hydrocarbon deposits are found within Russia’s Exclusive Economic Zone (EEZ), with another 17 percent in the EEZs of the remaining littoral states (see Figure 2). Russia’s official positions is that the “existing international legal framework is sufficient to successfully settle all regional issues through negotiations, including the issue of defining the external boundaries of the continental shelf in the Arctic Ocean.” This framework consists of the 1982 United Nations Law of the Sea Convention (UNCLOS) and the UN Commission on the Limits of Costal Shelf (CLCS) for territorial claims and dispute resolution. Of the eight Arctic nations, the United States is the only country that is not a signatory to UNCLOS; however, it has always abided by the “legal framework for the allocation of countries’ Exclusive Economic Zone[s] (EEZ), [and] the apportioning of extended zones on the continental shelves.” The primary obstacles that stand between Russia and Arctic energy resources are not territorial disputes, but rather the global energy market and the U.S.-led sanctions stemming from Russia’s involvement in Ukraine.
Despite the great untapped wealth below the surface of the Arctic Ocean, most of Russia’s Arctic energy reserves are unprofitable as long as oil remains less than $120 per barrel. Even if the global energy market rebounded to early 2008 levels, the “Russian state energy companies Gazprom and Rosneft lack the technology, know-how, and experience to extract oil and gas under the exceedingly difficult environment in the Arctic.”

The fourth round of international sanctions approved by the United Nations “specifically target[ed] Russia’s Arctic energy sector in three key areas: deep sea drilling, Arctic exploration, and shale oil extraction.” Even with significant internal investment and effort, Russian “offshore drilling in the eastern part of the Russian Arctic…is thus an illusion today.” While energy resources in the Arctic are governed by existing legal processes, circumpolar navigation is much less straightforward.

Maritime Control in the Arctic

Eighty-two percent of the Arctic’s maritime domain falls within the EEZs of the littoral states. If these five states chose to restrict traffic in their EEZs, maritime movement through the Arctic Ocean would become nearly impossible. During the Cold War, the Soviet Union’s nuclear doctrine was based on the “bastion” concept—“the SSBN force would be strongest when it could conduct its operations – including missile launches – from relatively secure home waters.” The bastion concept resurfaced with Russia’s resumption of SSBN patrols in 2013, and its maritime assertions that “have increasingly been focused on excluding foreign naval deployments in its arctic sector.”

Despite the deference to international norms and laws with respect to ownership of the Arctic, territorial disputes still exist and even plague fellow NATO members. The 2010 Russia-Norway Delimitation Treaty is demonstrative of international Arctic cooperation; however, the boundary line between Russia and the United States has yet to be
approved by the Russian Duma. Canada and Denmark both claim ownership of Hans Island, and the demarcation of the Beaufort Sea between the United States and Canada remains unresolved. These territorial disagreements are becoming increasingly important (and contentious) as trans-Arctic shipping routes become more accessible.

Melting polar sea ice is increasing access to the Arctic. Between 1979 and 2000, the average extent of year-round ice coverage in the Arctic Ocean was 7 million square miles. By 2012, that number dropped to 3.4 million square miles. This steady downward trend in ice coverage has steadily increased the average number of ice-free days along the circumpolar transit routes (as an example, the period from 1979 to 2007 saw an increase from 84 days to 171).\(^7\) For corporations that ship products from Asia to Europe and North America, these circumpolar routes promise significant monetary savings. The Northern Sea Route (NSR) is almost 4,000 nautical miles shorter and up to 13 days quicker than the typical route through the Suez Canal, which equates to half a million dollars in fuel savings alone for large container ships.\(^7\) In order to regulate and profit from traffic along the NSR, Russia currently asserts control over areas that would typically be considered as the high seas or as territorial waters subject to innocent passage regimes. Canada maintains a similar position on the Northwest Passage, but does not regulate surface transit to the same extent as Russia.\(^7\) The United States, European Union, and (ironically) China dispute Russia’s claim, and assert that international transits are not subject to Russian approval or regulation.

Russia’s Northern Sea Route Administration (NSRA) regulates movement along the NSR. Like the energy sector, Russia’s shipping industry is hamstrung by a myriad of issues. Despite the shorter distance, reduced travel time, and fuel savings, the cost to
move products along the NSR is actually 35 to 60 percent higher than along the southern routes due to the cost of insurance, lack of infrastructure, required use of Russian-owned icebreakers, and limitations on vessel size.\textsuperscript{80} Of the eleven Russian ports along the NSR, only one can handle more than 500,000 tons of cargo per year (mid-sized Chinese ports typically have 400 times that capacity). Moscow mandates the use of Russian icebreakers to escort vessels through the NSR, and the operational cost of the largest nuclear icebreakers exceeds $100,000 per day. These icebreakers only clear a 25-meter wide ice-free lane which limits the size of ships using the NSR to half that of the Panama Canal and one-third that of the Suez Canal. Despite Russian attempts to make the NSR more profitable as the number of ice-free days increase, cargo movement along the NSR actually peaked in 1987 at just over 6.5 million tons\textsuperscript{81} and has steadily decreased to 40,000 tons in 2015.\textsuperscript{82} An average of 48 ships passed through the Suez Canal every day in 2015—the NSR saw 18 transits during the entire 2015 season.\textsuperscript{83} Despite the change in sea ice and the lure of attractive savings, “the Arctic’s unpredictable weather and sparse population mean it’s unlikely to become the next frontier for global container shipping, even if melting sea ice makes its waterways more easily navigable.”\textsuperscript{84}

**Antagonistic Geopolitical Balancing**

‘Antagonistic geopolitical balancing’ is a term borrowed from the *Joint Operating Environment 2035* and describes a context where “powerful and increasingly ambitious adversaries actively work to maximize their own influence while excluding or limiting U.S. influence.”\textsuperscript{85} More so than any of its Arctic neighbors, Russia has embarked on an ambitious program to expand its security posture in the region (see Figure 3). Moscow justifies this unprecedented increase by claiming that it is either in response to NATO
moves or that it is “inward looking, purely defensive, and oriented toward the protection of its legitimate interests.” 86 Given the current prospects for Arctic energy reserves and shipping routes, “it seems questionable that Russia’s extensive force mobilization and the development of new security infrastructure in the Russian Arctic should be justified on the basis of domestic economic activity and an anemic level of international transits.” 87

Russia’s military expansion in the Arctic “suggests that it perceives increasing threats to its national security interests in the region.” 88 The Kremlin’s 2014 military and 2015 maritime doctrines both identify NATO as Russia’s primary security threat. Moscow’s security objectives in the Arctic are two-fold: the first is to ensure sovereign rights, protect its borders and maritime areas, and provide space for strategic deterrence, while the second goal is to maintain its “military balance not only with its Arctic neighbors, but also with countries and alliances beyond the Arctic region.” 89

Strategic nuclear deterrence continues to underpin Russia’s national security policy, and Moscow remains extremely sensitive to anything it believes will weaken the credibility of that deterrence. During his 2016 State of the Nation address, Putin warned “that attempts to break the strategic parity [are] extremely dangerous and can lead to a global catastrophe, one should not forget about it, even for a minute.” 90 The reality that faces the Euro-Atlantic community is that “Russia is back as a geopolitically destabilizing actor…[and] we have returned to balance of power politics where Russia – with increasing frequency – uses military means to achieve its political objectives.” 91
Russia’s actions in Ukraine and Syria have forced the Euro-Atlantic nations to reassess their strategic outlooks on Russia. Following Moscow’s annexation of Crimea, Norway (which lists regional cooperation with Russia as a strategic objective) became one of the first countries to suspend bilateral military ties with Moscow. The remaining NATO and EU countries quickly followed suit. Cooperation has taken a back seat to uncertainty, and while all of the Arctic nations promote regional cooperation, none “exclude the possibility of...disputes in the northern waters and shelf areas...and none are willing to rely on anyone except themselves to protect their northern” sovereignty.

The result is the emergence of a classic security dilemma in what was once the world’s most stable region. If each Arctic nation does not “strengthen [its] military...capabilities in the region, there is risk that other and more powerful actors may try to exploit their
Conversely, by increasing its military capabilities, each nation risks antagonizing its neighbors due to perceptions of intimidation or outright threat. The suspension of military ties throughout the region only increases the risks of misperception and misinterpretation. Given the precarious state of today’s East-West relationships, the risk of “strategic spillover” (conflicts that do not originate in the Arctic but could still impact it) is increasing. Despite rhetorical sparring and tit-for-tat reactions, “uncertainty is not always synonymous with insecurity [and] in the Arctic…there may be ways mitigate the negative effects of [this security] dilemma.”

Cooperation in the High North

Fortunately the Arctic is “somewhat insulated from the ups and downs in Russia’s broader relations with the West [due to]…a concerted effort made by both Russian actors and their international counterparts.” Russia’s invasion of Georgia and the United States’ plan to bolster its missile defense posture in Europe provide examples of significant geopolitical differences that did not derail cooperative efforts in the Arctic. Perhaps because of the “interrelationship of interests” mentioned by President Gorbachev, leaders on both sides of the polar divide “see the Arctic as one of the few areas where cooperation with Russia is a necessity.” Denmark’s Arctic strategy provides a blueprint for future Arctic cooperation: it must be “based on an overall goal of preventing conflicts and avoiding militarization of the Arctic, and actively helping to preserve the Arctic as a region characterized by trust, cooperation and mutually beneficial partnerships.”

To successfully maintain a cooperative environment in the Arctic, the United States must eschew its unofficial title as the “reluctant Arctic Power” and assume a more active international role in the region. The real danger in the High North is not a
scramble for resources or a new “Great Game,” it is an “imbalance of power and of attention… the U.S. government, under the leadership of both Republican and Democratic administrations, has all but ignored the Arctic.” The United States does not need to challenge Russia’s position as the dominant regional power by matching the Kremlin soldier for soldier or ship for ship; however, the United States must generate and maintain the capability to operate in the North’s harsh conditions in order to negotiate from a position of strength. Closing the known capability gaps to generate this capability will take time and resources, but there are three security-related issues that the United States can address with Russia today to maintain regional stability: establish a legitimate cooperative security forum for the Arctic, increase transparency on both sides, and determine the acceptable military actions and arms in the polar regions.

**Cooperative Security**

The Antarctic is governed by international treaty obligations; however, the Arctic lacks a cooperative forum to resolve security-related disagreements. While this approach affords greater sovereignty for each Arctic state, it also increases risk due to the lack of regulated stability. Several different international organizations overlap in the Arctic and there is one common thread that unites them—none have the capability to address the security issues emerging in the Arctic, and “without a framework that encompasses all relevant state actors and is recognized by each party, effectively confronting these challenges is impossible.”

Both Russia and Canada strongly believe “that the international politics of the Arctic are best handled by the Arctic states themselves.” Their position limits the role that bodies such as the United Nations or the Organization for Security and Cooperation in Europe could play. Five of the eight Arctic nations belong to NATO, and both Sweden
and Finland are Partnership for Peace members; however, “NATO’s northern members…don’t have a common perspective on Arctic issues and the role the alliance should play [in the Arctic], they instead follow individual interests in the region.” Like NATO, the Barents Euro-Atlantic Council is not inclusive of all Arctic states. And, while the Arctic Council has become the preeminent Polar forum, both the United States and Russia ensured that it would “not deal with matters related to military security.” Despite this opposition, the Arctic Council is the best place to address Arctic security issues because it is respected across the globe and has the legitimacy among the Arctic nations to establish policy. The Arctic Council consists of six Working Groups that address a range of issues. A seventh ‘Security Working Group’ operating under the auspices of State Department and Foreign Ministry leadership could effectively integrate military leadership and successfully address security issues in the High North.

**Transparency**

Norway’s fundamental strategic objective is to exercise its Arctic sovereignty “in a credible, consistent and predictable way.” Developing and executing a credible, predictable, and transparent strategy in the Arctic is one of the most important steps the United States can take to mitigate the potential mistrust and insecurity that could develop between nations even though none have malign intentions towards the others. NATO and the European Union should adopt Norway’s policy of “reassurance vis-à-vis Russia in the north, emphasizing the non-offensive nature of its defense posture and the need for bilateral cooperation.” While Russia’s involvement in Ukraine and Syria has led NATO countries to suspend military cooperation, there may be opportunities in the Arctic to restart and strengthen former bilateral and multilateral confidence building exercises such as Pomor-2011 (a joint Norwegian-Russian naval
exercise) and Northern Edge (a biennial exercise with Canadian, Norwegian, Danish, United States, and Russian army and air forces).

Another barrier to regional transparency is the U.S. position on UNCLOS. While the United States supports the vast majority of the Convention, concerns over Article 82 (payments related to the exploitation of the continental shelf beyond 200 nautical miles) have prevented the U.S. Senate from ratifying it. In 2008, the Arctic littoral states issued a statement that “firmly rejected any thoughts of an internal regime or outright internationalization of the Arctic, arguing that with UNCLOS an extensive legal framework was already in place.” General Charles H. Jacoby (former Commander of the U.S. Northern Command) told Congress “I continue to support accession to the Law of the Sea Convention, which would give the U.S. a legitimate voice within the Convention’s framework.” General Philip M. Breedlove (former Supreme Allied Commander Europe) also testified that “joining the Convention…gives the United States a seat at the table when rights vital to our national interests are decided. Cooperation among the Arctic states and adherence to the UNCLOS legal framework will deter escalation in the Arctic.” The United States’ opposition to UNCLOS hurts its regional legitimacy and undermines its stance on the diplomatic and peaceful resolution of Arctic issues.

Acceptable Military Action and Arms

Perhaps the most pressing need in the Arctic is to halt the growing security dilemma. In 1987, President Gorbachev called for a nuclear-free northern Europe and a greatly reduced military presence in the Arctic. Unfortunately Gorbachev’s goal is unrealistic because the “region still plays an important role in the nuclear deterrence strategies of Russia and the United States, and all of the Arctic coastal states attach great importance to their economic and national security interests in the region.”
Today’s military presence in the Arctic is increasing; however, it remains considerably lower than it was during the last two decades of the Cold War. It is possible for the Arctic states to safeguard their economic and security interests in the region without falling victim to the security dilemma.

The first step towards stabilizing the Arctic security situation should be the delineation of acceptable military action in the region and the acceptable weapon systems to support those actions. Further, the United States should work with NATO and Russia to encourage and support negotiations to limit both conventional and nuclear forces in the region. Even though Russia suspended its participation in the Conventional Armed Forces in Europe Treaty (CFE), the CFE and “New START” treaties provide examples and potential starting points for negotiation.

Information is becoming an increasingly important tool in national strategy, and the Arctic region is not immune from extreme rhetoric and politicization. The Arctic states make concerted efforts to project a peaceful picture of the region; however, a “vocabulary of conflict and geopolitical competition seems to adhere to the Arctic region.” Russia has effectively “weaponized” information to support its campaigns in Georgia, Ukraine, and Syria; and if used in the Arctic, information operations will increase the level of uncertainty and mistrust. The U.S. Department of Defense’s Arctic Strategy wisely calls for a lowering of political rhetoric and sensational headlines that “may inflame regional tensions [and] efforts to manage disagreement diplomatically may be hindered if the public narrative becomes one of rivalry and conflict.” The Arctic nations must coordinate plans, words, and actions to ensure key audiences understand the efforts to promote security, safety, and defense cooperation. Sergei Lavrov,
Russia’s Foreign Minister, offered a different perspective when he said “Truly this is the battle that never started…we do not share these worrisome prognoses relating to violent conflict of interests in the Arctic.” Russia and the West can collaborate to mitigate rising tensions and security concerns in the Arctic; however, there are black swans that could just as easily dissolve those opportunities.

**Arctic Black Swans**

The Arctic is a stable region, especially when compared to other areas around the globe. Even though it is a region characterized by peace and cooperation, it is not immune to worsening relations between East and West. There are several situations that could unfold with little warning and reshape the geopolitical reality of the High North. One of the biggest checks on Moscow’s Arctic aspirations is the sanctions regime that cripples the Russian hydrocarbon industry. While support for the sanctions appears solid, they are subject to the political and economic considerations of those who impose them. Russia’s war in Georgia serves as a painful reminder that “the EU is quick to forget the fine principles and preferably will turn back to business as usual as soon as the opportunity presents itself.” Because the sanctions block Western companies from providing Russia with badly needed expertise and capital investment, “one of the Kremlin’s hopes is that Chinese-Russian cooperation can take over where the Western-Russian Cooperation has shut down.” While China may provide much needed assistance, Moscow remains leery of China’s growing influence and that will likely “limit the prospect of a common Sino-Russian approach…[since authoritarian leaders] frequently preferred their national interests to their ideological commitments.” Even if Russia does not trust Chinese support, other nations such as Brazil with its deep
water drilling expertise, or South Korea and Japan with their icebreakers, could reach destabilizing agreements with Russia.

Other events could be equally destabilizing. Another Russian-backed conflict or the “thawing” of one of Russia’s frozen conflicts would significantly change the geopolitical calculus of both Russia and NATO. Greenland continues to negotiate greater autonomy from Denmark, and independence would change the players in the Arctic. An independent Greenland would be able to negotiate foreign relationships independent of Danish policy, and the United States would have to renegotiate treaties and access. Given Chinese interest in Greenland, independence could give China the Arctic foothold they are actively seeking. Similarly, an unexpected decision from the United Nations on continental shelf rulings either for or against a nation with outstanding claims in the Arctic, or the opening of Arctic affairs to a larger international body could change the current actions of Arctic players. The final black swans are economic.

With oil and gas prices near all-time lows, a radical upward shift in the world energy market would certainly benefit Russia. If oil returns to the $100 - $120 per barrel range, Russia’s economy will strengthen, its GDP will increase, and the world could see a return to 2008-2012 advances in Russia. The scientific community continues to struggle to fully understand the potential timeline and impacts of climate change and “significant uncertainty remains about the rate and extent of the effects of climate change, including climate variability, in the Arctic.” The changes that occurred in 2007 alone shocked the world. Failure to foresee future change could have a significant impact on the ability of world states to operate in the region.
Conclusion

While today’s tensions in the Arctic are far less than the supercharged environments that led to World War I and World War II, it is clear that powder kegs exist below the relatively placid diplomatic surface. Fortunately all of the Arctic nations have confirmed their “commitment to the principles of the Ottawa Declaration, to work together and with the indigenous Permanent Participants, and to promote prosperity, development, and environmental sustainability for the benefit of generations to come.”

However, given the current issues in the Arctic and the possibility of sudden, unforeseen change, improving the prosperity, development, and environmental sustainability may not be enough to maintain regional stability.

Despite Moscow’s pledge to operate within the spirit of the Ilulissat Declaration, the Kremlin continues “to place importance on the Arctic as a theater of military operations,” and the Euro-Atlantic community must remain wary of Russia’s military intentions. General Breedlove voiced NATO’s concerns when he said, “Russia does not share common security objectives with the West…Russia’s behavior in the Arctic is increasingly troubling [and]…stands in stark contrast to the conduct of the seven other Arctic nations.” Fortunately, the United States enjoys a level of multinational cooperation in the Arctic that helps to mitigate contemporary threats while buying time for the United States to increase its regional operational capability. But even with these levels of cooperation, the Arctic community must make efforts to prevent the powder kegs represented by strategic resources, maritime control, and geopolitical balancing from exploding.

Admiral William Gortney, as the head of USNORTHCOM, said that the Arctic “represents the intersection between geography and interest.” These shared interests
provide an opportunity for Moscow and Washington to safeguard the long-term stability of the Arctic. Key to continued regional cooperation is establishing an accepted cooperative security mechanism to address those issues that could invite a military solution. All states can reduce the uncertainty that drives the security dilemma by increasing transparency and not engaging in a blind arms race to see which side can outdo the other. Finally, active measures taken to limit military presence, actions, and arms will prevent local accidents from becoming global catastrophes. By addressing these issues today, the Arctic states can maintain the regional stability that benefits all. Former U.S. Secretary of Defense Charles Hagel acknowledged that we will determine the future of the Arctic for better or worse: “Throughout human history, mankind has raced to discover the next frontier. And time after time, discovery was swiftly followed by conflict. We cannot erase this history. But we can assure history does not repeat itself in the Arctic.”

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