PERCEPTION OF THE SITUATION IN THE ARCTIC BY KEY ACTORS AND THE POSSIBILITY OF CONFLICT ESCALATION

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Abstract

This article focuses on the perception of the situation in the Arctic by key actors. The authors reach the conclusion that the situation in the Arctic is characterized by deepening cooperation. Peaceful development is furthermore supported by a complex network of institutionalized relations and the fact that all territorial disputes so far have been resolved peacefully. The most important question about the near future will thus rest in the distribution of competences between the involved institutions and states. This will eventually lead to the convergence of the interests of the Arctic five who wish to maintain their dominant position in the region. If conflicts escalate, they would most likely only result in limited confrontations and not in a grave crisis, much less war.

Keywords

Arctic, key actors, perception of the situation, conflict escalation

1. INTRODUCTION

Arctic issues have recently become a focus for researchers, political commentators, and politicians. A considerable part of writing about this area from journalists is resorting to expressions in their texts such as the “impending conflict in the Arctic” or a “new round of the Cold War.” At the same time, these articles and statements often speculate about an open armed
conflict scenario. However, before we carry on in our deliberations, it is necessary to define the key terms – “conflict” and “the Arctic.”

For the objectives of this analysis, conflict can be defined as follows: it is a social situation involving at least two actors where mutually incompatible interests of these actors are identifiable and this incompatibility is expressed by at least one of the parties externally. We will therefore strictly separate conflict from its various forms.

Concerning the definition of the Arctic, according to Hoel there are three commonly used definitions: a) the region north of the Arctic Circle (i.e. 66°32´ latitude north); b) the region north of the 10°C isotherm set for July; c) a broader definition utilized in the Arctic Human Development Report. We define the Arctic as the area north of the Arctic Circle. The states whose shores are bounded by the waters of the Arctic Ocean are then considered as Arctic states – the Russian Federation, the USA, Canada, Denmark (Greenland), and Norway. Finland, Sweden, and Iceland are sometimes also referred to as Arctic states due to their membership in the Arctic Council. We will nevertheless concentrate on the first five.

The risk of tension escalation and fear of an impending conflict in the Arctic are currently being discussed by both academic experts and official political representatives. In its January 2008 edition, the respected science journal Nature published an article entitled “The next land rush” which emphasized the possibility of a conflict over the jurisdiction of the vast regions of the Arctic. Scott Borgenson’s article “Arctic Meltdown” from Foreign Affairs is without a doubt one of the most cited and influential papers on the given issue. The article underscores the absence of legal international arrangements in the region and allows for the scenario of armed conflict (2008). The European Union has also accentuated the risk of conflicts over energy sources in the polar region, as well as the possibility of territorial and boundary disputes over the exploitation of mineral resources and new transit routes in the Arctic. Last but not least, the European Union has also called for the protection of community interests in the region.

Concurrent statements of academic researchers and state representatives cannot simply be overlooked. Yet, if we wish to avoid simplified and misleading judgments, similar conclusions can only be made based on a thorough analysis of the entire issue at hand. The aim of this article is to answer the question of how individual key state actors with interests in the Arctic – the Russian Federation, USA, Canada, Denmark, and Norway – perceive the current situation. This will offer a basis for the discussion of theses on the inevitability of conflict escalation. Even though in many international political issues state actors may not be the key actors, in the case of the Arctic region they most certainly are.

2. PERCEPTION OF THE SITUATION IN THE REGION

The specific actions of actors are always the key to the start and the escalation of a conflict. They are closely related to how the given conflict – especially the level of incompatibility – is perceived by the actors involved. Therefore, even though a particular situation can objectively (theoretically) merely exhibit a minor conflict potential, it is only the specific perception of the state that defines the real conflict potential. Also, only the specific actions of states determine the intensity a conflict may reach. In the following chapters, we therefore focus on the involved actors and attempt to define their perception of the current situation in the Arctic. Furthermore, we attempt to analyze the latest developments and specific steps taken by the actors involved.

Our question is whether the states are adopting a rather skeptical approach of realism and classical geopolitics, perceiving the current situation in the region as a zero-sum game, or whether the states perceive the situation in the region as a non-zero-sum game, with a common unifying goal or a problem demanding cooperation. This issue is closely related to the character of state interests, i.e. the question of how important the region is for individual states; whether the involved countries are primarily interested in the wealth of the Arctic or whether the issue rests in prestige
and national security. We can also ask what significance the states attribute to the existing norms and institutional structure, i.e. what is their tendency to proceed rather unilaterally without regard for the given regimes and conventional practice.

2.1 United States

The significance of the Arctic relatively declined after the Cold War in the case of the United States. The attention of Washington was limited to issues related to the state of Alaska. With a grain of salt, one could say that the United States had more important things to do, being a globally engaged superpower. The fact that the last document Washington issued on state strategy and policy in this region is dated 1994 serves as proof. The USA also adopted very reserved positions towards any multilateral projects. The Arctic Council was only established after its proposed competences were significantly reduced. Furthermore, the USA is the only state who has not yet ratified UNCLOS. The current dynamic is, however, considerably changing this rather reserved approach of relying on unilateral steps.

Opinions warning of the continual decline of America’s capacity to advance its interests in the region are appearing ever more often. The joint statement of United States armed forces representatives from the summer of 2008 can serve as an example. A change in this status was also confirmed by the lame-duck President Bush whose last directive, NSPD-66 from January 2009, was concerned with the Arctic.

This strategic document, also embraced as an operative source by the new administration, defines American interests in the region as broad and fundamental. As the priority directive, NSPD-66 names tackling challenges such as environmental protection, crisis management system in case of shipwreck, and many others which cannot be solved through a unilateral approach. However at the same time, the document leaves no room for doubt about the fact that Washington will continue to hold its current positions in the existing conflicts. Freedom of the seas is cited as a top priority and Washington’s position on the Northwest Passage (NWP) thus remains unchanged. The document also openly names other persisting disputes with Canada and the issue of the non-ratified boundary treaty with Russia. The directive accentuates the need to preserve national security. The USA should therefore take steps to ensure its ability to advance its interests in the region.

A clear emphasis on economic potential, the issue of energy security, and the need for environmental protection is especially visible in the section focused on existing disputes. This shows that in the existing disputes the USA is rather interested in the utilization of resources and in other interests which support rather cooperation than conflict. The document unequivocally emphasizes an approach which is in compliance with the existing international legal regime in terms of dispute resolution instruments. UNCLOS is identified as the most effective instrument to achieve the recognition of territorial demands. That is also why its ratification is perceived as a top priority goal confirmed by the new administration through the words of Secretary of State Hillary Clinton. Furthermore, Clinton stressed that the President views the Arctic as an arena offering great potential for cooperation. The fundamental axioms of the document are confirmed by current practice. For instance, the research icebreaker USCGC Healy has been gathering data to confirm continental shelf demands according to Article 76 of UNCLOS since 2003.

At present the USA is thus inclining much more toward the development of cooperation. A unilateral approach is partially blocked by long-term neglected investments into polar capacities. The skeptical position of the new administration toward the missile defense project which stirred considerable controversy (especially from Russia) also plays a significant role. In general, we can therefore assume that the USA prefers a peaceful solution of the disputes and would only adopt unilateral measures, which would escalate tension in the region, as part of a defensive reaction to
the actions of its counterparts. The approaches of Canada and Russia, as the most important counterparts in the exiting disputes, will prove crucial in this respect.

2.1 Canada

Canada’s approach offers a rather different picture. The Arctic represents a long-term high-priority region for Canada. In contrast to the USA, one can find a clear emphasis on national security issues and on the strengthening of national sovereignty in its official documents. The reason for this policy arises through the vast areas of the northern territories and the length of the state polar border – which dramatically increases the demands on security measures. More importantly, the Arctic has traditionally played an important role in the definition of Canadian national identity.

In the words of the Prime Minister Harper, Canadians view themselves as a “northern” nation and the North is as much a part of their own identity as the red maple leaf. Ottawa therefore spoke of the need to maximally increase its polar capacities and presents itself as an Arctic great-power and the leader of other regional states. The victorious election campaign of the current Prime Minister Stephen Harper, which relied heavily on the emphasis of the Arctic theme, can serve as proof. Harper built upon the widely accepted opinion that the government has financially neglected Canadian security interests in the Arctic for a long time and promised the construction of new military vessels, a new military base, and another deep-sea port. He confirmed his commitments after being elected Prime Minister. However, the following criticism of the opposition was interesting; the opposition argued that the proclaimed steps were insufficient and suggested that the pre-election promises given by the Prime Minister were far more ambitious.

The security of Canada’s northern borders is thus perceived as one of the most significant priorities across the society. Canadian interests were previously primarily focused on the coastal regions (NWP status issue) and their attention only started shifting to the other parts of the polar regions recently.

There are two Arctic-related fundamental and long-term issues present in Canadian politics: the issue of (in)adequate capacities to secure the northern border and the issue of threatened Canadian sovereignty. At the same time, the relation between these issues is mutually dependent and the violation of Canadian sovereignty (for example, unauthorized sailing through the NWP) is therefore also automatically perceived as a threat to national security.

In terms of conflict potential, the fundamental problem at present rests in the fact that Canada feels threatened in pursuing its interests in the region. At the same time, great emphasis is laid on the question of prestige and the preservation of state sovereignty and security. Ottawa has proven to be repeatedly incapable of unilaterally ensuring such control over its vast northern territories in ways which would be deemed adequate by the domestic political scene. The Cold War period already showed that the alternative solution, in the form of cooperation with the USA, is viewed ambivalently. That is to say, the Americans were not only perceived as allies but also as a foreign element contesting Canadian sovereignty. This perception remains valid even today. In 2008, the Canadian government blocked the partial acquisition of a Canadian satellite company by one of the largest American companies in the defense and space technologies sector. This was because the aforementioned Canadian company ensures the operation and owns the know-how of the satellite system which enables Ottawa to monitor maritime activity in its northern territories. The government was afraid that the acquisition might pose a threat to national security.

The increasing involvement of other actors is therefore accepted with concerns about the violation of Canadian sovereignty and national security. In Canada’s case, this shifts us considerably in the direction of a zero-sum game. On the other hand, it is necessary to point out that Canadian representatives are only limiting themselves to strong statements and no actual steps...
negating the existing institutional regime or the ongoing cooperation with the USA have been taken in practice. In general, we are therefore witnessing strong rhetorical statements and declarations which are however rarely followed up by ambitious actions of a similar caliber. If an effective solution is found to ensure adequate security on Canada’s northern border and if Ottawa acquires resources for more efficient monitoring of maritime activity in its waters, then we can expect a dramatic change in Canada’s perception of the situation in the region. The first steps in this direction are already being performed. Besides the aforementioned issues, Canada naturally strives to develop cooperation for example in environmental protection. Canada is also in full compliance with UNCLOS in the continental shelf question.\(^{20}\)

**2.3 Denmark**

In the past few years, Denmark has been able to solve most of its territorial disputes through an active approach with the two exceptions of the Hans Island case and the new issue of the continental shelf around the pole. Nevertheless, it is the status of Greenland that remains the most important issue of Danish regional policy even today. The latest progress toward independence was achieved in the summer of 2009 based on the agreement between the Danish government and Greenland’s self-government with the subsequent referendum on the island. The course of this process is, however, free of tensions and there is no reason to anticipate a conflict.\(^{21}\) Denmark and Greenland have also reached an agreement on the distribution of profits from the extraction of Greenland’s oil.\(^{22}\)

Denmark also recently issued an official strategic document concerning its state interests in the Arctic region. Denmark’s primary tasks in the near future will be to adequately react to the ongoing changes and acquire sufficient capacities for the advancement of its state interests in the region. However, in Denmark’s case we find no controversies which would lead us to anticipate an escalation in tensions in the region. Copenhagen traditionally supports a cooperative and conciliatory approach which maximally employs the existing institutional and legal framework. The ever-growing influence of Greenland on policy-making furthermore demands that maximum attention is devoted to issues such as sustainable economic development, environmental protection, and climate change. All of these issues are in their nature predisposed to multilateral solutions on the basis of cooperation. After all, it was Denmark that mediated negotiations which lead to the adoption of the Ilulissat Declaration after a minor escalation in tensions caused by events in the summer of 2007 (see below).

So despite the fact that Denmark considers the Arctic, i.e. mainly the region of Greenland and the Faroe Islands, to be an area of strategic importance and strives to increase its operability in this region, we can in no way expect it to proceed in a unilateral and confrontational manner. On the contrary, Copenhagen is one of the active supporters of joint initiatives.

**2.4 Norway**

Norway also recently issued an official report concerning its strategy in the region.\(^{23}\) The scope of the seventy-page document itself leaves no space for doubts about the significance attributed to the Arctic by Norwegians. According to the document the High North is strategically the most important region. Like other states, Norway will therefore strive to strengthen its presence in order to fulfill its regional interests. It is clear from the strategy that Norway’s number one priority will be to expand oil and natural gas extraction from the Barents Sea. Income from extraction activities is essential for Norway’s treasury. The continual decline of extracted volumes from the southern areas of Norway’s continental shelf is shifting the attention of prospectors farther and farther to the
north. Peaceful regional relations in the region are a pre-condition for the development of extraction capacities. Another important issue of Norway’s foreign policy rests in the status of Svalbard and the interest in deepening cooperation with Russia, the Russian Federation being the most-often named country in the document. The exceptional position of Russia as a partner is also reflected in the fact that the strategy was officially translated from Norwegian not only into English, but also into Russian.

Much like the Danish, the Norwegians emphasize the need to develop further cooperation and accentuate the significance of post-materialist issues (environmental protection). Their entire approach toward the situation in the region can be characterized as defensive. Norway’s primary objective is to defend its sovereignty over Svalbard and its newly acquired areas based on the decision of the Commission on the Limits of the Continental Shelf (CLCS). Much like the Danish, the Norwegians emphasize the need to develop further cooperation and accentuate the significance of post-materialist issues (environmental protection). Their entire approach toward the situation in the region can be characterized as defensive. Norway’s primary objective is to defend its sovereignty over Svalbard and its newly acquired areas based on the decision of the Commission on the Limits of the Continental Shelf (CLCS). 24

Oslo without doubt prefers cooperation, dialogue, and mutual trust-building. This preference is either based on the character of the given issue (for example environmental protection) or a rational calculation of its own and its counterparts’ potential and capabilities. Even though Norway’s military capacities cannot be seen as marginal, it is hard to imagine that Norway could fulfill its goals through force. This is especially true in relation to Russia which represents both the most significant neighbor and the greatest source of threats. Building and deepening friendly relations with Russia is therefore a clear priority already visible during the Cold War period. Norway strives to maximally rely on the existing – and for Norwegian interests favorable – international legal framework (namely UNCLOS). In March 2008 the Foreign Minister Jonas Gahr Støre made the following statement in relation to UNCLOS: “We must show the world that there is an order. Specific game rules are in force and they must be respected...”. 25 We cannot therefore anticipate that Norway would intentionally contribute to increasing tensions in the region. It would most likely only use of force as a very last defensive resort.

2.5 Russia

The newly adopted Russian Arctic Strategy up to the year 2020 was published in March 2009. Its content confirms the previous statements of Russian representatives designating the Arctic as a crucial region for the future economic, social, and political rise of Russia. The document deems the anticipated incomes from mineral resources extraction and the development of polar maritime transport to be crucial in ensuring the restoration and subsequent maintenance of Russia’s great-power status. The Arctic is not only perceived as a treasury but also as an area where Russian power is to be projected. Russia’s goals will therefore include not only the full utilization of rich Arctic resources but also an increase in Russia’s own presence in the region to confirm its position as the dominant polar power.

According to the document, in the near future Russia needs to further develop the transport and communication infrastructure - especially the Northeast Passage (NEP) - and speed up projects allowing for oil and natural gas extraction. The definition of Russia’s continental shelf is listed as the highest priority. The document also calculates the formation of special military forces which would support the fulfillment of the aforementioned Russian interests. 26

The main problem of Russia’s current approach rests in its ambiguity. On the one hand, the mentioned document, as well as other statements of Russian representatives, clearly shows Russia’s respect for the existing international legal regime and its interest in developing cooperation. On the other hand however, we often witness unilateral steps which imply a rather conflict-based view of the world.

In the year 2006, the CEO of Gazprom declared that all activities in the Stockman area of the Barents Sea, which is considered one of the world’s largest offshore deposits of natural gas, will be carried out exclusively by Russian companies. A year later the statement was revised and agreements with Norwegian and French partners were signed. 27 So despite the fact that the Russian
Federation continues down the path of economic nationalism in its rhetoric, the infrastructure and technologies necessary to develop any deposits in the Arctic region inescapably require the assistance of foreign commercial entities. The development of new projects was also considerably hindered by unsolved territorial disputes with Norway. However, economic interests forced both countries to find common ground. In the summer of 2009 the national energy champions of both states – Norwegian StatoilHydro and Russian Gazprom – signed a memorandum of understanding stipulating that in the next three years both companies would proceed jointly in prospecting and development operations. This namely concerns the Stockman field area. This shift towards cooperation was recently followed on the national level by an unprecedented bilateral maritime demarcation agreement between Russia and Norway (see below).

Moscow stated repeatedly that the reconstruction of existing and expansion of new military facilities are not directed against any external enemy but rather at strengthening internal security and contributing to the fight against illegal migration and terrorism. Moscow’s declared goal therefore does not consist of the re-militarization of the region. However, at the same time Moscow renewed nuclear-armed strategic bomber flights and nuclear submarine operation in the proximity of American territorial waters, as well as taking other symbolic steps which discredit or even negate the aforementioned conciliatory statements. These practical actions and numerous confrontational declarations are closely related to the significance the Arctic permanently holds in Russia’s politics, in Russia’s ongoing efforts to renew its super-power status, and in the existing perception of other regional actors.

In the Soviet-Russian tradition, a significant part of the Arctic has always been considered an undisputable part of state property. It is therefore no coincidence that the last Russian demands from the year 2001 were only slightly different from the previously demarcated sector which Moscow demanded on a historical basis. Even though the Russians, unlike the Canadians, do not call themselves a northern nation, the Arctic has also been used to build national identity on a number of occasions. Stalin’s campaign “conquering the North” launched between 1936 and 1939 can serve as an example. Pavel Baev therefore connects the events of the year 2007 – when Russian flags were planted at the bottom of the sea beneath the North Pole and strategic bomber flights were renewed – to the activation of Russian voters before the presidential elections related to the power grab of Vladimir Putin. The demonstrations of Russian ambitions are not only related to domestic politics but are also a part of Russia’s effort to regain its lost status and increase its international prestige.

However, we cannot see the strong declarations as a mere calculation of rationally thinking politicians. As Katarzyna Zyśk warns, a considerably negative “Cold War” perception of other actors in the Arctic region is still present throughout Russia. The skeptical perception of a bipolar world, which builds on the premise of mutually incompatible and diverging interests and emphasizes the issues of power and “hard security,” is still characteristic for the majority of Russia’s political, military, and academic spectrum. This results in substantial distrust toward any activities of other actors in the region, an overall feeling of uncertainty, and the a priori perception of the goals of “Western or Atlanticist” states headed by the USA as attempts to hinder and negate Russian interests and “legitimate” rights. In May 2009, the Russian President approved a fundamental document on national security, Russia’s National Security Strategy to 2020. The document clearly shows Russia’s retraction from overestimating the military element of security but also openly declares Russia’s disapproval of the current global security infrastructure – namely the strengthening position of NATO. Even though the USA is not explicitly listed as a threat, the document unequivocally expresses concerns over the attempts of any state to achieve military superiority. The document also emphasizes the strategic importance of energy security and the increasing rivalry related to access to energy sources. The assertive rhetoric and efforts to renew Russia’s former military potential are therefore not only a rational calculation but also a consequence of existing fears and an omnipresent feeling of vulnerability.
As a result, Russia seems like a schizophrenic actor whose next action is very hard to predict. Russia’s approach clearly exhibits signs of pragmatic thinking which allows for the development of cooperation and the stabilization of the region. That is the only approach which can ensure the maximal utilization of the region’s economic potential. However, the Arctic also serves Moscow as an instrument in building national self-awareness and international prestige. Russia’s interpretation of foreign activities and its security concerns, currently related particularly to issues around the status of Svalbard, represent the highest risk factors in terms of conflict potential. At the same time, we cannot forget that Russia is currently without a doubt the most significant actor in the Arctic, holding triumphs in several regards. Russia is the state with the longest polar border, the largest economy (in volume), the largest population living beyond the Arctic Circle, the most developed infrastructure, and so on. Furthermore, Russia has the greatest concentration of military forces in the region (Murmansk) and by far the largest fleet of icebreakers. It is therefore Russia’s actions and the consequent reactions of the remaining actors which can be seen as crucial in future scenarios.

3. CURRENT EVENTS IN THE ARCTIC REGION

The Arctic has finally gained worldwide attention after a series of events in the year 2007. The International Polar Year 2007-2008 took place from March 2007 to March 2009 (a joint initiative of 60 countries with 1.2 billion USD in allocated resources intended to increase general awareness of Polar Regions and develop research of regional fauna, flora, climate change, etc.). In addition, the year 2007 marked the absolute record in summer ice melting which led to the opening of Arctic shipping routes. The first commercial voyage through the so-called Arctic bridge from Murmansk to the Canadian port of Churchill (an important port in Hudson Bay connecting the Canadian north with the rest of the continent via railroad) took place in 2007. These high prices of energy sources (before the financial crisis and before the Gulf of Mexico oil platform incident) encouraged speculation on launching profitable extraction. And last but not least, the Russian Federation adopted a series of measures which was not only reminiscent of the conflict period of the Cold War but also called attention to unsolved territorial disputes. In August 2007, President Putin announced that after 15 years, regular flights of Russian strategic bombers would be renewed. In the following months, this led to situations where Russian aircraft often had to be escorted or even diverted by NATO fighter planes.

The scientific expedition which planted Russian flags on the seabed near the North Pole in the summer of 2007 naturally gained the most attention. The leader of the expedition, Artur Chilingarov, stated that the Arctic is Russian and the expedition exercised the maritime right of the “first night.” This of course sparked a series of disapproving positions from the other states in the region. A lot less attention was devoted to his following statement: “we must prove that the Lomonosov Ridge is an extension of the Russian continental shelf” BBC. Foreign Minister Sergej Lavrov was somewhat more cautious in his statements when he compared the situation to the symbolic placement of the American flag on the Moon. The reactions of other parties were also visibly marked by an approach playing down the practical impact of Russia’s action. Canadian Foreign Minister Peter MacKay stated that the time is long gone when territories were captured by planting flags and the Speaker of the American State Department added on a similar note that even if the Russians spray-painted all the ridges in question, it would practically mean absolutely nothing. The result of this situation was not however only in the derogation of Russia’s ambitions. In their statements, politicians clearly confirmed the significance of the Arctic as well as the commitment of all involved states to advance their national interest by any means necessary.
Such a development is worthy of some additional notes. Russia formally implemented its demands on the continental shelf in the year 2001. Moscow proceeded in full compliance with the existing international legal framework and this step did not provoke a higher level of public attention. However, the beginning or escalation of the conflict over the North Pole only started in the year 2007. The entire dynamic of the situation exhibits clear signs of action-reaction logic when the dispute fully broke out after the symbolic steps of Russia. Furthermore, if we take into account the fact that the North Pole represents the least accessible area of the Arctic (the possibility of launching oil extraction or commercial shipping is rather theoretical) the presumption that this is a conflict over resources comes into question. This shifts us to the level of states competing for prestige, principle, or power, and the aforementioned related scenarios (game of chicken, accumulating points for future negotiations, a tool for gaining domestic support, and so on). Last but not least, it is necessary to point out that even though the media crossfire started with a very specific dispute, the entire discussion of politicians and media was soon elevated to a higher “all-Arctic” level without any clear connection to some specific existing dispute or interest.

After the summer of 2007 the Canadians and the Russians remained the most assertive actors as nations which see the Arctic of crucial importance. After “Operation Nanook 2009,” a series of Canadian military exercises, official statements were issued that labeled the exercises as an exhibition of Canada’s force. The continuing perception of the situation in the region as a zero-sum game and the emphasis on the interconnection of sovereignty and national security are both clearly identifiable. The categorical statement of Minister MacKay on the loss or retention of Canadian territories (“use it or lose it”) also bears witness to this fact. “There are territories which belong to us and where our continental shelf is to be extended, for example the Lomonosov Ridge, which is an extension of our territory,” the Canadian Foreign Minister Lawrence Cannon stated during his first ever visit to Moscow in September 2010. The minister also stressed that his country will be “very active” in questions regarding the protection of its territory.

The Russians are adopting a similar approach. The largest exercise of Russian forces in the Arctic region took place in autumn 2009 involving 16 military vessels and 5 nuclear submarines. After the renewal of strategic bomber flights, Moscow also significantly increased the number of operations of Russian military vessels and submarines. In September 2010 a Russian maritime patrol aircraft made two low passes over U.S. Navy frigate Taylor that was returning from a port call in Russia. Russian ballistic missiles were also tested repeatedly.

Among the existing disputes, the situation between Russia and Norway escalated the most. The first controversy was related to Svalbard. As in the past, it was sparked by allegedly illegal fishing in the disputed waters around the islands. In March 2008, the Chairman of the Russian State Fishing Committee declared that Russia would launch active measures to protect its fishing vessels. Consequently the vessel Mikul was deployed to the islands with a mission to officially monitor adherence to fishing rules. The following month the Norwegians, through the use of a coast guard ship, demanded that Mikul leave Svalbard waters (the official reason was the absence of appropriate diplomatic permissions for its operation) and the vessel left after a few days of hesitation. However, the situation led to increased diplomatic tensions which culminated in an official request for protection from the Russian fishermen to President Putin. Two Russian military vessels were deployed to the area in July – the icebreaker Severomorsk and the missile cruiser Marshal Ustinov. Nonetheless, Norway’s approach did not change even in the presence of Russian battleships and the coast guard ship KV Svalbard continued to take steps against Russian fishers. Russian ships did not react in any way. Paradoxically, the icebreaker Severomorsk subsequently took part in a joint exercise of the Russian, Norwegian, and American navies in the Barents Sea.

The negative reaction of Western states to the developments in the Russian-Georgian conflict in the summer of 2008 led to Moscow’s decision to temporarily freeze all military cooperation between Russian armed forces and NATO. This fully revealed Norway’s complicated position – on the one hand, Norway condemned Russia’s attack along with other states, but on the other hand it
clearly emphasized the need to maintain friendly Russian-Norwegian relations. In relation to this case, the Norwegian Foreign Minister Støre declared that Norway was very disconcerted by Russia’s actions in Georgia. At the same time however, he also rejected any sanctions or punitive measures which would disrupt the painstakingly built cooperation.  

The confrontational behavior of Russia (and to a lesser extent Canada) we have witnessed in the past few years introduces several risks. The actors themselves are already disproportionately reducing the space available for maneuvering and compromise. In the future, domestic voters could demand the proclamation of a hard-line approach and any concessions could be perceived as a politician’s failure. The artificially created image of rivalry and conflict of interests can thus lead to a self-fulfilling prophecy when a counterpart will react, after “believing” a presented statement, by adopting countermeasures to a step the original actor had no intention of practically implementing in the first place. Hence we have come to the point where we must face the very important question of differentiating between the perception of a given situation and the real actions of involved actors. Russia is currently the most risk-prone actor in this respect.  

On the one hand, the Russian Federation operates along the hard rhetoric and power demonstration line, trying to renew its position of a world power, yet on the other hand, it perceives the reactions of other actors as direct threats to Russian interests and national security. This behavior puts great demands on other states which are then forced to seek a balance between actions that would take Russian concerns into account and at the same time ensure the protection of their own interests in the region.  

Nevertheless, the aforementioned facts on the 2007 events clearly show that the intensity of the conflict in these cases has once again stopped at confrontational declarations and that strong declarations have not been followed by corresponding strong actions, with the exception of Russia’s symbolic measures adopted in the Svalbard area. In simple terms: states are repeatedly successful at rationally assessing the situation. After satisfying the need for condemning reactions addressed to the counterpart, the home electorate, and world media, the actors have so far always followed up with efforts to find mutually beneficial solutions. This approach stems from the need to maintain regional stability and the fact that these states are currently forced to face a number of common problems. Furthermore, the minor escalation of tensions over the past few years has served as another impulse to bring more attention to the current situation in the region. This works against the existing simplified and schematic perceptions of the Arctic which are often the result of insufficient information.  

The long-term trend of deepening cooperation, institutional development, and respect for the international legal regime of UNCLOS is continuing in the Arctic. The Ilulissat Declaration, adopted on 28 May 2008 at the ministerial meeting of the five Arctic states, represents a significant shift toward the peaceful solution of disputes. The signing of the document was preceded by a discussion supported by Denmark and Norway on existing challenges which focused especially on the territorial disputes after the year 2007. In the declaration the USA, Canada, Russia, Denmark, and Norway endorsed the existing legal regime and confirmed their will to resolve any overlapping demands by legal means. They also stated that current maritime law represents a sufficient framework for the solution of all existing challenges and there is no need to modify it or create a specific legal regime solely for the Arctic region. The states emphasized the role of existing international institutions and their successes in resolving specific issues (namely the International Maritime Organization, the BEAC, and the Arctic Council).  

The Ilulissat Declaration revealed a newly emerging issue. Only the five Arctic states were present during the entire process and all negotiations were conducted outside of the structures of existing international organizations. With regard to the goal of resolving territorial disputes this step seems logical. However, not even this argument can completely shut out the notion that a de facto elite club of Arctic states united by a number of common interests has been formed. The declaration furthermore implies the following: an emphasis on the unique relationship of the five signatory states; the role of UNCLOS as the key legal document for future activities in the region;
an emphasis on the role of “leaders” of the five signatory states in the region; the clear statement that there is no need for the creation of a new international regime for the development of the Arctic; and a certain hierarchy in the role of the states (signatories, members of the Arctic Council, and others). This naturally raises a question on the future role of existing organizations. Denmark, as the initiator of the talks, was very clear about the declaration being not only the culmination, but also the conclusion of the entire process which should not suppress but rather support the existing IGOs.\(^{46}\)

However, the overlap in the interests of the Arctic five and other international actors who only recently started to shift their attention to the north seems to be a graver issue. This primarily concerns states who are not members of the Arctic Council. There are already disputes between Norway and the EU states in fishing issues. There are in fact initiatives and proposals which the Arctic five attempted to exclude by the Ilulissat Declaration. These include for example proposals on imposing a moratorium on mineral resources extraction in the Arctic or opinions advocating the establishment of an Arctic regime similar to the Antarctic Treaty System.\(^{47}\) The latter proposal even appeared in official documents – specifically the resolution of the European Parliament from October 2008 in which the Members of the Parliament call for the establishment of international control over the Arctic and appeal to the European Commission to play a proactive role in order to protect European regional interests.\(^{48}\) Even though the reaction of the Commission in its subsequently issued resolution can be seen as rather moderate, the proposals included in the resolution contain steps which would most likely decrease the influence of the Arctic five in the region.\(^{49}\)

At first glance, an “exotic” country in this region – China, the world’s largest shipping nation, has also been increasing its interest in the developments within the Arctic. In the past few years Beijing has been trying to acquire an observer status to the Arctic Council (it has already participated in negotiations as an ad hoc observer). In terms of scientific research, China has established a research base in Northern Norway. Last year the so far only Chinese icebreaker returned from its third Arctic expedition. The construction of another vessel capable of Arctic voyages should begin in the upcoming years. China also recently expressed its interest in strengthening relations with Iceland, which could become an important transit hub of maritime transport in the future.\(^{50}\) “The Arctic belongs to all the people around the world as no nation has sovereignty over it” is the statement of Chinese Rear Admiral Yin Zhuo presented in March 2010, which only confirmed Beijing’s attitude.\(^{51}\)

While in the past we only witnessed conflicts between the Arctic states in the region, in the future, competition might be transformed into the Arctic states on the one side and “the rest of the world” on the other. The logic will remain identical to the current disputes. The disputed subject will consist of the level of direct control the Arctic states will be able to exert. This presents a thesis that the adoption of the Ilulissat Declaration, where the states clearly expressed their common interest in the peaceful solution of existing conflicts, was encouraged by the ever-stronger involvement of new regional actors. The content of the document itself serves as proof. In the future, this external factor could contribute to the further convergence of interests between the Arctic states.

Events of 2010 only strengthened the newly set course of mutual trust and collaboration. Five Arctic nations deepened their cooperation by newly established Arctic Regional Hydrographic Commission, which is designed to develop better nautical charts and improve safety in Arctic waters. In the summer of 2010, the USCGC Healy and its Canadian counterpart the CCGS Louis S. St-Laurent participated on a joint mission aimed at generating seabed data across a wide swath of the Beaufort Sea. This was the first time the conducted survey included a disputed zone in the southern Beaufort.\(^{52}\) These are just few of events that confirm an ever stronger course towards cooperation.
At the end of this chapter, the most important story of the last few decades must be pinpointed. The treaty on maritime demarcation and cooperation in the Barents Sea and the Arctic Ocean between Russia and Norway was signed on 15 September 2010 in Murmansk, Russia. The agreement divides a previously disputed area of about 175,000 square kilometers, one potentially rich in natural resources. The two countries will also adopt detailed treaty provisions regarding cooperation on the exploitation of hydrocarbon deposits and on fisheries management.

The agreement not only ends the Barents Sea and Arctic Ocean maritime boundary dispute of Norway and Russia – the most escalated conflict of the region – but it also confirms both countries’ interest in a stable and friendly Arctic. Economic interest and a pragmatic approach simply outbalanced the zero-sum approach of prestige and fears.

Moreover, this particular victory of Russian pragmatism and the willingness to leave the decades of deadlock behind generates significant pressure on the rest of the regional actors. This is above all true of Canada. With respect to its Arctic territorial claims, Moscow historically used the same sector principle as Ottawa. Those days are now over, and Canada stands as the only Arctic nation to follow this principle. In light of the bilateral deal between Russia and Norway, a significant shift toward settlement of the US-Canadian dispute over their respective claims in the Beaufort Sea is to be highly expected.

4. CONCLUSION

In recent years, a new conflict has emerged in the Arctic over the continental shelf beneath the North Pole. Along with other events, this conflict definitely turned worldwide attention to the north. In 2007, we witnessed a minor escalation in tensions in the region. At the same time, attention was shifted from individual existing conflicts to the power struggle over the entire region. This was caused by politicians referring to the situation in the region as a whole. Nevertheless, increasing tensions once again did not exceed the threshold of a violent confrontation and actors limited themselves to symbolic gestures and bold statements. The subsequent events – culminating in the adoption of the Ilulissat Declaration and the Russian-Norwegian border dispute settlement – then led to the de-escalation of tensions.

The situation in the Arctic is thus characterized by deepening cooperation, which is occasionally spiced up by a strong statement from one of the Russian or Canadian representatives, the detention of an illegally fishing ship, or a demonstration of military power. Newly introduced qualities which alter the character of state interests in the region bring new challenges. They will need to be solved through a common approach. A number of international actors, who have been regionally inactive until recently, are ever more loudly calling for influence in the Arctic. The most important question of the near future will thus rest in the distribution of competences between the involved institutions and states (for example the question if maritime transport will be regulated by each nation separately, by the Arctic five, or by the IMO, and what form of regulation will be implemented). This will eventually lead to the convergence of the interests of the Arctic five who wish to maintain their dominant position in the region.

Even though future development in the region cannot be predicted with certainty and even though sovereign states can resort to the use of force at any time, we can state with considerable certainty that in the near future, the escalation of conflicts in the Arctic on a greater scale is improbable. If conflicts were to escalate, they would most likely only result in limited confrontations and not war, or even a grave crisis. If we take into consideration the risk of escalation from the point of view of objectively incompatible interests, then the character of the interests in question – namely the national interest in fully utilizing the economic potential of the region – clearly encourages cooperation and stabilization. Peaceful development is furthermore supported by the complex network of institutionalized relations and the fact that all territorial disputes so far have been resolved peacefully. The current nature of international relations can thus
be categorized in the cooperative behavioral pattern introduced by Morton Deutsch. Behavioral patterns supporting conflict escalation are only present in a limited number of cases and actors.

On the other hand, some risk factors remain. These mainly concern the issue of negative perceptions and the emphasis on national prestige and security. The activities of Canada and Russia and the subsequent reactions of other actors will be crucial in this respect. Denmark and Norway (and to a lesser extent the USA as well) actively promote a cooperative approach based on the existing institutional structure. Canada and Russia represent states with the largest Arctic territories and therefore their interest in securing their northern borders is logically the most intensive. Both states strive for the leading position among the regional powers and also utilize their actions in the region as propaganda. For these reasons, the mentioned states perceive the situation in the region as a zero-sum game. In Canada’s case the main “culprit” is the inadequate security of the northern border. The solution of this problem would most likely lead to the “relaxation” of the situation. The Russian position proves to be a more complicated problem stemming from the ever-present distrust toward the remaining “Western” states. Whether it is possible to change such a negative perception remains a question. The latest development in the Barents Sea should make us optimistic believers.

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LITERATURE

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