



OSW REPORT



OSW

## NATO'S POLAR QUARTET

THE US, CANADA, DENMARK  
AND NORWAY IN THE ARCTIC

Piotr Szymański

WARSAW  
MARCH 2023

# **NATO'S POLAR QUARTET**

## THE US, CANADA, DENMARK AND NORWAY IN THE ARCTIC

Piotr Szymański

© Copyright by Centre for Eastern Studies

CONTENT EDITORS

Wojciech Konończuk, Justyna Gotkowska, Witold Rodkiewicz

EDITOR

Tomasz Strzelczyk

CO-OPERATION

Szymon Sztyk, Katarzyna Kazimierska

TRANSLATION

Radosław Alf

CO-OPERATION

Jim Todd

MAP

Wojciech Mańkowski

GRAPHIC DESIGN

OSW

DTP

IMAGINI

PHOTOGRAPH ON COVER

aerophoto / Shutterstock.com





OSW

Centre for Eastern Studies

ul. Koszykowa 6a, 00-564 Warsaw, Poland

tel.: (+48) 22 525 80 00, [info@osw.waw.pl](mailto:info@osw.waw.pl)

  [www.osw.waw.pl](http://www.osw.waw.pl)

ISBN 978-83-67159-41-8

## **Contents**

### **MAIN POINTS | 5**

### **INTRODUCTION | 10**

#### **I. THE SPECIFIC FEATURES OF THE ARCTIC REGION | 13**

#### **II. THE PRIORITIES OF THE 'ARCTIC FOUR' | 17**

1. The United States | **17**
2. Canada | **18**
3. Denmark | **20**
4. Norway | **21**
5. The European Union | **22**
6. NATO | **24**

#### **III. OTHER ACTORS IN THE ARCTIC | 26**

1. Russia | **26**
2. China | **28**

#### **IV. ECONOMY AND TRADE | 31**

1. The United States | **31**
2. Canada | **32**
3. Denmark | **33**
4. Norway | **34**

#### **V. SECURITY AND DEFENCE | 36**

1. The United States | **36**
2. Canada | **38**
3. Denmark | **40**
4. Norway | **41**

#### **VI. PROSPECTS AND SCENARIOS | 43**

## MAIN POINTS

- The Arctic is attracting growing international interest due to the progression of climate change. The melting of the ice caps poses a global challenge, but could also open up new transport opportunities and increase the availability of natural resources. In recent years, the Arctic has also become yet another arena of rivalry between the West on the one hand and Russia and China on the other, which has shattered the paradigm of peaceful post-Cold War cooperation in this region. Of all the circumpolar countries, the Russian Federation is making the most intensive use of its part of the Arctic's territory. It has been beefing up its military capabilities, conducting extensive drills of its Northern Fleet, and investing in the extraction of resources and the development of the Northern Sea Route (NSR). China also aspires to play a greater role north of the Arctic Circle, focusing mainly on scientific and research activities, imports of resources and infrastructure projects as part of its Polar Silk Road concept.
- In the West, the growing importance of the northern polar region is particularly apparent in the security policies of the Arctic Ocean coastal states: the US, Canada, Denmark and Norway. This 'Arctic Quartet' keeps track of the ongoing changes in the strategic situation in the north, and recognises the need to strengthen its engagement north of the Arctic Circle. However, the development of cooperation between the four countries in the field of regional security has been hampered by their often conflicting economic and political interests in the Arctic. Furthermore, it is currently fashionable to consider the region as crucial, which is reflected in the launch of many new national and supranational polar strategies. This makes it increasingly difficult to distinguish between plans for real action and bureaucratic processes that have no effect on the situation in the region.
- The United States is expanding its presence within the Arctic Circle primarily as a result of its growing competition with Russia and China. Washington has stepped up both its military and diplomatic activities in the Arctic in recent years. The military aspects of this change in attitude are preeminent. On the one hand, the US views the region through the prism of the threat of potential air strikes against its territory, as the shortest flight paths for aircraft and missiles from the Russian Federation pass through the Arctic. On the other hand, the forward location of the Arctic state of Alaska makes it easier for the US to project power in the European and Asian directions. All the branches of the US Armed Forces are planning to invest in rebuilding

their capabilities for conducting operations in the Arctic, but these efforts are relatively small-scale. Due to its growing engagement in the Indo-Pacific region, it is more likely that the US will try to prod its European allies into taking more responsibility for the security of the Euro-Atlantic area's polar rim. New challenges for the US also lie in the need to deal with the negative consequences of global warming in the region, such as the risks to the military and oil infrastructure, as the ground beneath these facilities continues thawing.

- Canada's priorities in the Arctic include the sustainable development of its northern regions, improving public services and defending its national sovereignty. The Arctic policy of this country, 40% of whose territory and 75% of whose coastline lies within the Arctic Circle, combines a Nordic-style emphasis on the importance of peaceful international cooperation in the region with claims to full control over the waters of the Canadian Arctic Archipelago, particularly the Northwest Passage, which links the Atlantic to the Pacific. This in turn brings Canada's attitude closer to that of Russia, which has similarly extended its supervision over the Northern Sea Route. So far, Canada has been wary of ideas to increase NATO's presence in the Arctic. It relies on bilateral cooperation with the US to defend North America against any attack from that direction, while nevertheless calling for a reduction of tensions with Russia in the High North, meaning the European part of the Arctic. However, it is gradually softening its resistance to possible NATO engagement north of the Arctic Circle as Russia ramps up its military capabilities in the region. The government in Ottawa faces the need to raise its spending on armament and military equipment for Arctic operations, in view of the plans to modernise the US-Canadian North American Aerospace Defence Command (NORAD).
- For Denmark, its presence in the region is primarily a matter of prestige. Control over Greenland, the world's largest island, allows this small Baltic country to sit on the Arctic Council and have a say in the region's affairs on a par with the US or Russia. Without Greenland, the profile of Danish-US relations would be substantially diminished. The two countries are bound by a bilateral agreement on the defence of the island, where the US has important military infrastructure, including an early warning radar station. As a result of the gradual expansion of Greenland's autonomy, Denmark does not currently derive any real economic benefits from its involvement in the Arctic. The country's biggest challenge will be to preserve the union with Greenland in the face of the latter's aspirations to independence and

growing international interest in its location and resources. In Denmark itself, arguments in favour of increased military activity in the Arctic are clashing with calls for a deescalation of tensions and a focus on developing non-military capabilities.

- For Norway, a country which like Canada has a strong Arctic identity, the High North (the Norwegian part of the Arctic) is a strategic area in the context of preserving its own sovereignty and territorial integrity. Norway has been expanding its capabilities for military operations in this theater, while also calling for enhanced NATO deterrence in the region. This is because it foresees a scenario in which Russia attacks the north of the country and the Svalbard archipelago in the event of a conflict with the West. In recent years, Norway has responded in several ways to Russia's militarisation of the Arctic areas and stepped-up military exercises close to Norway's borders: it has increased spending on the modernisation of its armed forces and tightened cooperation with its allies, especially the US and the UK. However, there are also calls for the government to maintain its traditional line in security policy, which has sought to limit the activity of allied forces in the country for the sake of reducing tensions in relations with Russia. Moreover, the hydrocarbon- and fish-rich areas of northern Norway, the best-developed part of the Arctic, play an important role in the country's economy. Here, the national dilemmas primarily involve the future of oil and gas exploitation: the government in Oslo is trying to answer the question of whether it makes sense to continue investing in the region's mining industry at the expense of the environment and the climate.
- Although the major powers are eyeing the polar areas ever more closely, the Arctic's military and economic importance will remain secondary to Europe, the Indo-Pacific and Africa in the West's rivalry with Russia and China. Therefore, we should not expect an Arctic arms race or a 'scramble for resources'. On the one hand, it is likely that local commercial shipping, tourism and some mining industries will continue to develop. On the other, the social and climate crisis in the region will deepen and remind the world of the need to take more urgent action to reduce greenhouse gas emissions. As the permafrost and ice melt, this will cause natural and infrastructural disasters and change the lifestyles of the region's inhabitants, especially the Indigenous peoples. The Arctic will see elements of both international cooperation (shipping, research and science, environmental protection) and competition (for example over the continental shelf), which will make it a more unstable area.

- The situation in the Arctic has also been affected by the full-scale Russian aggression against Ukraine which began on 24 February 2022. In contrast to the period following the annexation of Crimea in 2014, this time the West has rejected the prospect of continued cooperation with Russia in the region on the same terms as before. In March 2022, the US, Canada, Iceland, Denmark, Norway, Sweden and Finland suspended their participation in the Arctic Council, whose chairmanship has been held by Russia in 2021–3. Many NATO members have announced that they will increase their defence spending in response to the invasion. If these pledges are fulfilled, it will also help to close capability gaps in the polar areas and strengthen NATO's deterrence on the northern flank. The energy crisis and rising commodity prices may also spur Western interest in exploiting Arctic oil and gas fields, which would mainly benefit Norway. It is unlikely that the war will 'spill over' into the Arctic, as a significant part of the Russian forces normally stationed along the border with Norway and Finland are involved in the assault on Ukraine; moreover, Russia does not have enough resources to open another front in the north. Instead, it is more likely that Moscow will resort to more frequent demonstrations of the readiness of its nuclear forces in the Barents Sea and the Arctic Ocean as part of its psychological warfare against the West. This is intended to signal that any direct NATO military involvement in Ukraine could trigger a nuclear response from the Kremlin.
- From the perspective of Russia's activity in the Arctic, the decision to invade Ukraine has long-term negative consequences. It has spurred Sweden and Finland to apply for NATO membership, which is likely to result in an increased allied military presence on the northern flank, including the Arctic part of the Scandinavian peninsula. When all the countries of the Nordic-Baltic region are members of a single political and military bloc, this will limit Russia's ability to exert military pressure on this area, as the NATO guarantees will cover Sweden and Finland while the strategic situation of the Baltic states and northern Norway improves. New oil and gas projects in Russia's part of the Arctic will be affected by sanctions and the decisions by Western energy companies to halt their operations in Russia. Such a freeze in cooperation is likely to benefit China and other countries interested in bolstering their presence within the Arctic Circle. Russia's isolation may also lead to its increased dependence on Beijing in the Arctic sectors (mining, infrastructure and shipbuilding) as well as in shipping and scientific research.



- However, the West is unlikely to permanently sever its contacts with Russia in the Arctic. The country controls half of the Arctic, so the development of regional cooperation without its participation would be significantly hampered in many important areas. It is not out of the question that the West will return to selective cooperation with Russia in the longer term; this could include maritime search and rescue operations, emergency response (for example to environmental disasters), environmental protection, fishery management, reduction of CO<sub>2</sub> emissions and climate change research. Indeed, all of these issues have a direct impact on the broader security of the Arctic countries. However, such a move would not of itself signify renewed Western trust in the Kremlin; at the same time, NATO's polar members would undoubtedly continue to beef up their military capabilities in the north.

## INTRODUCTION

The name 'Arctic' comes from the Greek *arktos*, meaning 'bear'; ancient people marked the north based on the position of the Great Bear constellation.<sup>1</sup> Today, the Arctic is increasingly portrayed as a region, which lies in the 'shadow' of the bear. This of course refers to Russia, which has been steadily building up its military capabilities in the High North and investing in the development of the Northern Sea Route (NSR) and the extraction of Arctic resources. It also lays the most far-reaching claims to the continental shelf around the North Pole.

The Arctic is also attracting the interest of the People's Republic of China (PRC), which is stepping up its trade, economic, and scientific and research activities in the region as part of the Polar Silk Road project. Beijing is keen to develop its shipping options there, as using Arctic routes would reduce the time it takes to transport goods between Europe and East Asia. Climate change forms the backdrop behind these activities, and in some ways is even their primary driving force. Global warming is causing the ice cap around the North Pole to shrink, slowly opening the Arctic up to business, the fishing industry and the military, after it had been out of reach for centuries.

The US, Canada, Denmark and Norway – the only NATO countries with access to the Arctic Ocean shelf – are closely following the international situation and the climate developments in the circumpolar area. They interpret the increasing presence of Russia and China in the Arctic as part of the rising global rivalry between the West on the one hand and Moscow and Beijing on the other. Therefore, this region has been gaining importance in the security policies of the US and Canada, as well as Denmark and Norway; this in turn is making them spend more on improving their Arctic warfare capabilities and scrutinising Chinese investments in the region more closely. At the same time the 'Arctic Four', despite their converging assessments of Russian and Chinese activities beyond the Arctic Circle, often have diverging views of the region, and consequently define their polar interests in different ways.

This report analyses the Arctic involvement of the US, Canada, Denmark and Norway, the four Western countries with access to the Arctic Ocean's continental shelf, which have extensive interests within the Arctic Circle.<sup>2</sup> It is also

<sup>1</sup> K. Kubiak, *Interesy i spory państw w Arktyce w pierwszych dekadach XXI wieku*, Wydawnictwo Trio, Warszawa 2012, p. 23.

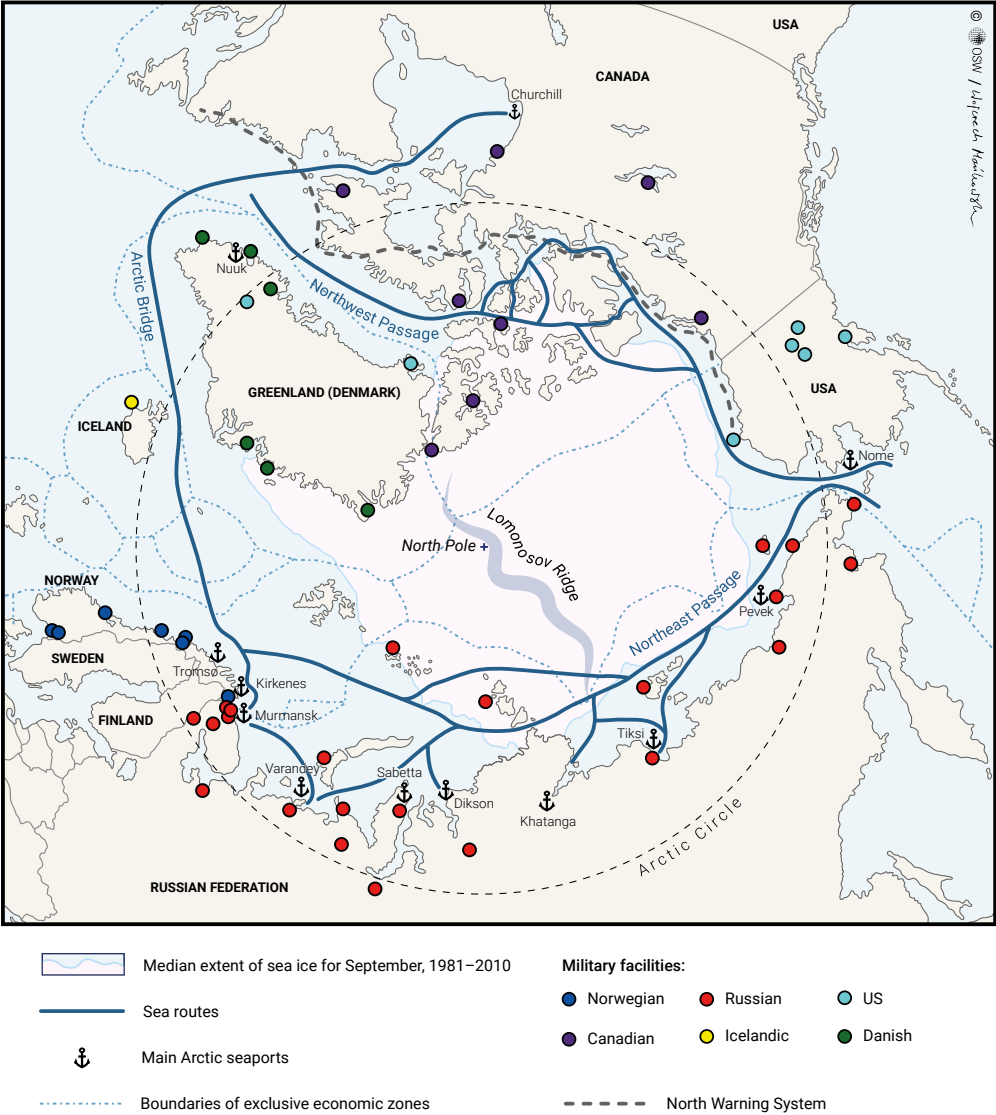
<sup>2</sup> Iceland itself is located outside the Arctic, but the Arctic Circle runs through one of its islands, namely Grímsey. This gives the country a seat on the Arctic Council. Iceland is a member of NATO, but has no standing armed forces, which limits its influence in the region. Sweden and Finland are not Arctic Ocean coastal states.

worth taking a closer look at the activities of Poland's North American and North European allies in this region due to their implications for defence and energy cooperation in the Nordic and Baltic region.

This paper addresses questions about the reasons for the growing interest in the Arctic, as well as the region's importance in the security policies of the US, Canada, Denmark and Norway. It considers the economic and commercial aspects of the presence of these countries within the Arctic Circle. It also examines the claims some studies have made about an Arctic arms race and a scramble for the immense natural resources of the region, which is still largely inaccessible for maritime trade, the exploitation of resources or military activity.

Finally, the report also offers a forecast for the trajectory of the polar policies of the 'Arctic Four' and the strategic situation in the High North. The content of official documents (strategies, plans, statements and more), studies by think tanks and press materials was analysed as the main research method. Considerations of historical and institutional-legal methods, as well as interviews with experts dealing with Arctic issues, played an important auxiliary role in the preparation of this paper.

**Map.** The Arctic and the Arctic Ocean. Military infrastructure of NATO countries and Russia, and the polar sea routes



**Sources:** ‘Department of the Air Force introduces Arctic Strategy’, The US Air Force, 21 July 2020, af.mil; ‘Sea Routes and Ports in the Arctic’, Nordregio, January 2019, nordregio.org; M. Jeffries, ‘Sea ice’, Britannica, britannica.com.

## I. THE SPECIFIC FEATURES OF THE ARCTIC REGION

The Arctic is an area that covers some 26.5 million sq km around the North Pole. Its southern extent is marked by the 10°C July isotherm, which roughly follows the tree line. To make things easier, it is often accepted that the region lies within the Arctic Circle (66°33'39"N). It comprises the Arctic Ocean, archipelagos and islands (including Greenland, the world's largest), and the northern coasts of Eurasia and North America.<sup>3</sup> It is inhabited by some 4 million people (half of whom live in Russia), 10% of whom are indigenous populations.<sup>4</sup>

The 1982 United Nations Convention on the Law of the Sea (UNCLOS) is the primary framework governing the international situation in the Arctic. It defines the rights, duties and extent of jurisdiction of the Arctic Ocean coastal states, the status of international waters (the high seas), the archipelagos and straits, as well as the principles for the delimitation of maritime exclusive economic zones and the continental shelf.<sup>5</sup> In 2008, the five littoral states of the Arctic Ocean (Canada, Russia, Norway, Denmark and the US) confirmed that the law of the sea would form the basis for their regional cooperation, Arctic governance and the settlement of territorial disputes (the Ilulissat Declaration).<sup>6</sup>

Older legal acts also govern the international legal order in this region. The most important of these is the 1920 Spitsbergen Treaty, which grants Norway sovereign rights to the Svalbard archipelago while providing dozens of other signatories (including Poland) with equal access to it and the right to conduct economic activities in the area. Apart from Norway, this right is only exercised by Russia, which operates a coal mine and a consulate in Barentsburg. Recent Arctic agreements include the 2015 International Code for Ships Operating in Polar Waters and the 2018 Agreement to Prevent Unregulated High Seas

<sup>3</sup> There are many definitions of the Arctic's southern boundary. See 'Arktyka i Antarktyka – środowisko przyrodnicze obszarów podbiegunowych', The Educational Platform of the Ministry of Education and Science, [zpe.gov.pl](http://zpe.gov.pl); M. Łuszczuk, P. Graczyk, A. Stępień, M. Śmieszek, *Cele i narzędzia polskiej polityki arktycznej*, The Ministry of Foreign Affairs of the Republic of Poland, Department of European Policy, Warszawa 2015, pp. 21–24.

<sup>4</sup> Indigenous peoples living in the Arctic areas of the US, Canada, Denmark (Greenland) and Norway include the Aleuts, Athabascans, Gwich'in, Inuit and Sámi.

<sup>5</sup> The coastal states' first claims to the Arctic in the 20<sup>th</sup> century were based on the sector theory: they covered triangular areas adjacent to the coasts and converging longitudinally towards the pole. These claims were advanced to prevent Arctic islands from being considered *terra nullius* and seized by others under the pretext of the absence of effective occupation. R. Bierzanek, J. Symonides, *Prawo międzynarodowe publiczne*, Warszawa 2009, p. 243.

<sup>6</sup> The United States is the only Arctic country that has not joined the Convention on the Law of the Sea, but it recognises its provisions in practice. One example is Washington's agreement to apply the document to the Arctic as expressed in the Ilulissat Declaration.

Fisheries in the Central Arctic Ocean. Another important achievement came in 2011 when members of the Arctic Council signed an agreement on search and rescue cooperation, which divided the polar region into zones of responsibility of individual coastal states.

Global warming is changing the Arctic, which has been heating up three times faster than the rest of the world on average over the past half-century.<sup>7</sup> The process is speeding up the melting of the Greenland ice sheet, which covers about 80% of the island's area of more than 2 million sq km. This is a serious threat: the melting accounts for 20–25% of the rise in ocean levels since 1992,<sup>8</sup> alters the precipitation patterns in the Northern Hemisphere, reduces the area of reflected solar radiation, and also disrupts the chemical balance of the oceans and their ecosystems, as well as the flow of ocean currents. Moreover, the extent of the Arctic Ocean ice sheet has shrunk by about 40% for June and July over the past four decades and by an average of 10% for the colder months. After 2050, the basin may not freeze at all in summer. Access to the region and its natural resources is therefore becoming easier.

The littoral states' Arctic strategies emphasise the area's potential, both in terms of resources and intercontinental maritime transport. Both the Northwest Passage and the Northeast Passage became ice-free for the first time in August 2010. On the Yokohama-Rotterdam route, using the NSR would make the journey around 8000 km shorter compared to running via the Suez Canal. In the future, the Arctic Ocean could connect Asia, Europe and North America, which together account for three-quarters of the world's population. The Arctic holds an estimated 13% of global oil reserves and 30% of gas; about 84% of its hydrocarbons are in offshore fields. Climate change is also driving the northward migration of fish, which will increase the importance of Arctic waters for some countries' food security. The region accounts for about 10% and 5% respectively of the world's fish and shellfish catch.

A number of regional cooperation frameworks exist in the Arctic, most notably the intergovernmental Arctic Council, founded in 1996, which deals with environmental protection, shipping safety, economic development and providing support for the Indigenous people. Its members include Iceland, Canada, Norway, Sweden, Finland, Denmark, Russia and the US (these countries also

<sup>7</sup> This trend is forecast to continue. Over the next two decades, the average global temperature is projected to rise by 1–2°C, and by up to 3°C in the Arctic itself.

<sup>8</sup> K. Abnett, 'Greenland ice sheet shrinks by record amount: climate study', Reuters, 15 April 2020, reuters.com.

cooperate through the Arctic Coast Guard Forum). The Council takes decisions unanimously.<sup>9</sup> It is not an international organisation (due to opposition from the United States) and does not adopt legally binding regulations, although it is working to develop them. Neither does it deal with military matters, which are discussed at meetings of the Arctic Security Forces Roundtable; this is attended by military officials from the US, Canada, the Nordic countries and four non-Arctic parties (the UK, France, the Netherlands and Germany).<sup>10</sup> Russia has been excluded from these meetings since 2014. The Barents Euro-Arctic Council, which brings together the Nordic countries, Russia and the European Commission, also plays an important regional role. International polar stations are the centres of scientific cooperation in the Arctic. The independent Arctic Economic Council has acted as a forum for the region's businesses since 2014.

The growing rivalry between the US, China and Russia marks a shift in the post-Cold War paradigm of international relations in the Arctic. The belief in its uniqueness as an area exempt from conflicting interests of the great powers, where cooperation can thrive across divides, is now waning. Today, 'big politics' is more frequently venturing into the Arctic Circle, and the region is increasingly seen as a potentially significant theatre of global competition. However, it is usually not a struggle 'for' the Arctic *per se*, but 'in' the Arctic. The only exception concerns the disputes over how to divide the 'Arctic cake', that is the overlapping claims of Denmark (900,000 sq km), Canada (1.2 million sq km) and Russia (2.1 million sq km) to the North Pole shelf.<sup>11</sup> However, all the parties agree that these disputes will be settled on the basis of the law of the sea;

<sup>9</sup> The growing importance of the Arctic is reflected in the expanding group of observers in the Arctic Council. These include Poland, Germany, the Netherlands and the United Kingdom (since 1998), France (since 2000), Spain (since 2006), Italy, Japan, China, India, the Republic of Korea and Singapore (since 2013), and Switzerland (since 2017). Estonia, Ireland and the Czech Republic are seeking to achieve this status.

<sup>10</sup> And partly also by defence ministers within the Northern Group (the UK, the Netherlands, Germany, Poland, the Nordic and Baltic states).

<sup>11</sup> According to Article 76(1) of the UNCLOS, "The continental shelf of a coastal State comprises the seabed and subsoil of the submarine areas that extend beyond its territorial sea throughout the natural prolongation of its land territory to the outer edge of the continental margin, or to a distance of 200 nautical miles from the baselines from which the breadth of the territorial sea is measured where the outer edge of the continental margin does not extend up to that distance". Article 77(1) states that "The coastal State exercises over the continental shelf sovereign rights for the purpose of exploring it and exploiting its natural resources", although under Article 78(1) the rights of such a state "over the continental shelf do not affect the legal status of the superjacent waters or of the air space above those waters". Norway's claims to the shelf in the Barents Sea, the Norwegian Sea and the Arctic Ocean were accepted in 2009. Russian claims extend to the exclusive economic zones of Greenland and Canada. The US, for its part, cannot lay claim to the Arctic shelf as it has not signed the UNCLOS. [The United Nations Convention on The Law of The Sea](#), European Union, 1998, eur-lex.europa.eu.

relevant applications have been submitted to the Commission on the Limits of the Continental Shelf.<sup>12</sup>

The United States, Canada, Denmark (Greenland) and Norway are also preparing for the negative effects of global warming. Thawing permafrost and melting ice sheets are threatening civilian and military infrastructure in the Arctic, and will necessitate additional spending on search-and-rescue and clean-up capabilities related to the increase in shipping through the area. At the same time, in the event of an attack on North America, climate change will make it easier for potential adversaries to penetrate its territory from the Arctic. In the future, all the four countries will be confronted with new dilemmas in their policies towards the region. These will involve finding a balance between the pace of greenhouse gas reductions and environmental protection on the one hand, and the economic development and exploitation of resources on the other; between peaceful cooperation and militarisation; and, in the case of Greenland, between maintaining its union with Denmark and self-determination.

<sup>12</sup> The Commission is the treaty body of the UNCLOS which considers requests to extend the limits of the continental shelf 200 nautical miles beyond the baseline (to a distance up to 350 nautical miles). The Convention provides for a complex method of delimiting the shelf boundary. From the point of view of this paper, it is relevant that in certain cases the shelf boundary can be moved beyond 350 nautical miles. Hence the ocean floor surveys conducted by Russia, Canada and Denmark to prove that the Lomonosov Ridge is an undersea elevation which forms a natural component of their continental margin – and thus a natural extension of their land territory. It is worth noting that according to Article 83(1) of the Convention, “the delimitation of the continental shelf between States with opposite or adjacent coasts shall be effected by agreement on the basis of international law (...) in order to achieve an equitable solution”. M. Mieczkowski, ‘Jurysdykcja państwowa na obszarach morskich Arktyki’ [in:] M. Łuszczuk (ed.), *Arktyka na początku XXI wieku. Między współpracą a rywalizacją*, Wydawnictwo UMCS, Lublin 2013, pp. 34–40.



## II. THE PRIORITIES OF THE ‘ARCTIC FOUR’

NATO’s Arctic members define their priorities beyond the Arctic Circle in different ways. The US views the region primarily as part of its global rivalry with Russia and China; Canada’s discourse focuses on protecting its sovereignty in the Arctic Archipelago and developing the country’s northern regions in a sustainable way; Denmark seeks to keep its place among the Arctic states by strengthening its union with Greenland; and for Norway, the Arctic is of greatest importance as a vital area both for its economy and defence.

### 1. The United States

Many publications on the Arctic describe the United States as a late polar power, since the region long remained on the margins of its policy after the Cold War ended.<sup>13</sup> However, America’s Arctic history could very well have taken a different turn. Immediately after World War II, the US tried to acquire Greenland from Denmark. If these plans for Arctic expansion had come to fruition, it would have turned the US into a central player in the region (it joined the ranks of Arctic states when it purchased Alaska from Russia in 1867). Therefore, the controversial idea to purchase the island raised by the Trump administration in 2019 was interpreted as a sign of America’s ‘return’ to the Arctic. However, the United States does not have the strong socio-economic ties with the Arctic which are so characteristic of the other countries that border the Arctic Ocean. A 2019 public opinion poll showed that Americans do not identify themselves as an Arctic nation driven by core interests in this part of the world.<sup>14</sup> Neither does the US aspire to be a leader of international cooperation in this region.

The growing US involvement in the Arctic over the past few years is largely due to its deepening global rivalry with China and Russia.<sup>15</sup> The potential of individual countries in the region is often measured by the number of ice-breakers each one possesses. With only two such vessels, the US is lagging so

<sup>13</sup> H. Conley, M. Melino, ‘The Implications of U.S. Policy Stagnation toward the Arctic Region’, Centre for Strategic and International Studies, 3 May 2019, [csis.org](https://www.csis.org/analysis/implications-us-policy-stagnation-toward-arctic-region); R. Huebert, ‘United States Arctic Policy: The Reluctant Arctic Power’, University of Calgary, May 2009, at: [researchgate.net](https://researchgate.net/publication/311111111).

<sup>14</sup> R. O’Rourke et al., *Changes in the Arctic: Background and Issues for Congress*, Congressional Research Service, 24 March 2022, p. 6, at: [sgp.fas.org](https://www.sgp.fas.org).

<sup>15</sup> M. Pompeo, ‘Looking North: Sharpening America’s Arctic Focus’, The US Department of State, 6 May 2019, [state.gov](https://www.state.gov). I. Williams, H. Conley, N. Tsafos, M. Melino, *America’s Arctic Moment: Great Power Competition in the Arctic to 2050*, Centre for Strategic and International Studies, 30 March 2020, [csis.org](https://www.csis.org/analysis/americas-arctic-moment).

far behind Russia (which has more than 40) that the term ‘icebreaker gap’ has been coined in the US debate.<sup>16</sup> As in other parts of the world, the US wants to counterbalance Russia’s military activity and China’s economic activity within the Arctic Circle. It prioritises military issues, which have dominated its presence in the region since World War II. The Department of Defense and the individual branches of the US Armed Forces adopted their Arctic strategies in 2019–21.<sup>17</sup> The US Coast Guard has been the most active US uniformed service in the polar areas so far, while the State Department’s Coordinator for the Arctic Region has been responsible for developing diplomatic relations with the regional countries since 2020; the US reopened its consulate in Greenland’s capital Nuuk the same year. In August 2022, it announced the appointment of an Ambassador-at-Large for the Arctic Region.

## 2. Canada

Canada is a country of three oceans: the Atlantic, the Arctic and the Pacific. The first of these plays a central role in the country’s strategic culture due to its strong transatlantic ties. Geographically, however, Canada is also the most Arctic country of the Euro-Atlantic area, and its ‘northernness’ is an important component of the identity of its people.<sup>18</sup> The Canadians see themselves as a Northern nation, and emphasise their extensive interests in the Arctic. The national anthem refers to the country as the ‘True North’, and government documents underline that the Arctic is ‘embedded in the Canadian soul’. Canadian literature features the images of the North-hardened ‘real’ Canadian (strong and steadfast) and of Canada as the ‘guardian’ of the North and ‘protector’ of the Arctic.<sup>19</sup> However, these are archetypes of national mythology rather than real experiences, as most Canadian citizens live in the south and have little contact with the northern territories.

<sup>16</sup> Non-Arctic China also has two icebreakers. J. Di Pane, K. Romaine, ‘U.S. Needs Icebreakers to Keep Up With China and Russia in Arctic’, The Heritage Foundation, 18 June 2021, [heritage.org](https://www.heritage.org); L.A. Mortensgaard, K.S. Kristensen, ‘The ‘icebreaker-gap’ – how US icebreakers are assigned new, symbolic roles as part of an escalating military competition in the Arctic’, Safe Seas, 5 January 2021, [safeseas.net](https://safeseas.net).

<sup>17</sup> A. Wieslander, V. Lundquist, *The UK, France, and the United States in Sweden’s Vicinity: Strategic Interests and Military Activities*, Atlantic Council, June 2021, [atlanticcouncil.org](https://atlanticcouncil.org).

<sup>18</sup> P. Lackenbauer, A. Lajeunesse, J. Manicom, F. Lasserre, *China’s Arctic Ambitions and What They Mean for Canada*, University of Calgary, January 2018, [ucalgary.ca](https://ucalgary.ca).

<sup>19</sup> P. Dolata-Kreutzkamp, ‘The Arctic Is Ours’: Canada’s Arctic Policy – Between Sovereignty and Climate Change, *Fokus Kanada* 2/2009, Friedrich-Ebert-Stiftung, [fes.de](https://fes.de); G. Sharp, ‘What does it mean to be ‘true north strong and free?’ Canada’s Elusive Northern Identity’, The Arctic Institute, 21 September 2021, [theartcticinstitute.org](https://theartcticinstitute.org).

Canada's list of Arctic priorities has evolved. Defence, extracting resources and protecting the environment topped the list during the Cold War, but it later expanded to include the fight against global warming, efforts to enhance search and rescue capabilities, and also support for Indigenous communities.<sup>20</sup> Canada was the country that initiated the creation of the Arctic Council in 1996. The Liberal government of Prime Minister Justin Trudeau (since 2015), which is committed to reconciliation with the Indigenous population, has been seeking to improve the social conditions of the Inuit who live in the north. Relations with the Indigenous people are burdened by difficult past events, including controversial relocations beyond the Arctic Circle in the 1950s intended to demonstrate that Canada's northern reaches were inhabited, and that the government was the sovereign authority in those areas.<sup>21</sup>

'Sovereignty' is still the key word for understanding Canada's Arctic policy.<sup>22</sup> Canada began to extend its jurisdiction over the northern maritime areas (initially in the field of environmental protection) as early as the 1970s, before the UNCLOS was adopted in 1982.<sup>23</sup> This triggered territorial and legal disputes in the north: over the status of the Northwest Passage and the delimitation of maritime areas with the US (in the Beaufort Sea) and with Denmark/Greenland (in the Lincoln Sea). In June 2022, after nearly 50 years, Canada and Denmark struck an agreement on the division of the small Hans Island, located between Canada's Ellesmere Island and Greenland.<sup>24</sup> Canada recognises the climate change and international rivalry in the Arctic as one of the main trends adversely affecting the country's security. It also seeks to mitigate circumpolar tensions as it strives to be the leader of peaceful cooperation in the region. Indeed, when in 2014 the government was discussing whether to

<sup>20</sup> 'Canada's Arctic and Northern Policy Framework', The Government of Canada, September 2019, [canada.ca](https://www.canada.ca).

<sup>21</sup> P. Lackenbauer, 'Threats Through, To, and In the Arctic: A Canadian Perspective' [in:] D. Depledge, P. Lackenbauer (eds.), *On Thin Ice? Perspectives on Arctic Security*, North American and Arctic Defence and Security Network, 2021, pp. 35-47.

<sup>22</sup> The slogan of Canadian sovereignty in the Arctic is part of the local political theatre. The opposition typically accuses the government of neglecting it, but when it takes power, the question is sidelined.

<sup>23</sup> Prompted by the discovery of oil deposits in Alaska and US plans to use the Northwest Passage to transport crude, Canada passed the Arctic Waters Pollution Prevention Act. It thus established a 100-mile maritime protection zone where it could deny passage to inadequately prepared vessels, and also extended its territorial waters to 12 nautical miles. Canada extended its full sovereignty to the Arctic Archipelago in 1986 and established a 200-mile exclusive economic zone in 1996. M. Gabryś, 'Dziedzictwo Pierre'a Trudeau. Strategia Kanady w odniesieniu do zagrożeń ekologicznych i problemu suwerenności nad wodami Arktyki na przełomie lat 60. i 70. XX wieku oraz obecnie' [in:] M. Łuszczuk (ed.), *Arktyka na początku XXI wieku...*, op. cit., pp. 485-508, at: [researchgate.net](https://researchgate.net).

<sup>24</sup> It was the only dispute in the Arctic over land territory rather than the shelf. At issue was not the ownership of a meaningless rock, but the assertion of Canada's sovereign rights in the Arctic in order to avoid setting a precedent with regard to other disputes in the region. A. Burke, R. Raycraft, 'Canada and Denmark sign deal to divide uninhabited Arctic island', CBC, 13 June 2022, [cbc.ca](https://www.cbc.ca).

skip a Moscow meeting of the Arctic Council (chaired by Canada at the time) in response to Russia's annexation of Crimea, this was criticised as an overly provocative step against the Kremlin that could jeopardise polar cooperation; in the end, Ottawa decided not to make even this symbolic gesture.<sup>25</sup> Only after Russia's invasion of Ukraine in 2022 did Canada reverse this course and freeze its Arctic cooperation with Russia.

### 3. Denmark

The priority of Denmark's Arctic policy is to preserve its union with Greenland, and thus its status as an Arctic state. Greenland is an autonomous part of the Kingdom of Denmark, like the Faroe Islands. The exercise of control over the foreign, security and defence policies of the world's largest island and the participation in meetings of the Arctic Council and the Arctic Ocean coastal states (the 'Arctic Five': Canada, the US, Denmark, Norway and Russia) enhance Denmark's prestige and allow it to play a greater role on the international stage. In addition, the US military presence on Greenland and the 1951 bilateral agreement on its defence keep the profile of Denmark's relationship with the United States high. There is a perception in Copenhagen that without Greenland it would be relegated to the 'second league' of the US's allies.

However, it will be increasingly difficult to maintain the status quo between Denmark and Greenland due to the growing interest the major powers have been showing in the region, as well as the island's aspirations to independence, which are gradually expanding its autonomy. In one example of Greenland's assertiveness towards Denmark, it has blocked the adoption of a new Danish Arctic strategy after the previous one expired in 2020.<sup>26</sup> The government in Copenhagen has sought to woo Greenland's authorities by supporting the island's economic development, for example through investments in airports and renewable energy. It has also consented to closer Greenlandic-US relations in areas such as investment and trade, energy and mining, education, tourism and the environment, although it is concerned about the island's waning ties to the kingdom. In 2021, Denmark, the Faroe Islands and Greenland developed a mechanism for consultation on foreign, security and defence policies, which

<sup>25</sup> R. Huebert, 'Canada, the Arctic and the Russian Invasion of Ukraine', The Polar Connection, 12 March 2022, [polarconnection.org](https://polarconnection.org).

<sup>26</sup> The previous strategy (2011–20) focused on strengthening cooperation with the Faroe Islands and Greenland, tackling global warming, ensuring the safety of shipping, cooperation in the Arctic Council and within the 'Arctic Five', and protecting the integrity of the kingdom. *Kingdom of Denmark Strategy for the Arctic 2011–2020*, The Ministry of Foreign Affairs of Denmark, [um.dk](https://um.dk).

are Copenhagen's domains. A Contact Committee, consisting of three prime ministers and three key ministers, was set up for this purpose. The decision to allow representatives of Greenland and the Faroe Islands to speak before Danish officials at the Arctic Council should be considered as a symbolic milestone.<sup>27</sup>

Denmark opposes players from outside the region (such as the EU and China) getting involved in the Arctic governance out of concern that this will harm the interests of the smaller Arctic states such as Denmark (Greenland itself is not part of the European Union).<sup>28</sup> The Arctic and Greenland are distant topics for the Danish public, although this has been changing recently due to global warming and the indignant reaction to the US offer to buy the island.

#### 4. Norway

For Norwegians, as for Canadians, polar exploration is an important component of national identity and a matter of pride. The polar explorers Fridtjof Nansen and Roald Amundsen have a place in the pantheon of national heroes. Despite that, the domestic political discourse shies away from portraying the High North as a 'mythologised' and 'exotic' Norway. It emphasises the 'normality' of Norway's Arctic, for example by drawing attention to its advanced economy and fine universities. Norway is the country with the highest percentage of people living beyond the Arctic Circle (9%), but the north is facing depopulation, which the government is making efforts to counter.

At the same time, security and defence issues play a greater role in Norway's Arctic policy than in those of the other NATO countries in the region. This results from Norway's land border with Russia and its proximity to the bases of Russia's Northern Fleet. In Norway's Arctic strategy, these issues rank ahead of environmental protection and decarbonisation, the economy, or support for the Indigenous Sámi and Kven communities.<sup>29</sup> Norway is watching Russia's growing military capabilities in the Arctic with increasing concern, especially as the High North is of considerable economic importance to the country.<sup>30</sup>

<sup>27</sup> E. Quinn, 'Greenland, Denmark and the Faroe Islands sign terms of reference for committee on foreign affairs and defence', Eye on the Arctic, 4 October 2021, rcinet.ca.

<sup>28</sup> J. Rahbek-Clemmensen, 'Denmark in the Arctic: Bowing to three masters', *Atlantisch Perspectief* 2011, Vol. 35, no. 3, pp. 9-14; *idem*, "'An Arctic Great Power"? Recent Developments in Danish Arctic Policy', *Arctic Yearbook* 2016, arcticyearbook.com.

<sup>29</sup> 'The Norwegian Government's Arctic Policy', The Government of the Kingdom of Norway, 26 January 2021, regjeringen.no.

<sup>30</sup> *Unified Effort*, The Ministry of Defence of the Kingdom of Norway, 2015, regjeringen.no.

It fears that Russian forces would occupy the northern part of the country in the event of a conflict with NATO or the US. Other potential ways in which Russia could 'test' the West involve hybrid action targeting the Arctic archipelago of Svalbard (where Norway has no permanent military presence) or Norway's offshore oil and gas infrastructure.<sup>31</sup> In June 2022, the Kremlin unleashed a media campaign against Norway calling into question its sovereignty over Svalbard and the validity of the 2010 Barents Sea delimitation treaty. Russia's move was triggered by Norway's decision to block a cargo of supplies for the Russian coal mine in Barentsburg that was transiting through the north of Norway.<sup>32</sup>

## 5. The European Union

Since the 1990s, the EU has interacted with the Arctic through:

- its common fisheries policy;
- its transport, environmental, energy and industrial regulations;
- its regional (cohesion policy) and science funds;
- the European Investment Bank's loans for transport and telecommunications infrastructure;
- bilateral cooperation programmes with Greenland and Russia;
- cooperation with Iceland, Norway and Russia within its Northern Dimension.<sup>33</sup>

Until the mid-2000s, circumpolar issues were marginal to the European Commission and there was no comprehensive vision for the community's engagement in the region. The situation began to change in 2007–8 along with a growing awareness of the effects of global warming and increasing competition for the polar shelf, but the EU still faces numerous constraints in the Arctic. These include the EU member states' lack of access to the Arctic Ocean

<sup>31</sup> J. Gotkowska, *Norway and the Bear. Norwegian defence policy – lessons for the Baltic Sea region*, OSW, Warsaw 2014, [osw.waw.pl](http://osw.waw.pl).

<sup>32</sup> The Russians could have delivered the cargo, for example, from Murmansk directly to Svalbard, but deliberately chose the Norwegian port of Tromsø because they knew that the goods would be detained due to Norway's adoption of EU sanctions. The Norwegian foreign ministry emphasised that Svalbard was exempt from the ban on Russian ships entering European ports, and also declared that it was open to discussing the option of an airlift. In July, it was reported that the parties had hammered out an agreement on the issue. A. Staalesen, 'Top Russian legislators question Norwegian sovereignty over Svalbard', *The Barents Observer*, 29 June 2022, [thebarentsobserver.com](http://thebarentsobserver.com); 'Russia and Norway agree to resolve Svalbard transit dispute', *Euronews*, 6 July 2022, [euronews.com](http://euronews.com).

<sup>33</sup> Initiated by Finland in 1999. The Northern Dimension covers cooperation in education and research, social affairs, trade and economy, health care and the fight against organised crime. M. Łuszczuk, P. Graczyk, A. Stępień, M. Śmieszek, *Cele i narzędzia polskiej polityki arktycznej*, op. cit., pp. 188–193; K. Smoleń, 'Arktyka w polityce Unii Europejskiej w latach 2008–2010' and M. Tomala, '„Wymiar Północny” Unii Europejskiej wobec problemów Arktyki' [in:] M. Łuszczuk (ed.), *Arktyka na początku XXI wieku...*, op. cit., pp. 245–272.



shelf (Greenland is not part of the EU) and their diverging interests with the 'Arctic Five' (Russia, Canada, the US, Denmark/Greenland and Norway), which seeks to remain at the forefront of Arctic governance. These differences relate to the fishing industry, the maritime economy, environmental protection, freedom of navigation and the exploitation of Arctic hydrocarbons. The implementation of the 2013 decision to grant the EU observer status in the Arctic Council was first blocked by Canada (due to the EU's ban on trade in seal products) and then, from 2014, by Russia (due to the Ukrainian conflict).<sup>34</sup>

Despite these unfavourable circumstances, the EU increasingly recognises the need to be proactive in its Arctic policy. It appointed its first ambassador for Arctic affairs in 2017 and launched meetings of the EU Arctic Forum in northern Sweden in 2019. Its 2016 and 2021 Joint Communications on the Arctic say that it is in the EU's strategic interest to play a key role in the region.<sup>35</sup> This narrative stems not only from the unfolding climate change and the actions of Russia and China, but also from growing concerns over the supplies of key minerals for high-tech industries;<sup>36</sup> hence the plan to expand cooperation with the resource-rich Greenland and the announcement that the European Commission will open an office in Nuuk.<sup>37</sup>

In addition, in the Arctic the EU wants to promote renewable energy and climate research and invest in 'soft security'.<sup>38</sup> The latter includes space projects to provide commercial access to satellite Internet communications (local terrestrial telecommunications are underdeveloped, while geostationary satellites do not cover the region), support for sustainable development of the Indigenous communities (including the fight against the COVID-19 pandemic), as well as enhanced search and rescue and civil protection capabilities.<sup>39</sup>

<sup>34</sup> In practice, the EU is treated in the Arctic Council like other observers.

<sup>35</sup> *Zintegrowana polityka Unii Europejskiej w sprawie Arktyki*, The European Commission, 27 April 2016, [eur-lex.europa.eu](http://eur-lex.europa.eu); *Joint Communication on a stronger EU engagement for a peaceful, sustainable and prosperous Arctic*, The European Commission, 13 October 2021, [eeas.europa.eu](http://eeas.europa.eu).

<sup>36</sup> For example, EU member states import 98% of rare earth elements and 93% of magnesium from China. On a global scale, the EU 'consumes' 20% and produces 3% of mineral products.

<sup>37</sup> Its main task, however, will be to coordinate EU development aid to Greenland, primarily in the area of education (€225 million for 2021–7).

<sup>38</sup> R. Chuffart, A. Raspotnik, A. Stepień, *Our common arctic? A more sustainable EU-arctic nexus in light of the European green deal*, *The Polar Journal*, Vol. 11, Issue 2 (2021), pp. 284–302, at: [tandfonline.com](http://tandfonline.com).

<sup>39</sup> The EU also plans to invest in Arctic technologies in the areas of aquaculture, renewable marine energy and marine biotechnology.

## 6. NATO

Although the North Atlantic Alliance extends its collective defence over all the Arctic territories of its member states, including Norway's Svalbard, Greenland and Canada's Arctic Archipelago, it does not conduct regular exercises in the region and has no permanent military foothold there. In 2008, NATO began the air policing mission in Iceland's airspace, although this is rotational and non-persistent (a few months a year). The Alliance also demonstrated its presence in the north with a major NATO Response Force exercise in Norway (Trident Juncture 2018), but it was focused on the defence of the central part of the country. Moreover, the final communiqués from NATO summits and the new 2022 NATO Strategic Concept contain no references to the Arctic.<sup>40</sup> Firstly, apart from northern Norway, no Arctic areas of the Alliance are at risk of a conventional land invasion, because of the vast spaces and inaccessibility of the region; the Arctic was also recognised as a *de facto* zone of peaceful cooperation with Russia after the end of the Cold War. Secondly, NATO's Arctic members have failed to develop a coordinated approach to the region. Canada has been the most vocal in opposing NATO involvement in polar affairs. The US and Denmark have also expressed their scepticism, and have engaged in circumpolar military cooperation outside NATO's structures.<sup>41</sup> By contrast, the importance of the NATO deterrent in the High North has been emphasised by Norway and Iceland, which are concerned about any reduction of allied cold-weather warfare capabilities.

NATO's approach to the Arctic has been gradually changing over the last few years. This has been influenced by Russia's increasing militarisation of its part of the region, concerns about its hybrid warfare in the polar areas, and uncertainty about the nature of China's involvement within the Arctic Circle. The signal to reverse the retreat from the Arctic came from Washington, where President Donald Trump's administration highlighted the need to contain Russia and China in the High North. Even Canada has begun to adjust its stance towards the Alliance's activity in the region, while Denmark's new foreign and security policy strategy (2022) declares its "support for NATO's increased focus on the region".<sup>42</sup> The Allied Command Transformation (ACT) predicts

<sup>40</sup> The area of the Supreme Allied Commander Europe (SACEUR)'s responsibility does not include the North American part of the Arctic. During the Cold War, there were disputes within NATO about the boundaries of the northern flank.

<sup>41</sup> M. Łuszczuk, P. Graczyk, A. Stępień, M. Śmieszek, *Cele i narzędzia polskiej polityki arktycznej*, op. cit., pp. 62–63.

<sup>42</sup> *Foreign and Security Policy Strategy 2022*, The Ministry of Foreign Affairs of Denmark, January 2022, [um.dk/en](https://um.dk/en).



that in 2040 the Arctic will be a significant theatre of global competition between the major powers and generate a host of climate change-related social problems.<sup>43</sup> This may pose new challenges for NATO with respect to protecting the sea lines of communication, combatting Russian submarines, and even countering terrorism and piracy. For this reason, the ACT has proposed giving greater consideration to Arctic issues in the NATO Military Committee and developing a coherent Arctic strategy. In August 2022, NATO Secretary General Jens Stoltenberg also called for a stronger allied presence in the region.<sup>44</sup> However, it would take years to rebuild NATO's Arctic capabilities, as only a few allies have adequate armament and military equipment for operations in this challenging area: apart from the Arctic states, only the British and Dutch forces conduct regular exercises on the northern flank.<sup>45</sup>

<sup>43</sup> *Regional Perspectives Report on the Arctic*, Allied Command Transformation, NATO, April 2021, [act.nato.int](https://act.nato.int).

<sup>44</sup> 'NATO 'must increase its presence in the Arctic'', Deutsche Welle, 28 August 2022, [dw.com/en](https://www.dw.com/en).

<sup>45</sup> The use of UAVs to improve situational awareness in the Arctic and investments in satellite communications would play an important role here.

### III. OTHER ACTORS IN THE ARCTIC

Russia owns the largest part of the Arctic. It also exerts a significant influence on the strategic situation in the High North. Its activity in the region extends not only to the military sphere, but also the economy and transportation links. Of the non-Arctic countries, China has the most serious ambitions, and is the most active player in the circumpolar area.

#### 1. Russia

The Russian Arctic stretches from the Barents Sea in the west to the Chukchi Sea in the east. Control over vast Arctic areas forms part of Russia's great-power self-identification.<sup>46</sup> The country also lays the most extensive claim to the North Pole, which cover some 70% of the Arctic Ocean shelf beyond the exclusive economic zone of the Russian Federation. The Kremlin defines the Arctic as a priority region from an economic and military perspective.

Russia's primary aim is to maximise the extraction of the Arctic's resources, which are crucial to its budget. The oil and gas deposits in Russia's part of the Arctic are estimated to hold 25% and 70% of the country's reserves respectively. These areas generated around 6% of the country's GDP in 2020.<sup>47</sup> New onshore and offshore energy projects are expected to become the drivers of modernisation in northern Russia. However, these plans should be assessed as unrealistic. They do not take sufficient account of market trends, principally the decreasing profitability of offshore projects. Russia also has to reckon with its technological shortcomings, the elite's reluctance to liberalise the extraction, as well as international sanctions. The latter have curtailed Russian cooperation with Western energy companies in the Arctic, which has delayed some projects. The exploitation of the Arctic's resources is also linked to Russia's development of the Northern Sea Route (NSR). This route carried 33 million tonnes of cargo in 2020, more than ten times the figure from a decade earlier. The main contributors to this expansion were the exports of resources extracted in the region (particularly LNG) and shipments of supplies for the

<sup>46</sup> M. Boulègue, 'The militarization of Russian polar politics', Chatham House, 6 June 2022, [chatham-house.org](https://www.chatham-house.org).

<sup>47</sup> Around 17% and 80% respectively, with regard to oil and gas production. These high figures are partly the result of Russia's broad definition of the Arctic, which also includes territories south of the Arctic Circle. S. Kardaś, 'Sny o potędze. Arktyka w polityce energetycznej Federacji Rosyjskiej', *Komentarze OSW*, no. 399, 29 June 2021, [osw.waw.pl](https://osw.waw.pl).

country's Arctic regions.<sup>48</sup> Transit accounts for only 4% of commercial shipping along the NSR.<sup>49</sup> The marginal importance of this route in global maritime trade stems from a number of constraints (discussed further below), including Russia's own policy of seeking full control over the seaway and a monopoly on transit arrangements. Russian mining and port facilities in the Arctic will require significant investment, as up to 70% of them have been built on increasingly unstable permafrost.

In the military sphere, Russia has been steadily beefing up its capabilities for operations in the Arctic and expanding the local military infrastructure since at least 2014. It has been forming new units (the Arctic Brigade), installing new weapons systems (surface-to-sea/air guided missiles) and radar stations, reactivating abandoned post-Soviet military airfields and establishing new ones (14 in total since 2014). In 2014, it formed the joint strategic command 'North' ('Arctic') on the basis of its Northern Fleet. In 2021, as with the other strategic directions, it was given a territorial basis in the form of the newly established Northern Military District.

The areas north and north-west of the Kola Peninsula remain the strategic 'bastion' of the maritime part of Russia's nuclear triad – the Northern Fleet's nuclear-powered submarines that carry intercontinental ballistic missiles equipped with nuclear warheads. Footage of three Russian nuclear submarines (each capable of carrying 16 ballistic missiles) piercing the ice cap near the North Pole went viral worldwide in March 2021. This kind of exercise can be seen as a demonstration of Russia's ability to launch strategic strikes against the US, and of Moscow's aspirations in the region. Russia's new naval doctrine from 2022 puts the Arctic front and centre;<sup>50</sup> it draws attention to factors such as military control over the NSR and the defence of Arctic approaches to mainland Russia. The Arctic is also a convenient training ground where the Kremlin can test new technologies used in hypersonic missiles, electronic warfare and unmanned systems. It is noteworthy that the tasks of Russia's Federal Security Service and border guard forces include the protection of the continental shelf.

<sup>48</sup> The next expected milestones for the NSR are tonnage increases to 80 million tonnes in 2024 and 130 million tonnes in 2035.

<sup>49</sup> I. Wiśniewska, 'Północna Droga Morska w polityce Rosji', *Komentarze OSW*, no. 400, 14 July 2021, [osw.waw.pl](https://osw.waw.pl).

<sup>50</sup> A. Wilk, 'Russia's naval doctrine', *OSW*, 3 August 2022, [osw.waw.pl](https://osw.waw.pl).

The agenda of Russia's chairmanship in the Arctic Council in 2021–3 emphasised the value of international cooperation, sustainable development, environmental protection and supporting local communities in the Arctic areas. However, polar cooperation within the Council came to a halt in March 2022, when Canada, the US, Iceland, Denmark, Norway, Sweden and Finland issued a joint statement condemning Russia's aggression and its violation of the principles of sovereignty and territorial integrity. The seven countries also said they were “temporarily pausing participation in all meetings of the Council”.<sup>51</sup> Cooperation with Russia in the Barents Euro-Arctic Council was also suspended.<sup>52</sup>

Financial sanctions, discontinued investments and scaled-down operations by Western companies, particularly energy groups (including Shell, Total, BP, ExxonMobil), in response to Russia's invasion of Ukraine are undermining Moscow's aspirations for the economic development of the country's Arctic. These steps will further slow down the expansion of Russia's liquefied natural gas sector (which has lost access to modern LNG technology as a result of EU restrictions) and the implementation of its plans to increase exports to Asian markets. They will also have a negative impact on oil projects. In addition, EU sanctions will curtail the use of the NSR as an intercontinental trade route.<sup>53</sup>

## 2. China

China declared itself a ‘near-Arctic’ state in 2018, despite being situated one and a half thousand kilometres from the Arctic Circle. It has aspirations to co-govern the Arctic and act as an advocate for the interests of non-Arctic countries by defending the principle of equal access to the region. It has also announced that it will strengthen bilateral and multilateral cooperation with the Arctic states and include the region in its Belt and Road Initiative, a key tool for Beijing's economic and political expansion whose northern branch is called the Polar Silk Road.<sup>54</sup> This involves plans to boost trade and investments in local transport infrastructure, including seaports and airports, as well as

<sup>51</sup> ‘Joint Statement on Arctic Council Cooperation Following Russia's Invasion of Ukraine’, The US Department of State, 3 March 2022, [state.gov](https://state.gov).

<sup>52</sup> ‘Statements regarding Barents Euro-Arctic cooperation’, The Barents Euro-Arctic Council, 4 March 2022, [barents-council.org](https://barents-council.org).

<sup>53</sup> S. Sukhankin, *War in Ukraine dilutes Russia's Arctic successes and damages future plans*, North American and Arctic Defence and Security Network, 25 July 2022, [naadsn.ca](https://naadsn.ca).

<sup>54</sup> M. Kaczmarek, ‘The New Silk Road: a versatile instrument in China's policy’, *OSW Commentary*, no. 161, 9 February 2015, [osw.waw.pl](https://osw.waw.pl).

telecommunications (undersea cables and satellite communications). China recognises the ‘growing global importance’ of the Arctic: the emerging opportunities to strengthen the country’s security of supply of raw materials (by investing in mining projects and maintaining dominance on the rare-earths market) and food security (the fishing industry), as well as taking opportunities to open new shipping routes.<sup>55</sup>

Beijing is making more frequent use of the NSR, mainly to import LNG from Russia’s Yamal Peninsula, although a Chinese ship also made the first commercial voyage from Asia to Rotterdam along Russia’s northern coast in 2013. For China, the attractiveness of polar shipping stems not so much from the planned reduction in delivery times for container shipments to Western markets (southern routes remain more profitable), but from the potential strategic importance of the seaway through Russia’s Arctic. This is because most ocean trade routes are controlled by the US Navy, which could block them in the event of a conflict. The NSR is dominated by Russia, so this direction could offer a partial alternative for supply and trade should such a need arise. In addition, Beijing is playing an increasingly important role in polar research and science, as it operates research stations on Svalbard and Iceland and has access to Arctic satellite installations in Sweden, Norway, Finland and Iceland, with Greenland to follow soon.

Although China has been investing in its Arctic capabilities (nuclear-powered icebreakers), its armed forces have not yet ventured within the Arctic Circle, with the exception of the Bering Sea. However, this may change as a result of the growing economic activity along the Polar Silk Road and China’s rivalry with the US. Beijing is expanding its blue-water navy and nuclear at-sea deterrent. The Arctic Ocean may become a convenient place for China to keep the US in check with its submarines armed with intercontinental ballistic missiles.<sup>56</sup> There are also growing concerns about Chinese research and infrastructure projects with the potential for dual civil-military use. FOI, a think-tank linked to the Swedish defence ministry, has warned that China could use satellite data collected in Kiruna not only for meteorological and climate research, but also

<sup>55</sup> ‘China’s Arctic Policy’, The State Council Information Office of the People’s Republic of China, 26 January 2018, [english.www.gov.cn](http://english.www.gov.cn).

<sup>56</sup> M. Lanteigne, ‘Only Connect? The Polar Silk Road and China’s Geoeconomic Policies’ [in:] B. Gaens, F. Jüris, K. Raik (ed.), *Nordic-Baltic Connectivity with Asia via the Arctic: Assessing Opportunities and Risks*, International Centre for Defence and Security, 2021, pp. 107–125, [icds.ee](http://icds.ee); F. Jüris, ‘Chinese Security Interests in the Arctic: From Sea Lanes to Scientific Cooperation’ [in:] *ibidem*, pp. 126–147.

for military purposes.<sup>57</sup> Denmark and Finland have blocked Chinese attempts to invest in sea- and airport infrastructure in Greenland and Lapland in recent years.<sup>58</sup> China could take advantage of Western sanctions and Russia's Arctic isolation to anchor itself more firmly in the Russian part of the Arctic, especially in energy projects and the shipbuilding industry.<sup>59</sup>

<sup>57</sup> J. Robinson, 'Arctic Space Challenge for NATO Emerging from China's Economic and Financial Assertiveness', Joint Air Power Competence Centre, September 2020, [japcc.org](http://japcc.org); S. Jåma, D. Olofsson, 'Swedish Security Experts: We're too naive about China', SVT Nyheter, 15 January 2019, [svt.se](http://svt.se).

<sup>58</sup> 'Defence Ministry blocked Chinese plans for research airbase in Lapland', Yle, 4 March 2021, [yle.fi](http://yle.fi).

<sup>59</sup> T. Eiterjord, 'What Does Russia's Invasion of Ukraine Mean for China in the Arctic?', The Diplomat, 25 March 2022, [thediplomat.com](http://thediplomat.com).

## IV. ECONOMY AND TRADE

For the US and Canada, the Arctic is not a vital territory in terms of economic security, although in the future its exploitation could make them more independent with regard to rare earth elements. Denmark has ceded control over Greenland's economic policy to the local autonomous government, but continues to provide financial support by injecting money into the island's budget and making infrastructure investments. In Norway, the Arctic areas play an important role in two key sectors: the fishing industry and hydrocarbon extraction.

### 1. The United States

The Arctic is of little economic importance to the United States, with the partial exception of raw materials and the fishing industry. The only US territory located in the Arctic is Alaska, the fourth-largest oil-producing state. The country's third- and sixth-largest oil deposits are located in the north of Alaska; the state also accounts for 60% of the nation's fish and seafood catch.<sup>60</sup> However, the US does not view its involvement in the Arctic region through the prism of opportunities to exploit new oil and gas deposits: the further north one goes, the higher the costs and the lower the profitability of production. Instead, Washington is eyeing the Arctic's rare earths reserves in order to reduce its dependence on China in this key area for the development of high-tech solutions. The announcement that it will cooperate with Greenland on mining projects is an example of this.

The US will also keep an eye on Chinese investment in the region (mainly in dual-use infrastructure), over concerns that it could be used against US security interests or to strengthen China's political and economic influence in the Arctic. In one example of its efforts to counter Beijing's expansion in the region, in 2018 the US persuaded Denmark to block plans for the expansion of airport infrastructure in Greenland by the state-owned China Communications Construction Company, which is participating in various projects under the Belt and Road Initiative. The US decided to take this step because the island is the base of its vital Thule radar station.<sup>61</sup> This sent a signal that Washington sees the Chinese vision for the Polar Silk Road as a challenge to regional security.

<sup>60</sup> 'Oil and petroleum products explained', U.S. Energy Information Administration, 19 April 2022, [eia.gov](https://www.eia.gov); 'Alaska's Fishing Industry', Resource Development Council, [akrdc.org](https://akrdc.org).

<sup>61</sup> P. Szymański, 'Wrestling in Greenland. Denmark, the United States and China in the land of ice', *OSW Commentary*, no. 382, 2 March 2021, [osw.waw.pl](https://osw.waw.pl).

The US recognises that maritime routes in the Arctic are becoming more accessible. The use of the Northwest Passage shortens the route from the US West Coast to Europe and from the US East Coast to Asia compared to the Panama Canal, but it is hardly ever used for commercial purposes. What the US really cares about is not trade, but defending the principle of freedom of navigation across the globe (like in the case of the South China Sea). For instance, Washington has consistently recognised the Northwest Passage as an international strait. This approach has led to disputes with Canada, which claims that this maritime route is part of its internal waters, and it thus has the full right to regulate navigation there, including the right to issue passage permits to surface vessels and submarines.<sup>62</sup> Similarly, the US does not recognise Russia's claims to sovereignty over the NSR: the US Navy resumed exercises in the Barents Sea in 2020 after a decades-long hiatus. The move was designed to demonstrate US ability to enforce freedom of navigation on this route.<sup>63</sup>

The biggest domestic dissonance in the US over the economic exploitation of the Arctic involves the issue of oil and gas extraction in environmentally sensitive areas. Decisions taken by successive presidents and the Congress over the past two decades show that the Democrats are leaning towards a moratorium, while the Republicans are open to new projects.

## 2. Canada

The Arctic part of Canada does not play a major economic role. It is dominated by the public sector, and its underdevelopment relative to the south is reflected in the dearth of roads, railways, ports, energy infrastructure, schools and hospitals there.<sup>64</sup> Although the north holds significant deposits of oil and gas (a third of the country's reserves) as well as minerals, including uranium and rare earths, their extraction is about 30% more expensive than in the south, a fact which deters potential investors. Circumpolar mining in Canada is also held back by environmental and greenhouse gas reduction policies. In 2016, the government stopped issuing licences for offshore ventures to explore for and extract hydrocarbons in Canada's Arctic. The three northern

<sup>62</sup> K. Kubiak, 'Kontrowersje wokół Przejścia Północno-Zachodniego' [in:] *Prawo Morskie* 2011, Vol. XXVII, pp. 335-355, at: [czasopisma.pan.pl](http://czasopisma.pan.pl).

<sup>63</sup> 'U.S., U.K. Ships Operate in the Barents Sea', U.S. Naval Forces Europe and Africa / U.S. Sixth Fleet, 4 May 2020, [c6f.navy.mil](http://c6f.navy.mil).

<sup>64</sup> H. Exner-Pirot, 'Canada's Northern Economic Development Paradigm and Its Failures' [in:] J. Higginbotham, J. Spence (ed.), *Canada's Arctic Agenda: Into the Vortex*, Centre for International Governance Innovation, 2019, pp. 15-22, [cigionline.org](http://cigionline.org).



territories accounted for less than 9% of the country's mineral production in 2021.<sup>65</sup>

Canada views the development of Arctic shipping with more concern than hope for potential benefits. Any increase in transit through the Northwest Passage could result in new environmental threats as well as increased international criticism of Canada's interpretation of the status of these maritime areas as its historical internal waters. From Ottawa's point of view, this would undermine its sovereignty in the north. Canada's position on the Northwest Passage is supported by Russia but opposed by the US and the EU.

In addition, Canada currently has no prospects for deriving more revenue from Arctic shipping due to an insufficient number of deep-water ports and the low attractiveness of trade with the northern part of the country. Canada's Arctic 'sensitivity' was the reason why a Chinese state-owned company was prevented from buying a Canadian gold mine in 2020. At the time, the government cited national security concerns; this may have referred to the proximity of the Northwest Passage and early warning radar stations (North Warning System).<sup>66</sup> The diplomatic crisis surrounding the arrest of Huawei's chief financial officer in Canada in 2018 also contributed to the failure of the deal.

### 3. Denmark

Denmark does not derive economic benefits from its presence in the Arctic and union with Greenland. The island's autonomous government has been in charge of exploiting its natural resources since 2009. Denmark pays about €500 million a year for its 'pass' to the Arctic in the form of a block grant from the central coffers,<sup>67</sup> which amounts to a third of Greenland's budget. Denmark's claims to the North Pole, which cover some 900 sq km of the shelf north of the island (the relevant documents were submitted to the Commission on the Limits of the Continental Shelf in 2014)<sup>68</sup> are not driven by its appetite for oil and gas: the government has already announced that it will

<sup>65</sup> 'Minerals and the economy', The Government of Canada, 3 November 2022, [nrcan.gc.ca](https://nrcan.gc.ca); J. Shadian, 'The Emerging Economy of the North American Arctic', Arctic360, November 2018, [ourcommons.ca](https://ourcommons.ca).

<sup>66</sup> Chinese companies are keen to invest in Arctic resources. They own three mines in northern Canada that extract copper, nickel, zinc and lead. E. Oddleifson, T. Alton, S. Romaniuk, 'China in the Canadian Arctic: Context, Issues, and Considerations for 2021 and Beyond', University of Alberta, China Institute, 12 January 2021, [ualberta.ca](https://ualberta.ca).

<sup>67</sup> *Greenland in Figures 2021*, Statistics Greenland, May 2021, [stat.gl](https://stat.gl).

<sup>68</sup> *The Northern Continental Shelf of Greenland*, Geological Survey of Denmark and Greenland (GEUS), The Royal Danish Ministry of Climate, Energy and Building, November 2014, [un.org](https://un.org).

phase out hydrocarbon extraction by 2050. Greenland has also stopped issuing new extraction licences. The above-mentioned claims are meant to show that Denmark is effectively championing Greenland's interests in its foreign policy, *ergo* the people of Greenland will benefit from the preservation of the union. Meanwhile, the government in Nuuk has put environmental protection and the fight against climate change at the top of its agenda. Therefore, it is currently changing island's development strategy and abandoning plans to build the Greenland's economic independence around major mining investments as the extraction of resources becomes unprofitable.

Greenland's parliamentary election in April 2021 was a *de facto* referendum on the future of the major Kvanefjeld rare earths and uranium mining project. Acting on the wishes of the majority of voters, the new government in Nuuk has halted its development (only two small mines currently operate on the island). Much suggests that the island's citizens will focus on developing tourism to complement their main source of livelihood – fishing, which accounts for 90% of Greenlandic exports. In addition, Greenland holds the world's largest reserves of potable water (the ice sheet covers more than 80% of the island), and hopes to sell it abroad.<sup>69</sup> Two of the three Arctic shipping routes, the Northwest Passage and the Transpolar Sea Route, also run along its shores, and could attract some related infrastructure projects in the future.

#### 4. Norway

The Norwegian government is investing in the maritime economy, hydrocarbon and mineral extraction, renewable energy, satellite infrastructure and tourism in the High North. The fishing industry and the oil & gas sector are of crucial importance to the state. For nearly two decades, Norway has been the world's second largest exporter of fish, after China; this industry accounted for more than 8% of the country's exports in 2021.<sup>70</sup> The waters of the Barents Sea hold the world's largest cod fisheries. The fishing industry's role in the economy of the northern regions and the country as a whole means that a salient part of Norway's Arctic policy is to restrict other countries' access to the Svalbard fisheries. The 200-mile Fisheries Protection Zone that Norway established around the archipelago in 1977 and the fishing quotas it imposes

<sup>69</sup> 'Greenlandic Ice Cap Water Heading for the World Market', The Government of Greenland, August 2018.

<sup>70</sup> 'The State of World Fisheries and Aquaculture 2022', The Food and Agriculture Organization of the United Nations, 29 June 2022, [fao.org](https://www.fao.org); M. Hestetun Gruben, K. Fossanger, J. Husø, 'Tidenes største handelsoverskudd i 2021', Statistisk sentralbyrå, 17 January 2022, [ssb.no](https://ssb.no).

are contested by Russia and the EU as they consider these practices to be incompatible with the 1920 treaty.

The Barents Sea is also a promising area for oil and gas extraction. It is estimated that its deposits hold two-thirds of the country's remaining oil and gas reserves. A total of 93 fields were in production on the Norwegian shelf in 2022, including 70 in the North Sea, 21 in the Norwegian Sea and two in the Barents Sea; production from the third Arctic field, the largest to date, is scheduled to start in 2024. The sector generated 60% of the value of the country's exports in 2021.<sup>71</sup> Work is also continuing on further mining projects in the High North, despite escalating public protests. The centre-left coalition that took power in 2021 did not impose a moratorium on oil and gas investments in the Arctic, as opponents of hydrocarbon exploitation had demanded. Prime Minister Jonas Gahr Støre himself has criticised the EU over its vision for phasing out oil and gas extraction beyond the Arctic Circle.

Norway believes that it is too early to make predictions about how shipping in the Arctic will develop. Trade in goods with Asia, mainly China, is a matter of interest primarily to the local authorities in northern Norway. For the time being, these plans mainly concern the use of the port at Narvik as a transshipment hub for trade between China on the one hand and Northern Europe & America on the other. Chinese goods would enter Norway through an expanded rail link between Narvik and China via Sweden, Finland and Russia. On the return journey, these containers could be filled with frozen fish. Meanwhile, the town of Kirkenes is pinning its hopes on the sea connection.<sup>72</sup> A transport of 40,000 tonnes of iron ore to China's port of Lianyungang via the NSR in 2010 whetted appetites in this regard. Since then, shipments of goods on this route have been growing (during the summer-autumn season).<sup>73</sup> However, the sanctions imposed on Russia will constrain the role of northern Norway in East-West trade.

As the region becomes more accessible to shipping (including tourism) and as the fishing zone moves northwards, the Norwegian government also sees the need to invest more in search & rescue capabilities, since it is responsible for safety in vast maritime areas in the Arctic.

<sup>71</sup> 'Exports of oil and gas', Norwegian Petroleum, [norskipetroleum.no/en](https://norskipetroleum.no/en).

<sup>72</sup> I. Borshoff, 'Norway's 'northernmost Chinatown' eyes Arctic opportunity', Politico, 20 November 2019, [politico.eu](https://politico.eu); A. Staalesen, 'A container from China arrives in Narvik. It could pave way for a new transport route', The Barents Observer, 5 August 2020, [thebarentsobserver.com](https://thebarentsobserver.com).

<sup>73</sup> 'Monitoring of the Northern Sea Route Shipping, Global Maritime Shipping and Logistics Services', NSR Public Council, 17 December 2021, at: [arcticway.info](https://arcticway.info).

## V. SECURITY AND DEFENCE

After the period of the ‘peace dividend’, in recent years the US has begun to restore its Arctic capabilities and military cooperation with its northern allies in view of a possible conflict with Russia. Canada is only beginning to strengthen its polar military posture; for decades, Canada’s rhetoric about the need to safeguard the sovereignty of its own Arctic territories better has not been matched by country’s actual defence investments. Denmark is aware that it does not have the potential to play a major military role around the North Pole, so it is more focused on developing auxiliary capabilities such as unmanned aerial vehicles and radars to monitor the Arctic areas. For Norway the High North is its first line of defence, and thus a priority area for military activity and build-up.

### 1. The United States

On the one hand, the polar areas are directly related to the defence of US homeland. The Arctic constitutes a vast US-Russian borderland; Russia’s armed forces can rapidly attack the US from this direction, for example with the ICBMs launched from the nuclear submarines of the Northern Fleet. It is no coincidence that Alaska, as the forward defence against a possible air and missile strike, is the state with the highest saturation of F-35 aircraft.<sup>74</sup> The North American Aerospace Defense Command (NORAD) guards an avenue of approach to North America from the Arctic. It is responsible for the surveillance & control, policing and defence of the skies above the US and Canada (since 1958) and for maritime surveillance (since 2006). NORAD uses a network of fighters and early warning aircraft, satellites, as well as short-range (36) and long-range (11) radar stations located along the northern coasts of Alaska and Canada (the North Warning System).<sup>75</sup> In addition, the Thule airbase in Greenland is home to the northernmost radar station of a separate early warning system for ICBMs which is operated by the US Space Force.<sup>76</sup>

Although the aerospace component accounts for around 80% of the Defence Department’s ‘Arctic’ budget (which totals around \$6 billion per year)<sup>77</sup>, these

<sup>74</sup> Their number rose to 54 in 2022. A. Guerrisky, ‘Eielson welcomes F-35A Lightning II’, Eielson Air Force Base, 21 April 2020, [eielson.af.mil](http://eielson.af.mil).

<sup>75</sup> ‘North American Aerospace Defense Command (NORAD)’, The Government of Canada, 14 March 2018, [canada.ca](http://canada.ca).

<sup>76</sup> Other such radar stations are located in Alaska, California, Massachusetts and the UK. ‘PAVE PAWS Radar System’, The United States Space Force, 22 March 2017, [spaceforce.mil](http://spaceforce.mil).

<sup>77</sup> B. Everstine, ‘USAF to Increase Arctic Investment as Strategy, Wargames Outline Needs in the Region’, Air & Space Forces Magazine, 27 July 2021, [airandspaceforces.com](http://airandspaceforces.com).

resources are insufficient. The ageing North Warning System is incapable of detecting and intercepting advanced missiles. Therefore, Washington and Ottawa are in talks to upgrade their radar stations and transform NORAD to enhance situational awareness in all possible operational domains (cyber, space, underwater), to revamp command and control, and to expand the air-force and navy infrastructure in the north.<sup>78</sup> The two countries may also add offensive tasks to NORAD's defensive posture. This would involve the ability to destroy enemy naval and aerial platforms at a considerable distance from North America, rather than just taking down effectors (various types of missiles). NORAD holds regular exercises in the Arctic. The Arctic Ocean is also patrolled by US nuclear-powered attack submarines whose task is to monitor the activity of their Russian strategic equivalents.<sup>79</sup> These missions are becoming more frequent, as demonstrated by their regular visits to Norway for the purpose of exchanging crews and resupplying.<sup>80</sup> The US Army, for its part, is planning to enhance its ability to operate in extreme winter conditions; it seeks to restore its capabilities and make up for the time lost in the last decades, when the US scaled back its military presence in the Arctic.

The circumpolar areas and military bases in Alaska may also be crucial for US power projection in Asia (with regard to China) and Europe (Russia). In the latter case, the US sees the Arctic as a single operational domain with the North Atlantic and a supplementary route for the deployment of forces to Europe, for example via Greenland and Iceland. The USAF's bomber exercises in the Arctic show that in the event of conflict, Russia would have to face possible strategic airstrikes from this direction.<sup>81</sup> The US Navy (the Arctic is of particular interest to the 2<sup>nd</sup> Fleet, reactivated in 2018) and the Marine Corps have also pledged to take more assertive approach towards the region. In 2016, the US Navy returned to the Keflavik airbase in Iceland, which hosts P-8 maritime patrol aircraft tracking Russian submarines in the North Atlantic.<sup>82</sup> During NATO's 2018 Trident Juncture exercise, a US carrier strike group ventured into the Arctic Circle for the first time since the collapse of the Soviet Union.

<sup>78</sup> V. Monga, P. Vieira, 'Cold War-Era Defense System to Get Upgrade to Counter Russia, China', The Wall Street Journal, 27 February 2021, [wsj.com](https://www.wsj.com); 'Joint Statement on NORAD Modernization', The US Department of Defense, 17 August 2021, [defense.gov](https://www.defense.gov).

<sup>79</sup> E. Regehr, 'Nuclear Submarines in the Arctic: Limiting Strategic Anti-Submarine Warfare', The Simons Foundation, 4 December 2018, [thesimonsfoundation.ca](https://www.simonsfoundation.ca).

<sup>80</sup> Their numbers dropped significantly in 2020 due to the pandemic. A. Rognstrand, 'Utenlandske atomubåter i norsk farvann 25 ganger i 2019', Forsvarets Forum, 3 April 2020, [forsvaretsforum.no](https://www.forsvaretsforum.no).

<sup>81</sup> 'Strategic Bombers Participate in POLAR ROAR', The US Air Force, 1 August 2016, [usafe.af.mil](https://www.usaf.af.mil).

<sup>82</sup> M. Cisneros, 'Air Force awards multiple contracts for airfield construction at NAS Keflavik', The US Air Force, 24 September 2020, [af.mil](https://www.af.mil).

## 2. Canada

Canada's security policy focuses on the Euro-Atlantic area, as demonstrated by its commitment to NATO's eastern flank, which it has been bolstering since February 2022. Canada is one of the four framework nations leading the Alliance's north-eastern multinational battlegroups (eFP, enhanced Forward Presence); it has deployed 700 troops to Latvia within eFP.<sup>83</sup> Another 200 supported a US-led military training mission in Ukraine prior to the Russian invasion on 24 February 2022. Nevertheless, the Arctic remains a secondary priority, which has been illustrated by delays in the procurement of armament and military equipment fit for cold-weather warfare, as well as infrastructure deficiencies in the north. While the government in Ottawa sees conventional aggression against its territory as unlikely, it is increasingly concerned about the technological development of Russian long-range cruise & hypersonic missiles and UAVs. These weapons are capable of striking designated targets with considerable precision, which diminishes the 'buffer effect' of the northern part of the country.<sup>84</sup> Other potential threats include Russian submarines penetrating the waters of Canada's Arctic Archipelago.<sup>85</sup>

The Canadian Armed Forces' limited capabilities to operate in the Arctic are completely inconsistent with the government's rhetoric emphasising the need to safeguard the country's sovereignty in the waters and islands of the Arctic Archipelago. The military performs three primary missions in the northern territories: it demonstrates the country's presence, monitors the Arctic areas and responds to emergencies, including by conducting search and rescue operations. Canada has traditionally been encouraged to invest in the defence of its northern reaches by the United States, which regards those areas as North America's 'soft underbelly' in the event of a Soviet/Russian attack. Discussions in Ottawa about the future of NORAD are considering the options of adding a maritime component, acquiring ground-based air defence systems, moving sensors further north, and expanding the country's Arctic air force bases.<sup>86</sup>

<sup>83</sup> Eventually, according to the declarations made at the June 2022 NATO summit in Madrid, Canada – together with other contributing allies – will be able to deploy a brigade-sized force to Latvia. Canada is also rotating troops and equipment in the Black Sea region. 'Canada and Latvia sign Joint Declaration to augment NATO's enhanced Forward Presence Latvia', The Government of Canada, 29 June 2022, [canada.ca](https://canada.ca); H. Sajjan, 'Canada's defense minister: Our investment in defense is an investment in North American security', Defense News, 11 January 2021, [defensenews.com](https://defensenews.com).

<sup>84</sup> M. Levitt (ed.), *Nation-building at home, vigilance beyond: preparing for the coming decades in the Arctic*, House of Commons of Canada, April 2019, [ourcommons.ca](https://ourcommons.ca).

<sup>85</sup> B. Debusmann, 'Is North America's Arctic vulnerable to Russia?', BBC, 24 March 2022, [bbc.com](https://bbc.com).

<sup>86</sup> A. Charron, J. Fergusson, 'Beyond NORAD and Modernization to North American Defence Evolution', Canadian Global Affairs Institute, May 2017, [cgai.ca](https://cgai.ca); A. Charron, 'NORAD's Maritime Warning



However, this ‘wish list’ has little chance of materialising given Canada’s inadequate defence spending, which stood at around \$26 billion, or 1.3% of GDP, in 2021. While in April 2022 the government announced that it would expand the defence budget by about \$6.5 billion over the next five years on top of the increases already planned, this amount will not be enough to cover the needs of the armed forces. Concerns over the possible hosting of US forces may prove to be another problem. Indeed, due to the aforementioned controversy over the status of the waters of Canada’s Arctic Archipelago, the presence of US Navy in that area is a sensitive topic.<sup>87</sup> Canada is putting six new Arctic Offshore Patrol Ships into service, building a base for them at Nanisivik in the northeast; it has also announced an upgrade of its submarine fleet to adapt it better to circum-polar missions. Additionally, the government wants to strengthen Canada’s reconnaissance and surveillance capabilities (both satellite- and UAV-based).<sup>88</sup>

Until recently, Canada opposed NATO involvement in the Arctic as it believed that this would lead to dangerous tensions with Russia. Nor did it want to see an expanded presence of non-Arctic states in the region. Ottawa did not regard the Canadian Arctic as part of NATO’s northern flank, but rather as an area defended jointly with the US (NORAD). This stance put it in opposition to Norway and Iceland, both of which had been seeking to enhance NATO’s deterrent potential in the High North. However, in the face of Russian militarisation of the region, Canada has been revising its approach and signalling greater openness to NATO activity in the Arctic.<sup>89</sup> Canada’s participation in the major allied exercise Trident Juncture 2018 should be seen as an important development. In this way, the country demonstrated that it could play a significant role in the defence of NATO’s northern flank; in fact, it deployed the fourth largest contingent for the exercise held in Norway, numbering 2000 troops.<sup>90</sup> Furthermore, Canada has invited more allies to Arctic exercises in the north of the country, and it has also stepped up its military presence in the waters between Greenland, Iceland and the UK (GIUK) to track Russian submarines.<sup>91</sup>

*Mission: The Most Overlooked, yet critically important mission for the foreseeable future*, Canadian Naval Review, 1 June 2020, [navalreview.ca](http://navalreview.ca).

<sup>87</sup> A. Charron, ‘Canada, the United States and Arctic Security’ [in:] J. Higginbotham, J. Spence (ed.), *Canada’s Arctic Agenda...*, op. cit., pp. 93–102.

<sup>88</sup> ‘Strong, Secure, Engaged. Canada’s Defence Policy’, The Government of Canada, 2017, [canada.ca](http://canada.ca).

<sup>89</sup> M. Blanchfield, ‘Committee calls on Canada to co-operate with NATO to respond to Russia in Arctic’, National Post, 10 April 2019, [nationalpost.com](http://nationalpost.com); A. Charron, ‘NATO, Canada and the Arctic’, Canadian Global Affairs Institute, September 2017, [cgai.ca](http://cgai.ca).

<sup>90</sup> The deployment included two frigates, eight CF-188 Hornet fighter jets and a light infantry battalion. NATO’s Cold War plans for a Soviet attack included the deployment of a brigade-sized force from Canada to Norway. M. Fisher, ‘Trident Juncture 18: NATO’s Norwegian Exercise’, Canadian Global Affairs Institute, November 2018, [cgai.ca](http://cgai.ca).

<sup>91</sup> R. Huebert, ‘Canada and NATO in the Arctic: Responding to Russia?’ [in:] J. Higginbotham, J. Spence (ed.), *Canada’s Arctic Agenda...*, op. cit., pp. 85–92.

### 3. Denmark

The priorities of the Danish Armed Forces include defending the Baltic Sea region and participating in crisis management operations outside Europe. The Arctic is a secondary priority for the Danish military, but in recent years Copenhagen has ramped up its spending on the defence of Greenland and the Faroe Islands, where around 300 Danish soldiers are stationed under the Joint Arctic Command. In 2021, the parliament allocated an additional 1.5 billion kroner (€200 million) to purchase two long-endurance surveillance UAVs for monitoring the Arctic and construct an air surveillance radar on the Faroe Islands with the aim of strengthening control over the maritime passage between the UK and Iceland.<sup>92</sup> In addition, Absalon-class vessels (instead of the older Thetis-class vessels) will patrol Greenland's waters more frequently; they are equipped with modern SMART-S radars. Additionally, a Challenger CL-604 reconnaissance aircraft was permanently deployed to the island in 2021.<sup>93</sup> Thus, it is clear that Denmark is primarily committing its Arctic resources to surveillance and reconnaissance capabilities. Currently, the country's ability to monitor some territories, for example northeast Greenland, is still only rudimentary. These investments are also aimed at increasing the visibility of the Danish Armed Forces in the region in the face of growing international interest in Greenland, as well as strengthening the islanders' ties to the Danish Realm: there are plans to introduce basic military training for Greenlanders. The Danish Navy's delivery of COVID-19 vaccines to remote Greenlandic settlements (as well as its patrol & rescue operations and environmental response efforts) shows that its presence will be vital in emergency situations. Navy vessels are also inspecting fishing boats, which is extremely important for Greenland's economic interests.

Within NATO, Denmark portrays its involvement in the Arctic as an effort to bolster the security of the entire Euro-Atlantic area.<sup>94</sup> Similar to the country's substantial contribution to overseas operations, this is meant to compensate for its insufficient defence spending (\$5.3 billion, or 1.3% of GDP in 2021) and delays in implementing its obligations under the NATO Defence Planning Process with regard to the modernisation of the armed forces, particularly the

<sup>92</sup> 'New political agreement on Arctic Capabilities for 1.5 billion DKK', The Danish Ministry of Defence, 11 February 2021, [fmn.dk/en](https://fmn.dk/en).

<sup>93</sup> 'Rekognosceringsfly udstationeres permanent i Grønland', The Danish Armed Forces, 4 August 2021, [forsvaret.dk](https://forsvaret.dk).

<sup>94</sup> T. Bramsen, 'Dansk indsats i Arktis har stor værdi for NATO', The Danish Ministry of Defence, 22 October 2020, [fmn.dk](https://fmn.dk).



land forces. The people of Greenland, for their part, oppose the militarisation of the island and the region, but they are also aware that they would not be able to ensure their own security by themselves; moreover, they benefit financially from the US military presence in Thule. Denmark, in turn, wants to keep a balance between stepping up its military activity in the Arctic and seeking to reduce tensions in that part of the world so as to avoid a circumpolar arms race, something it would not be able to cope with.<sup>95</sup>

#### 4. Norway

Norway is the NATO member with the most substantial military involvement in the Arctic. The priority of its armed forces is the defence of the northern part of the country. Most of its land forces are stationed in the north, and it is also forming new units there. The country's navy and air force are also enhancing their combat capabilities in this direction. Norwegian electronic intelligence vessels, as well as P-8 and F-35 aircraft provide reconnaissance and surveillance capabilities important for the entire Alliance, as does the Globus III radar station in Vardø near the Russian border. The 2020–8 development plan for the Norwegian Armed Forces envisages a \$2 billion increase in defence spending; in 2021, this amounted to \$8.4 billion, or 1.75% of GDP.<sup>96</sup> In March 2022, following the outbreak of the war in Ukraine, the government decided to inject an additional 3 billion kroner (around \$300 million) into the defence ministry's budget. These funds are primarily intended to raise the readiness of the armed forces in northern Norway, by means including enhanced naval activity in the High North, stepped-up land forces' exercises (including in the region of Finnmark, which borders Russia), and replenishing the wartime stockpile of ammunition and other matériel; they will also increase the country's capacity to receive allied support (Host Nation Support).<sup>97</sup> In addition, 512 million kroner (around \$52 million) will be allocated to counterintelligence activities in the northern regions.<sup>98</sup>

In response to Russia's growing military activity in the High North and along the Norwegian coast (including the forward defence exercises of the Russian

<sup>95</sup> M. Jacobsen, 'Arctic Aspects in Denmark's New Foreign and Security Policy Strategy', The Arctic Institute, 8 February 2022, [thearcticinstitute.org](https://thearcticinstitute.org).

<sup>96</sup> P. Szymański, 'High North, high priority – Norway and the defence of NATO's northern flank', *OSW Commentary*, no. 393, 12 May 2021, [osw.waw.pl](https://osw.waw.pl).

<sup>97</sup> 'Norway to increase short term defence spending in 2022', The Government of Norway, 21 March 2022, [regjeringen.no](https://regjeringen.no).

<sup>98</sup> T. Nilsen, 'Norway boosts military spendings in the north', The Barents Observer, 3 April 2022, [thebarentsobserver.com](https://thebarentsobserver.com).

‘bastion’, that is, the Northern Fleet’s nuclear capability), Norway has been expanding its defence cooperation with the US and lobbying for stronger NATO involvement on the northern flank.<sup>99</sup> These steps are causing controversy within the governing elite, but they are nonetheless leading to a gradual shift away from the country’s self-imposed restrictions in defence policy regarding the presence of foreign troops on its territory; during the Cold War, these restrictions were designed to deescalate tensions in Northern Europe.<sup>100</sup> This shift is reflected in the hosting of US rotational forces (Marine Corps), visits by US strategic bombers and nuclear submarines, and the fact that military exercises are moving further to the northeast, closer to Russia’s borders.

In addition, the government has signed a new bilateral defence cooperation agreement with the United States (the US-Norway Supplementary Defence Cooperation Agreement), which provides US forces with access to the air force and naval bases (at Evenes and Ramsund respectively) in the north of the country. Norway attaches great importance to the protection of the sea lines of communication in the North Atlantic which allow US troops to be deployed onto its territory, including the High North. It is also expanding cooperation with Sweden and Finland on the defence of the Arctic part of the Scandinavian Peninsula. Air force exercises are the most important part of this cooperation. In 2020, Norway, Sweden and Finland announced a joint statement on enhanced northern cooperation, which could lead to the development of joint operational planning.<sup>101</sup>

<sup>99</sup> F. Bakke-Jensen, ‘Norway’s defense minister: We must ensure strategic stability in the High North’, Defense News, 11 January 2021, [defensenews.com](https://defensenews.com).

<sup>100</sup> These restrictions included a ban on the deployment of nuclear weapons and the establishment of allied bases, as well as an opt-out from holding military exercises in areas bordering the Soviet Union.

<sup>101</sup> This is a particularly ground-breaking issue as Sweden and Finland were not, at time of writing, members of NATO. The document was updated in November 2022. ‘Statement of intent on enhanced operational cooperation’, The Ministry of Defence of Finland, September 2020, [defmin.fi](https://defmin.fi).

## VI. PROSPECTS AND SCENARIOS

The most extreme scenarios for the Arctic mirror the utopian and dystopian visions of the future. The former predict that by the middle of the 21<sup>st</sup> century northern sea lanes will become important trade routes and circumpolar tourism will develop. This will be accompanied by investments in mining projects that will make the area flourish (leading to the emergence of labour migration beyond the Arctic Circle) and enhance the West's security of supply of raw materials. According to these optimistic assumptions, the region will become a space of peaceful international cooperation, and the dispute over the Arctic Ocean shelf will be resolved through negotiations. The most incorrigible optimists even see a chance for the areas surrounding the North Pole (which are outside the limits of national jurisdiction) to become recognised as a common heritage of mankind or as a nature reserve. By contrast, pessimistic forecasts predict that the Arctic will, on the one hand, see the development of advanced future technologies (unmanned and satellite systems, testing grounds for cruise and hypersonic missiles), and on the other, an acute social and climate crisis, as well as heightened rivalry between the major powers: and both will inevitably bring hybrid warfare, terrorism and piracy beyond the Arctic Circle. Environmental degradation and the breakdown of traditional communities will lead to the emergence of polar refugees. The negative trends will be accelerated by the climate crisis, which will bring more frequent weather anomalies as well as infrastructure disasters and pandemics related to the thawing of the permafrost.

We are likely to see elements of both of these scenarios in the coming decades as developments in the Arctic unfold. The interests of the major players – the US, Russia and China – will increasingly clash in the region. The rivalry between them will mainly involve access to resources (global demand for hydrocarbons will slow down in the long term, but demand for rare earth elements will increase), but may also lead to an increased military presence as they look to secure their economic interests. This could make the Arctic more unstable, and even trigger regional crises. At the same time, the predictions that polar container shipping could expand may prove to be overly optimistic. The benefits of the reduced transport time are offset by the seasonality of the routes; the need to wait for icebreaker escorts in the colder months and to create convoys of ships; difficulties in conducting rescue operations; additional fees and costs (insurance, environmental disaster relief, possible reputational losses) as well as other risks (drifting floes, darkness, difficult weather conditions); an insufficient number of adequate ice-class container ships and trained crews,

infrastructural deficiencies that make navigation and resupply difficult, and the inability to serve large markets 'along the way'.<sup>102</sup> All this raises questions about the economic viability of the idea of using Arctic routes.

Russia's policy of extending its regulations to the NSR generates additional challenges.<sup>103</sup> Regardless of their profit and loss account, Russia and China will politically stimulate investments in the NSR as an alternative sea route outside the control of the US Navy. The projected long-term increase in Arctic transit (from 1.3 million tonnes in 2020 to 10 million tonnes in 2035 for the NSR)<sup>104</sup> would turn the northern links into complementary waterways to the Suez and Panama Canals and the Strait of Malacca by mid-century. While the importance of the circumpolar routes would remain marginal, they could become attractive for the transport of selected groups of commodities, mainly resources.

The **United States** will continue to combine its post-Cold War and more recent approaches to the Arctic in line with the principle 'cooperate where you can, compete where you must'.<sup>105</sup> It will focus on strengthening its political and military engagement in the region as part of its competition with China and Russia, as well as due to concerns about the ever closer Arctic cooperation between the two powers.<sup>106</sup> This US approach will send a signal to Moscow and Beijing that they cannot hope to maintain the *status quo* in the Arctic (by invoking the imperative of peaceful cooperation in the region) while taking aggressive steps in other parts of the world. In the military dimension, US strategy will include investments in:

- anti-submarine warfare,
- reconnaissance (upgrades to radar stations, improved satellite communications) and infrastructure (preparation of naval and air bases, including for search & rescue),

<sup>102</sup> O. Osica, 'Daleka Północ jako nowy obszar współpracy i rywalizacji', *Nowa Europa* 2010, no. 1 (4); E. Paglia, 'Assessing the future of Arctic shipping in the wake of the Suez Canal incident', *Polar Geopolitics*, 16 April 2021, [polar geopolitics.com](https://polar geopolitics.com).

<sup>103</sup> The Kremlin seeks full control over maritime traffic on the NSR. Russia is using a restrictive definition for this route: the official documents only refer to its ice-covered part. This allows Moscow to invoke the 'Canadian' Article 234 of the Convention on the Law of the Sea, which mentions the right to regulate maritime traffic in ice-covered areas in exclusive economic zones.

<sup>104</sup> Transit on this route amounted to some 2 million tonnes in 2021, mainly involving the transport of iron ore to China. The Russian administration includes both shipments carried out by third countries and internal Russian deliveries between regions outside the NSR (for example on the Vladivostok-Petersburg route) in NSR transit volume.

<sup>105</sup> R. O'Rourke et al., *Changes in the Arctic: Background and Issues for Congress*, op. cit.

<sup>106</sup> 'NWC INS - Lecture 11 'Russia's Invasion of Ukraine: Implications for the Arctic Security & Stability'', U.S. Naval War College, 9 March 2022, [youtube.com](https://www.youtube.com/watch?v=...).

- development of missile and UAV technologies,
- prepositioning of additional armament and military equipment in the region, and
- an expansion of the icebreaker fleet with the planned acquisition of three medium and three heavy vessels for the Coast Guard.

In August 2022, the US Army announced it would purchase 110 all-terrain vehicles adapted for operations in the polar areas.<sup>107</sup> Some of these will go to the 11<sup>th</sup> Airborne Division in Alaska (the ‘Arctic Angels’), which specialises in cold-weather warfare. More frequent maritime patrols and freedom of navigation operations enforced by the US Navy and the Marine Corps will play an important role, as will exercises and ‘Arctic interoperability’ with Canada, Denmark and Norway.<sup>108</sup> We can also expect discussions on how to structure the regional command and control system. Currently, the Arctic does not have a separate geographic combatant command, as a result of which several structures have overlapping responsibilities. The Department of Defense will also conduct more research on the region. It established the Centre for Arctic Security Studies in 2021.<sup>109</sup> This is the sixth such analytical institute; the others are dedicated to the security of Europe, the Asia-Pacific, the Western Hemisphere, Africa, and the Near East & South Asia. The Northern Command (USNORTHCOM) is leading the efforts to develop a more comprehensive approach to the region at the military level through the Arctic Security Initiative for 2023–7. Its task is to ensure that adequate resources are available to implement the Arctic strategies of the individual branches of the US Armed Forces.<sup>110</sup>

At the same time, the US will increasingly focus on the Indo-Pacific in the long run. Consequently, it will step up pressure on its European allies, mainly the circumpolar and near-Arctic NATO members of the northern flank, to strengthen their military presence beyond the Arctic Circle and take greater responsibility for regional deterrence (Canada and the UK participated in the US Navy’s biennial Arctic submarine exercise ICEX in March 2022). Should these efforts fail, it is possible that the US will make a case for broader NATO

<sup>107</sup> R. Higgins, ‘Active, NG Arctic, extreme cold-weather units slated for modernized ATVs’, U.S. Army, 22 August 2022, [army.mil](https://army.mil).

<sup>108</sup> D. Berger, ‘Marines Will Help Fight Submarines’, U.S. Naval Institute, November 2020, [usni.org](https://www.usni.org); I. Williams, H. Conley, N. Tsafos, M. Melino, *America’s Arctic Moment...*, op. cit.

<sup>109</sup> ‘DOD Announces Basing Decision for the Ted Stevens Center for Arctic Security Studies’, The US Department of Defense, 17 November 2021, [defense.gov](https://www.defense.gov).

<sup>110</sup> ‘Arctic Security Initiative Act of 2021’, US Congress, 24 June 2021, [congress.gov](https://www.congress.gov).

involvement in the Arctic.<sup>111</sup> According to US intelligence, the shrinking Arctic ice cap will lead to heightened strategic competition in the region by 2040. This rivalry will be primarily economic, involving access to raw materials and fishing grounds. Increased armed forces' activity will also raise the risk of local military incidents.<sup>112</sup>

In October 2022, the US published its comprehensive Arctic strategy, which replaced the document from 2013.<sup>113</sup> It sets out the framework for Washington's policy towards the region to 2032. In terms of security it does not introduce any new elements, but simply codifies the actions and decisions that preceded its adoption. Contrary to the experts' expectations, it does not envisage an ambitious programme of investments in Arctic satellite and UAV systems, but sticks to more general wording.<sup>114</sup> The document refers up to ten times to the Russian invasion of Ukraine, which has "raised geopolitical tensions in the Arctic", and it recognises the "climate crisis" and the "increasing strategic competition" in the region as developments that are altering America's polar course. By contrast it says little about China, simply taking note of its activity beyond the Arctic Circle.

The US Arctic strategy is based on four pillars:

- enhancing security (situational awareness, military presence, cooperation with allies),
- countering the negative consequences of climate change,
- ensuring sustainable economic development, and
- maintaining cooperation based on international law (including the Arctic Council).

US polar efforts will be based on:

- close cooperation with the indigenous peoples of Alaska,
- deepened cooperation with allies,
- long-term investments,
- partnerships with non-governmental actors, and
- better inter-ministerial coordination.

<sup>111</sup> O. Hammerstad, 'Norge bør lyttes til når Nato seiler i nord', Forsvarets Forum, 2 September 2021, [forsvaretsforum.no](https://forsvaretsforum.no).

<sup>112</sup> *Climate Change and International Responses Increasing Challenges to US National Security Through 2040*, National Intelligence Council, Office of the Director of National Intelligence, 21 October 2021, [dni.gov](https://dni.gov).

<sup>113</sup> *The United States' National Strategy for the Arctic Region*, The White House, 7 October 2022, [whitehouse.gov](https://whitehouse.gov).

<sup>114</sup> M. Sadat, 'The US is unprepared to face the challenge in the Arctic. Here's what it should do', Atlantic Council, 31 January 2022, [atlanticcouncil.org](https://atlanticcouncil.org); D. Auerswald, 'A U.S. Security Strategy for the Arctic', War on the Rocks, 27 May 2021, [warontherocks.com](https://warontherocks.com).

**Canada's** relevance in the Arctic will largely depend on how it implements the announced modernisation of NORAD and the expansion of its icebreaker fleet (the world's second largest after Russia's), which currently numbers 18 vessels. This would allow Canada not only to increase its military presence in the north and prepare better for new threats from that direction, but also to strengthen its ties with the US, safeguard its economic interests more effectively, support local communities, control the Northwest Passage and develop its search & rescue capabilities, which will remain the main task of the Canadian Armed Forces beyond the Arctic Circle. Additional investments in Arctic military infrastructure will be required to achieve these goals. The branches that are in particular need of more resources include the navy and the air force, which operates only two airfields in the Arctic situated 2800 km apart.

Canada and the United States issued a joint statement on the modernisation of NORAD in August 2021.<sup>115</sup> However, it took the Russian invasion of Ukraine to spur Canada into coming up with concrete plans. In June 2022, it announced a package of investments in NORAD totalling almost \$4 billion, but overall spending on this command over the next 20 years is expected to reach around \$30 billion. This includes upgrades to the North Warning System involving the construction of a three-tier network of radar stations that will cover northern Canada, the Arctic Archipelago and the polar areas thanks to new over-the-horizon radars. NORAD will also be equipped with a satellite reconnaissance system, the latest generation of command & control systems, as well as new aerial refueling aircraft.<sup>116</sup>

The biggest boost to Canada's Arctic surveillance and defence capabilities will come with the long-awaited purchase of 88 F-35A aircraft at a cost of around \$15 billion, which was announced in March 2022.<sup>117</sup> Prior to that, in May 2021 Canada declared that it would build two new heavy icebreakers, which will become its largest vessels of this class and allow the coast guard to have a year-round presence in the Arctic; delivery of the first of these ships is expected by 2030.<sup>118</sup> Ensuring that these projects receive adequate and stable funding will be the biggest challenge in the context of Canada's ambitions with regard

<sup>115</sup> 'Joint Statement on NORAD Modernization', The Government of Canada, 14 August 2021, [canada.ca](https://www.canada.ca); P. Lackenbauer, T. Bouffard, *The Arctic and North American Defence: Reflections on 2021*, North American and Arctic Defence and Security Network, 17 December 2021, [naadsn.ca](https://naadsn.ca).

<sup>116</sup> 'North American Aerospace Defense Command (NORAD)', The Government of Canada, 22 June 2022, [canada.ca](https://www.canada.ca).

<sup>117</sup> 'Canada chose the F-35A', Altair, 29 March 2022, [altair.com.pl](https://altair.com.pl).

<sup>118</sup> 'Government of Canada announces Polar Icebreakers to enhance Canada's Arctic presence and provide critical services to Canadians', The Government of Canada, 6 May 2021, [canada.ca](https://www.canada.ca).



to 'hard' and 'soft' security in the polar areas. If there are delays in implementing the military and civilian circumpolar programmes, Canada may give its allies greater access to its part of the Arctic. In view of its concerns about the US's military presence on these territories, the country may also be looking for other partners. The United Kingdom has signalled that it is ready to commit its forces to the Canadian north. There have been reports of possible military exercises and patrols of nuclear-powered submarines (the Canadian Navy does not operate them; it only has diesel-electric submarines which need to be upgraded).<sup>119</sup>

**Denmark** will fight for its continued membership of the Arctic club. In order to maintain its union with Greenland, which raise the country's prestige and the profile of its relationship with the United States, it will be open to expanding the island's autonomy in the areas of security and foreign affairs. One example of Greenland's growing emancipation on the international stage is its opening of a representative office in Beijing in November 2021.<sup>120</sup> This is Greenland's fifth such post, following those in Denmark, the EU, Iceland and the US. The island will also grow more economically dependent on the US. However, Greenland is unlikely to declare full independence as its successive governments have focused on economic and social issues. In addition, the Russian invasion of Ukraine has had political reverberations on the island, reinforcing support for NATO membership through its union with Denmark.<sup>121</sup> A less predictable international environment will discourage the government in Nuuk from making risky declarations regarding the island's full independence from Denmark.

Denmark's 2022 foreign and security policy strategy mentions the Arctic 40 times. The region will remain high on the Danish foreign ministry's list of priorities, partly in anticipation of future talks with Russia and Canada on the delimitation of the shelf around the North Pole. The ministry has also announced the creation of new posts to bolster Denmark's 'Arctic diplomacy'. Meanwhile, the security of the kingdom's northern part will be one of the

<sup>119</sup> The United Kingdom is the non-Arctic NATO country with the largest military presence within the Arctic Circle. This includes activities of submarines and P-8 aircraft, Royal Marines exercises in Norway and naval patrols in the Barents Sea. London also wants to enhance its capabilities in the High North through cooperation in the Joint Expeditionary Force (JEF) involving the Netherlands, the Nordic states and the Baltic states. M. Brewster, 'Britain offers Canadian military help to defend the Arctic', CBC, 24 September 2021, cbc.ca.

<sup>120</sup> A. Meisner Synnestvedt, 'Trods corona-udfordringer vajer Erfalasorput nu over nyt kinakontor', Kalaallit Nunaata Radioa (Greenlandic Broadcasting Corporation), 27 November 2021, knr.gl.

<sup>121</sup> "We need to collaborate with Denmark, but in a more equal way", Rosa-Luxemburg-Stiftung, 22 July 2022, rosalux.eu.



major issues in negotiations on a new defence agreement for 2024–9; this is a cross-party plan for the development of the country's armed forces. These discussions, which began in 2022, are likely to reveal differences of views between the political and the military leadership. While policymakers in Copenhagen and Nuuk are primarily seeking to reduce tensions in the Arctic, the Danish Navy, which is keeping a wary eye on the deepening rivalry in the region and the resulting threats, is calling for the acquisition of Arctic frigates so that it can focus more on purely military tasks rather than those specific to the coast guard.<sup>122</sup>

The ideas of expanding the Danish military presence in Greenland will face resistance from the island's residents. Another 'drag' is Denmark's insufficient defence spending: a short-term boost to the defence budget of around \$1 billion in 2022–3 will not change the fact that the government has no intention of meeting NATO's target of spending 2% of GDP on defence before 2033.<sup>123</sup> In addition, available resources will be drained by the need to step up military engagement in the Baltic Sea region as the Alliance responds to the Russian onslaught on Ukraine. On security and defence issues in the Arctic, Denmark plans to work closely with the US and cooperate more frequently with Canada.

**Norway** will continue to pursue a multi-layered approach towards the Arctic. Safeguarding the High North will remain a priority for its armed forces. In March and April 2022, Norway held a major homeland defence exercise, Cold Response 2022, with the participation of its allies: these were Norway's largest national military drills in more than three decades. A total of more than 30,000 soldiers from 27 countries took part. They rehearsed operations such as repelling aggression against the Arctic county of Troms og Finnmark.<sup>124</sup> Despite the stepped-up preparations for the defence of the northern part of the country, the government believes that Russian aggression against these areas is unlikely as the forces from Russia's north are participating in the invasion of Ukraine, and have sustained significant losses there.<sup>125</sup> However, new threats may come from Russia's non-military moves, such as the weaponisation of migration, as was the case in 2015 when Russian security services channeled migrants to

<sup>122</sup> A. Krog, 'Søværnets offensive ønsker er ude af synk med politikernes ønsker om arktisk lavspænding', Altinget Arktis, 6 September 2021, altinget.dk.

<sup>123</sup> J. Gotkowska, J. Tarociński, 'Duńskie „tak” dla wspólnej polityki bezpieczeństwa i obrony', OSW, 14 June 2022, osw.waw.pl.

<sup>124</sup> 'Cold Response 2022', The Norwegian Armed Forces, 17 November 2022, forsvar.no.

<sup>125</sup> 'Ukraine and the Arctic: Perspectives, Impacts, and Implications', Wilson Center, 14 March 2022, wilsoncenter.org.

the border with Norway. The Norwegian government also remains intent on tightening bilateral defence cooperation with the US in the High North, and ensuring that NATO does not marginalise its northern flank.

At the same time, however, Norway will strive to ensure that NATO activity in the part of the Arctic under allied control does not lead to new tensions and militarisation of the region. Norway believes that should this happen, it would be overwhelmed by the US-Russian rivalry and lose its ability to independently influence the situation in the High North. To make the region more predictable, the Norwegian government is not closing its doors to confidence-building measures with Russia.<sup>126</sup> In the long term, Norway will face heightened socio-political pressure to stop issuing new licences for hydrocarbon exploration and extraction in the Arctic (and to phase out Arctic production altogether in the more distant future). At present, however, the domestic oil and gas sector is reporting record profits as a result of the 2022 energy crisis in Europe, and this may temporarily translate into an increased interest in resources beneath the Barents Sea floor. The northern part of Norway (Finnmark), which borders the Russian Federation, will feel the impact of Western sanctions and Russian counter-sanctions more acutely. These could affect the shipbuilding sector (based at Kirkenes), which is dependent on customers from Russia, as well as cooperation in the disposal of spent nuclear fuel from the Northern Fleet's Cold War submarines. This fuel is stored in Andreeva Bay (55 km from the Norwegian border) and poses a threat to the Arctic environment.<sup>127</sup>

The upcoming membership of **Sweden and Finland** in NATO will enhance the security of both the Baltic Sea region and the High North, particularly the Arctic part of Norway. Within the Alliance, Norway, Sweden and Finland will gain new opportunities to make preparations for wartime contingencies, mainly with regard to the cooperation of land forces in the north of the Scandinavian Peninsula. However, it may take years to fully embed this cooperation in NATO's defence planning. From the perspective of the northern flank, the accession of Sweden and Finland brings the added value of their armed forces, which are well adapted to winter warfare in terms of troop training, as well as armament and military equipment. NATO will also gain access to the two

<sup>126</sup> 'Norge og Russland har undertegnet avtale om sikkerhet til sjøs og i lufta', The Government of Norway, 21 December 2021, regjeringen.no.

<sup>127</sup> G. Fouche, V. Klesty, 'On Norway's Arctic border with Russia, a town freezes ties with its eastern neighbour', Reuters, 18 May 2022, reuters.com; Q. Lawrence, C. Donevan, 'A new Iron Curtain is eroding Norway's hard-won ties with Russia on Arctic issues', NPR, 30 April 2022, npr.org; 'Arktyka oczyszcza się ze spuścizny po radzieckich okrętach jądrowych', The Ministry of Energy of Poland, October 2017, gov.pl.

countries' northern military infrastructure, including the Luleå and Rovaniemi airbases. The latter is expected to eventually host half of Finland's F-35 aircraft fleet.

**Local communities and indigenous groups** will play an increasingly prominent role in Arctic governance. Their voices are being heard more clearly both in the Arctic Council and in domestic debates in the Arctic countries (Greenlandic autonomy, Sámi parliaments in Sweden, Finland and Norway). This stems from the discriminated Indigenous peoples' pursuit of political, economic and cultural emancipation and also from the increasing willingness of democratic countries and societies to reconcile with the 'first nations' (through truth commissions and, at the symbolic level, through policies of apology or recognition of guilt and responsibility for injustices). Consequently, the region is more likely to experience disputes between the centre and polar peripheries of individual countries. Many of these disputes will centre on infrastructure investments, which the governments promote as ways to bring modernisation to the underdeveloped north, but which the native people sometimes see as attacks on the traditional activities of the informal economy, such as hunting, various forms of forest use, and fishing. These tensions could be exploited and fuelled by external actors. The isolation of the Russian Federation in the Arctic which began in 2022 will reduce contacts between the Russian Indigenous communities and the Inuit and Sámi in the neighbouring countries. The Russian Association of Indigenous Peoples of the North has officially supported the invasion of Ukraine.<sup>128</sup>

All the countries of the region still regard the Arctic Council as the optimal platform for polar cooperation. Back in March 2022, Canada, the US, Iceland, Denmark, Norway, Sweden and Finland said in a statement on the suspension of the Council's activities that they were convinced of its enduring value; they also reiterated their support for its work. This was interpreted as a gateway for the Council to resume its activity in the future. In June 2022, the seven countries issued another statement which indicated that they were preparing for a limited resumption of the Council's work in projects that did not involve Russia.<sup>129</sup> Norway's chairmanship, which will begin later in 2023, may be a convenient opportunity to revive cooperation within the Council. However,

<sup>128</sup> A. Raspotnik, A. Stępień, T. Koivurova, 'The European Union's Arctic Policy in the Light of Russia's War against Ukraine', The Arctic Institute, 26 April 2022, [thearcticinstitute.org](https://thearcticinstitute.org).

<sup>129</sup> 'Joint Statement on Limited Resumption of Arctic Council Cooperation', The US Department of State, 8 June 2022, [state.gov](https://state.gov).

a scenario of transforming G8 into the G7 seems unrealistic for the Arctic, as the Russian Federation accounts for half of the Arctic area.

Without Russia's contribution, polar rescue operations, environmental disaster response, environmental protection, climate change monitoring, fisheries control and scientific research would be greatly hampered or even doomed to failure.<sup>130</sup> Therefore, we are likely to see a selective and gradual restoration of cooperation with Russia in the Arctic Council in the future, involving areas that directly affect the security and economic interests of its Arctic neighbours. Before this happens, the Kremlin may try to show the West that the region cannot be managed without the Russian Federation. The coercion it may use to bring all parties back to the 'Arctic table' will include threats to open up the Russian part of the region to non-Arctic countries (China, India, the United Arab Emirates and the Southeast Asian countries have expressed interest in stepping up their activities within the Arctic Circle) and thus abolish the Arctic Council's monopoly. Russia is also likely to apply direct pressure on its neighbours and test the integrity of the sanctions regime.

**PIOTR SZYMAŃSKI**

*This text was completed in late 2022/early 2023.*

<sup>130</sup> E. Buchanan, 'The Ukraine War and the Future of the Arctic', The Royal United Services Institute for Defence and Security Studies, 18 March 2022, [rusi.org](https://rusi.org).