

# The Great Game Moves North

As the Arctic Melts, Countries Vie for Control

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The Arctic is the fastest-warming region on earth and continues to melt at a breathtaking rate. Last summer, for the first time in history, the polar icecap retreated far enough to open sea routes north of Eurasia as well as North America, and it is expected to be completely ice-free during the summer months in 2013. Boreal forests are appearing where there was once just frozen tundra, and last summer, the first wild fire was recorded north of Alaska's Brooks range, in a region where the local Inuit dialects lack a word for forest fire.

In an article in *Foreign Affairs* last year, I described how not only is the climate changing fast, but the region's geopolitics are also rapidly transforming. As the Arctic coastal states begin to make claims over both these transit passages and newly accessible deep-water resources, a Great Game is developing in the world's far north.

The next few years will be critical in determining whether the region's long-term future will be one of international harmony and the rule of law, or a Hobbesian free-for-all. Although the Bush administration took a huge step by publishing a new Arctic policy during its final week in office, the Obama administration must do far more to keep Washington from being further marginalized in this geostrategically important region.

The polar icecap in the central Arctic Ocean thinned by half between 2001 and 2007. Other signs -- such as warmer deep-water ocean currents, greater albedo feedback loops, and massive ice shelves breaking free -- point to further melting. Scientists are increasingly concerned that the thawing permafrost will disgorge millions of tons of methane, unleashing what some refer to as a "climate bomb," a runaway warming cycle that could dramatically raise the planet's temperature.

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The Arctic may be open to year-round shipping within a few decades, if not sooner. Eventually, the Arctic, like the Baltic Sea or Great Lakes, will freeze in the winter and melt in the summer. Shipping companies are taking notice. The German-based Beluga Shipping company, for example, is planning to move cargo from the Atlantic to the Pacific via the Northeast Passage this summer unassisted by icebreaker escort.

**Last July, the U.S. Geological Survey released the first-ever comprehensive assessment of the region's oil and gas potential, and the numbers are staggering. Based on a resource appraisal of technically recoverable hydrocarbons, the Arctic contains about 13 percent of the world's undiscovered oil and about 30 percent of the world's undiscovered natural gas. Together this represents 22 percent of all untapped but technically recoverable hydrocarbons. More than 80 percent of these resources lie offshore.**

**Due to the ongoing global economic crisis, development of these oil and gas fields has proceeded in fits and starts. The price of energy needs to be high enough to make production in such an extreme environment economically viable. To complicate matters even more, some Arctic coastal states have not settled on the regulatory standards for development. The U.S. Ninth Circuit Court, for example, ruled last November that before the Royal Dutch Shell company can move forward with exploratory drilling in the Beaufort Sea north of Alaska -- for which it had already paid the U.S. government billions of dollars in leases -- the U.S. Interior Department needs to further study the environmental impacts of drilling on the sea's bowhead whale population and nearby indigenous communities.**

**Similarly, Norway has barred production of oil and gas in some of its northern waters, despite the Norwegian company StatoilHydro partnering with Gazprom, the state-owned Russian energy giant, in the Russian Arctic. While Norway is struggling with this contradiction, Russia seems to have no such qualms and has dived headlong into massive Arctic nonrenewable energy projects. Gazprom hopes to bring the enormous Shtokman field, in the Barents Sea, on stream by 2013. The field holds enough gas to provide all of the United States' electricity needs for six years, and Gazprom is eagerly eyeing the U.S. energy market, envisioning regular shipments of liquefied natural gas to import facilities in Maryland and Georgia.**

**Given the high stakes and pace of Arctic climate change, countries that border the ocean are working to extend their sovereignty in the region. After its controversial flag-planting on the North Pole seafloor in 2007, Russia moved to further bolster its Arctic presence in 2008. In addition to strategic bomber flights to the edge of U.S., Canadian, Norwegian, and Danish airspace, the Russian navy began patrolling Arctic waters last summer for the first time since the Cold War. On the eve of President Barack Obama's first visit to Canada in late February, the Canadian air force scrambled fighter jets to intercept Russian long-range bombers.**

**The Russian federal government plans to invest more than a billion dollars in the northern port of Murmansk, doubling the port's capacity by 2015. Moscow also pledged last summer to build at least three new nuclear icebreaker ships to join what is already the world's largest icebreaker fleet. And much to the chagrin of environmentalists, Moscow completed a reactor vessel for the first floating nuclear power plant in October 2008.**

Russia has developed a muscular new national security program that views the Arctic as a strategically vital territory. Last September, Nikolai Patrushev, the former head of the FSB (the successor agency to the KGB) and current secretary of the Russian Security Council, declared that "the Arctic must become Russia's main strategic resource base," and a forthcoming Russian plan for developing the Arctic over the next decade reportedly threatens that it "cannot be ruled out that the battle for raw materials will be waged with military means."

Russia is not alone. Canadian Prime Minister Stephen Harper held a cabinet meeting last August in the Arctic town of Inuvik, more than 2,500 miles north of Ottawa, to pledge his commitment to defend Canadian Arctic sovereignty. In 2008, Canada conducted its largest military exercise ever in the region and blocked the sale of Canadian radar technology to a U.S. buyer on national security grounds. In addition, Ottawa committed \$40 million to scientific research projects to support its Arctic seabed claims. Meanwhile, Greenland passed a home-rule referendum in November that will eventually lead to independence from Denmark "in the not too distant future," in the words of Hans Enoksen, the current Siumut prime minister; the European Union has a new Arctic policy and plans for building its own icebreaker; and at the end of January, NATO held a conference in Iceland about its future mission in the Arctic.

Even Asian countries with no Arctic coastlines are getting into the game. The Chinese sent its icebreaker, the Snow Dragon, on its third Arctic expedition last summer. Beijing successfully earned observer status to the Arctic Council and also plans to install its first long-term deep-sea monitoring system in the Arctic to keep an eye on long-term marine changes and the impacts of global warming on China's climate. South Korean and Singaporean shipyards are building massive new icebreakers and ice-strengthened tankers to navigate new Arctic routes. Japan is closely watching the shorter shipping routes opening up in the region, which will benefit Japanese businesses due to the country's northern latitude.

Last May, top officials from the United States, Canada, Denmark, Norway, and Russia gathered in Greenland to declare their mutual commitment to the rule of law and to behaving peacefully in the new Arctic. At the same time, Arctic countries are closely collaborating on mapping the area's seafloor, with scientists from one country frequently sailing on icebreakers of another. On the face of it, everyone seems to be getting along swimmingly.

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But all of this camaraderie is at odds with the growing remilitarization of the Arctic. The region is in the midst of transforming from a frozen, sleepy backwater into a potential epicenter of world affairs. How this all plays out in the geopolitical development of the region is a story

that is very much still being written. The plot is full of characters espousing the rhetoric of cooperation yet pursuing their self-interests, and the conclusion could lead in multiple directions.

The United States, however, remains largely asleep at the wheel. In the future, contests over fresh water, political instability from forced migrations, and increasingly severe pandemics due to global warming will become only more common. To prepare for such threats, U.S. national security strategy should focus not only on efforts to mitigate greenhouse gases but also on how to adapt to their effects. Nowhere is this more urgent than in the Arctic. The United States still needs to ratify the UN Law of the Sea Convention, reach out to Canada on new Arctic cooperative initiatives, and replenish its geriatric icebreaker fleet (the latter doesn't look to be happening anytime soon, unfortunately, with no money allotted to it in recent U.S. budget plans). And in line with a renewed interest in multilateralism, the United States should consider novel avenues for Arctic diplomacy, such as pushing for the creation of a polar park at the North Pole as part of the current International Polar Year.

Leaders in Moscow, Ottawa, Oslo, and Copenhagen are certainly aware of the sea change on their northern borders. Responsible statecraft requires those in Washington to take notice of the fast-changing politics on America's fifth coast as well

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