

THE GEOPOLITICAL IMPORTANCE OF THE ARCTIC REGION FROM THE PERSPECTIVE OF ENERGY RESOURCES AND TRANSPORTING CAPACITIES

Zelianin A.A. (Hungary) Email: Zelianin448@scientifictext.ru

*Zelianin Aleksei Andreevich - Master of International Relations,
DEPARTMENT OF POLITICAL SCIENCE AND INTERNATIONAL RELATIONS, FACULTY OF HUMANITIES,
UNIVERSITY OF PÉCS, PÉCS, HUNGARY*

Abstract: recent assessments of prospective Arctic trading routes, large amounts of undiscovered resources, military and economic significance greatly contribute to geopolitical importance of the Arctic region and result in a growing proliferation of topic of Arctic importance among state officials and mass media. In the context of energy security the Arctic region is extremely significant especially in the mid- and long-term perspectives due to the vast amounts of undiscovered resources which might become profitable to extract in the foreseeable future. These factors combined with the paramount priority of the Arctic region stated in national security strategies of Russia and other Arctic states result in increasing military presence and raise of the uncertainty of the competing states. The article argues that that the geopolitical value of the Arctic region is not only currently increasing but will inevitably upsurge in future and this region might become a place where territorial scramble will intensify.

Keywords: Arctic, geopolitics, energy security.

ГЕОПОЛИТИЧЕСКОЕ ЗНАЧЕНИЕ АРКТИЧЕСКОГО РЕГИОНА С ПЕРСПЕКТИВЫ ЭНЕРГЕТИЧЕСКИХ РЕСУРСОВ И ТРАНСПОРТНЫХ ПУТЕЙ

Зелянин А.А. (Венгрия)

*Зелянин Алексей Андреевич – магистр международных отношений,
кафедра политологии и международных отношений, факультет гуманитарных наук,
Печский университет, г. Печ, Венгрия*

Аннотация: последние оценки перспективных арктических торговых маршрутов, большое количество неразведанных ресурсов, военное и экономическое значение в значительной степени способствуют росту геополитического значения арктического региона и росту интереса по отношению к Арктике среди политических элит и средств массовой информации. В контексте энергетической безопасности арктический регион чрезвычайно важен, особенно в среднесрочной и долгосрочной перспективе, из-за огромного количества неразведанных ресурсов, которые могут принести огромную выгоду уже в обозримом будущем. Эти факторы в сочетании с первостепенным приоритетом Арктического региона, заявленным в стратегиях национальной безопасности России и других арктических государств, приводят к увеличению военного присутствия и росту напряжения в регионе. В статье утверждается, что геополитическая ценность Арктического региона не только возрастает в настоящее время, но и неизбежно будет расти в будущем, и, следовательно, этот регион может стать местом, где территориальные противоречия обострятся.

Ключевые слова: Арктика, геополитика, энергетическая безопасность.

Introduction

Arctic region is the vast polar region which consists of disputed territories and territories belonging to the several states – Russia, US, Finland, Canada, Norway, Sweden, and Denmark. It also includes the Arctic Ocean and adjacent seas which are constantly growing more important in a geopolitical sense. Recently, the Arctic region has become an area of ever-growing interest for state officials, scholars, and different decision-makers.

The majority of journalists and scientists predict stark clashes of interests in this region between the main Arctic states due to the Arctic strategic importance and resource abundance [9, p.190]. An assessment of the United States Geological Survey (USGS) of Arctic resources is based on geological studies and probabilistic modeling, which allows estimating the size and number of deposits of unexplored oil and gas resources. According to these studies, approximately 22% of the world's undiscovered oil and natural gas resources are found in the Arctic territories of Russia, Norway, Greenland, the USA, and Canada [12].

93% of the oil and gas in the Arctic is contained in only 10 large fields, with 63% located in Eurasia: 88% of them are Arctic gas and 35% are oil. The remaining resources are in North America. Approximately 61 large oil and gas fields were discovered in the Arctic, 43 of these fields are located on Russian territory, of which 2 are oil fields. The remaining 18 fields are distributed as follows: 6 are in Alaska, 11 are in the north of Canada, and only 1 in Norway [12].

At the current level of oil and gas technology, the cost of extracting some unconventional resources is incomparable with gas production rates at traditional gas and oil fields, although there are breakthroughs in the development of methods for extracting these resources [3]. In this regard, the huge reserves and potential hydrocarbon resources in the Arctic have recently become increasingly important.

The Arctic region is often referred to as a natural resource depositary of the future. For several states, it is a strategic region of the world with a tremendous natural resource potential, including mineral resources, fuel, forest, and biological resources. Currently, the development of the Arctic is considered primarily in the context of energy and hydrocarbon resources, and in the near future, the Arctic territories are expected to become one of the main bases for further economic development. Many scholars in their works focus on oil and gas reserves in the Arctic region, on the importance of infrastructure development, the restoration of transport routes and the prospects for the development of international cooperation [3].

2. Rising Geopolitical value of the Arctic Region

As a result of climate change, the strategic value of the Arctic region has constantly been on the rise. Due to the melting of the ice, the northern sea routes are gradually becoming available for navigation and therefore transportation of commodities. In this context, the Arctic Ocean and adjacent seas will pose greater importance in the future since the shortest route from Asia to Europe lies through the Arctic.

According to the recent forecasts, approximately by the year 2030, the currently ice-blocked transportation routes of Arctic are expected to become seasonally ice-free (See Figure 1). Such perspective raise interests of multiple countries since alternative shipping routes from Europe to Asia might become more economically viable since such routes would allow trade to bypass numerous junctions like the Suez and Panama Canals and increase access to Asian and European markets. In this regard, it is important to notice that despite the existence of multiple transportation methods, international shipping industry still accounts for the carriage of around 90% of world trade [5]. Due to the melting of polar ice, direct freight traffic between Europe and Asia may become possible and thus the delivery time will be almost halved.

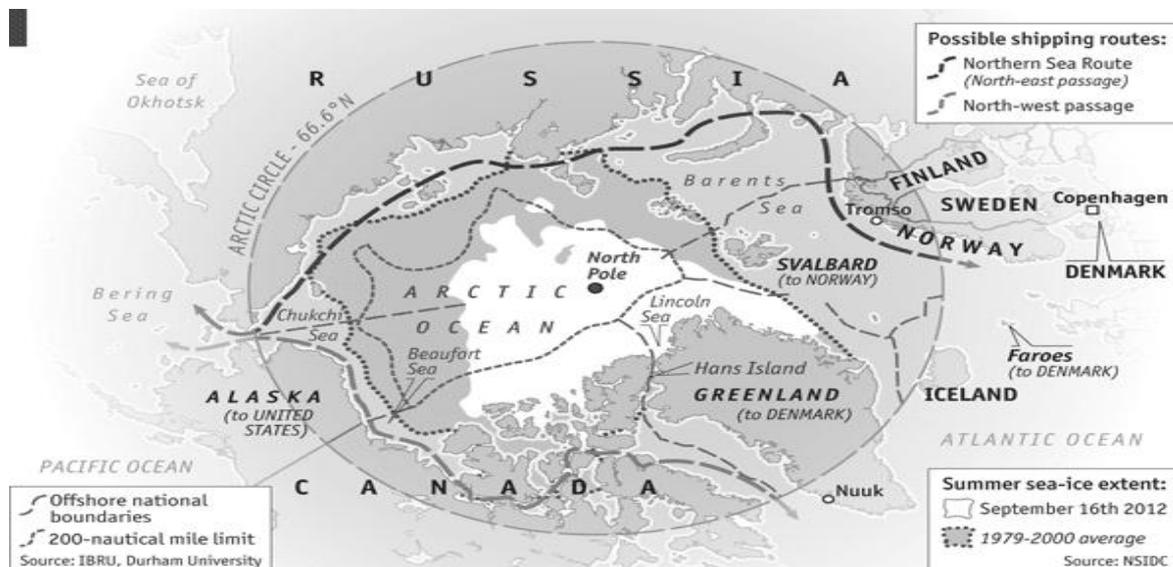


Fig. 1. Prospective Arctic Shipping Routes

The Arctic Ocean - significantly increases its importance with the development of aeronautics and especially rocket production, as well as due to the rising shortage of natural resources at the world level. The shortest trajectory between Eurasia and America passes through the Arctic. This, combined with the fact that Arctic shelf is extremely rich with poorly explored natural resources makes every part of the Arctic land or sea immensely valuable in geopolitical terms.

3. Territorial Scramble for the Arctic

In order to comprehensively understand the reason for the land struggle in the Arctic region, it is necessary to address the UN convention on the law of the sea. According to this convention, the exclusive economic zone (EEZ) stretches 370km from the coastal shore. However, the EEZ can be extended to 650km through scientific measurement of the continental shelf. Therefore, the more land state has in the Arctic, the more valuable sea routes and resource fields it can control. Among the Arctic countries, only the US did not sign this convention due to debates over the convention in the Congress.

More and more countries are entering the struggle for Arctic hydrocarbon resources. At present, five states that have direct access to the Arctic Ocean — Russia, Canada, the United States, Norway, and Denmark — are actively competing for control over it. The struggle involves both hard power-based tools and soft-power tools. Sometimes state's actions involve symbolical claims since the struggle in this region also serve to project power,

specific sovereignty and state's identity. In order to project its influence on the Arctic and further reassure its claims on the region, different countries practice different methods. Some of the most prominent of these methods include symbolical establishing of the national flags and encouraging, or, sometimes, forcing the population to live in the Arctic in order to have more valid grounds for territorial claims.

The most prominent actions on the establishing settlements in the Arctic began during the Cold War era. The High Arctic Relocation in Canada involved the forceful relocation of the Inuit to the northern regions, presumably, to assert its sovereignty over the Arctic territories. In the media, the policy was heavily criticized since the Inuit did not receive support from the government and was sometimes referred to as "human flagpoles" by the journalists [11]. As for the more recent events, in 2007 a group of Russian scientists descended to the ocean bottom of the North Pole and planted a Russian flag on the seabed. This symbolic claim of the North Pole as Russian territory raised a surge of criticism from other states since it presumably demonstrated Russia's aggressive expansionism in the region [1].

The proponents of critical geopolitics tend to emphasize the issues of identity, symbolic aspects of the struggle, indigenous people and climate change [6]. Using a holistic approach they focus on the underrepresented aspects of the Arctic region. In this regard, climate change and its consequences for the Arctic are extremely important. Increasing water temperatures are changing the distribution of sea ice and having grave impacts on ice-dependent flora and fauna [4, p.8]. Consequently, it severely affects the native peoples of that region and will ultimately affect some industries such as fishing and transportation thus causing increasing overlaps of state interests in the region.

Many countries that do not enjoy direct access to the Arctic Ocean are also attempting not to miss the potential opportunity to participate in the development of the Arctic region and its promising maritime routes and are, consequently, make active efforts to prove their right to participate [9]. In addition, there are dozens of bilateral, subregional and regional agreements in the Arctic region, as well as sub-regional and regional organizations, each of which has its own arctic interests.

The Arctic is an important region from several points of view: energy, economic, transport, and military. This is the pole of the intersection of geopolitical interests. The struggle for influence in this region is happening right now and might become more acute in the future, and not only between the Arctic countries. Due to the growing tension in the global energy sector and resource scarcity, the importance of geopolitical aspects of the struggle for the Arctic is increasing.

Reducing level of energy self-sufficiency and risks of the unreliability of security of supply regarding the energy resources stimulate the leading countries of the world to guarantee their own energy supply by political or military-political methods, including in the Arctic region, which significantly changes its geopolitical significance as the resource scarcity and climate change progress.

As the Arctic region becomes more important all states are increasing its presence in that region and claiming disputed territories. Currently, in addition to Russia, Norway, Denmark, Canada, and the United States have already submitted their claims to the UN Special Commission on the Arctic Shelf. Even non-Arctic states are interested in that region and seeking permanent observer status in the Arctic Council [9]. Although the observer status does not provide countries with the right to directly influence the decisions on Arctic matters, it could still help to know what the main Arctic region states are planning and acquire relevant information. The Arctic Council was established by the eight nations that have territorial claims in the Arctic. Its purpose is to serve as an intergovernmental forum to provide space for discussions, disputes settlement and promote cooperation in the region. The main focus of the Council is environmental issues concerning the development of the Arctic region.

Many countries that are not members of the Arctic Council are intensively positioning their interests in the Arctic, in particular, China, which has already concluded agreements with Norway on the development of the Arctic zone. The main interest of China in that region is to profit from the prospective trading routes since it might largely increase the efficiency of Chinese trade with Europe.

The Arctic is divided into 5 sectors, the bases of which are the northern borders of the USSR, the USA, Canada, Denmark and Norway, the side faces are the meridians and the top is the North Pole. All lands and islands located within each sector are part of the territory of the adjacent states (See Figure 2). The system of sectors has developed on the basis of a long de facto delineation of the rights and interests of the respective states, recognition of their priority in the study and development of various regions of the Arctic by the respective states.



Fig. 2. The Arctic States Territorial Claims

However, many agreements between countries have already been reached. Canada and Denmark signed an agreement on the borders of the continental shelf between the countries in 1973. Iceland and Norway defined the boundaries of the continental shelf in 1981. The USA and the USSR signed an agreement on all disputed territories in 1990. The United States and Canada signed an agreement on cooperation in the Arctic in 1988. Each of the countries of the Arctic Five, as well as some other countries and organizations have relevant legal documents clearly denoting interests in the Arctic region, as well as reports of high-ranking representatives on relevant topics in which the position of a particular country is expressed: the Norwegian “Northern Strategy” (High North Strategy), Russia’s “State Policy in the Arctic until 2020”, Denmark’s “Arctic Strategy”, US’ National Directive NSPD66 / HSPD25, EU report on Climate Change and International Security and other official documents regarding states’ policies and cooperation in the Arctic.

4. Arctic region in Russian geopolitics

The geostrategic importance of the Arctic Region for Russia is extremely valuable nowadays. It is clearly demonstrated by the influence of industries located in the Arctic on the development of the Russian economy. 20% of the territory of Russia lies north of the Arctic Circle. Russia possesses the largest Arctic territories in the world, in which 1% of the population lives which is almost 1.5 million people. It is several times larger compared to the polar region population of other Arctic countries. In economic terms, The Russian Arctic generates more than 10% of the country's GDP and more than 20% of exports (gas, oil, nonferrous metals, fish) [10, p.30]. Based on such indicators, it is difficult to dispute the entire economic and geostrategic importance of the Arctic for the development of Russian economy and hence strong foreign policy and stable domestic situation.

The Arctic continental shelf has always been extremely important for Russia from a purely economic perspective as well as from the social and geopolitical point of view. According to the general opinion among Russian officials and scholars, currently, there is a need to employ more attention and further develop the northern regions [8, p.31]. The importance of the region is further elaborated by the assumption that resource potential of the Arctic is posing not a short-term, but of promising long-term interest for Russia and the global energy industry as a whole. Development of new resource fields, especially on the Arctic shelf thus will remain one of the main priorities of Russian policy since this energy development is crucial for the country's energy security.

In addition to the energy factor, the Arctic region is important from the geopolitical perspective due to the strategic role of the Arctic Ocean, as well as its role in ensuring Russia's national security [7]. According to the Strategy of National Security and the State Policy of the Russian Federation in the Arctic for the Period Until 2020 the North is of strategic importance for Russia from a military point of view. The national priority is to build up military forces in the Arctic, as well as to allocate funds for the development of modern scientific programs and primarily to protect the interests of the country. The importance of Arctic for economic development and energy security are emphasized in those documents as well.

Such position has led other countries to assess Russian military strategy in the Arctic very controversial or aggressive. Russia is constantly increasing its military presence in the region, conducting military drills, opening new military bases and establishing new radar systems. The US secretary of defense James Mattis recently characterized Russian actions in the Arctic as “aggressive steps” aimed at increasing its military presence and

US senator Dan Sullivan stated that Russia is aggressively building and refurbishing bases near the Northern Sea Route [5].

Conclusion

Based on the several factors and according to the analytical forecasts it is highly expected that the Arctic region's geopolitical value will escalate in the future [3]. Major factors contributing to these expectations are the following: First – considering the scarcity of resources, the energy prices will inevitably upsurge in the future. This will result in increased interest in the extraction of unexplored Arctic resources since it would be commercially profitable and strategically more important. Second – both ice-breaking technologies and climate change are expected to make recently unavailable trading routes to become major trading routes. Third – The overall representation of the Arctic region, considering the above-mentioned circumstances, will increase. This topic will more actively proliferate in mass media, state official's speeches and scientific literature. Thus, the socially constructed significance of the region will increase as well. Fourth – the combination of all three factors could significantly increase the tensions in the regions and result in intensification of scrambles over disputed territories.

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