



Outsiders in the Arctic
The roar of ice cracking

Will Asian countries consolidate or disrupt Arctic stability?

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SOMETIMES a small event gives you mental whiplash. An example is Singapore’s application for permanent observer status at the Arctic Council. This is made up of the eight states that have territory within the Arctic circle: the United States, Canada, Denmark (representing Greenland and the Faroes), Finland, Iceland, Norway, Russia and Sweden. But Singapore sits at the equator, as far from either pole as it is possible to be. How can it be interested?

The answer is that in 2012, as the summer ice melted, 46 ships sailed through Arctic waters, according to Arctis, a research group, mostly from Far Eastern ports to Europe. They carried 1.2m tonnes of cargo, a third more than in 2011. This “northern route” could erode Singapore’s position as a global shipping hub. And the melting of the Greenland glaciers could threaten its existence: Singapore’s highest point, Bukit Timah, is only 164m (538ft) above sea level.

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Other non-Arctic countries queuing for various kinds of seat at the table are China, India, Italy, Japan and

South Korea, as well as the European Union, Greenpeace and the International Association of Oil and Gas Producers. Their applications—supposed to be ruled on in May—are the clearest signs of the growing geopolitical interest in the melting north. The existing members are wondering whether the outsiders will promote stability or disruption.

Even the current arrangements have attracted excited speculation. According to the United States Geological Survey, the Arctic has 13% of the world's undiscovered oil and 30% of its gas (the gas estimate is pre-shale, so is probably too high). Competition for resources has produced a spate of books with titles like "The Arctic Gold Rush" and "The Scramble for the Arctic". Boundary disputes rumble between America and Canada over the Beaufort Sea (see map); between Russia and America in the Bering and Chukchi Seas, and between Canada and Denmark over Hans Island and in the Lincoln Sea. Russia is modernising its northern fleet; America is thinking about putting armed coastguard vessels into its Arctic waters. The South China Sea shows how minor territorial disputes can flare dangerously, especially when natural resources are at stake. Yet notions of a Wild North are hugely exaggerated. Haakon Bruun Hanssen, a Norwegian admiral, says the Arctic is "probably the most stable area in the world". All countries play by the rules. Legal norms are well established. The United Nations Law of the Sea, for example, has put almost all unprospected oil, gas and minerals under national jurisdictions, narrowing the scope for dispute (America has not ratified it, but says it will abide by it). Despite some swagger and stunts in past years, Russia is playing a constructive role, especially on shipping: it wants the "northern route" to be a success. In 2010 it settled a territorial dispute with Norway.

The Arctic Council epitomises this spirit of increasing co-operation. It began in 1996, mainly as a research project and talking-shop, but is fast becoming a decision-making body. In 2011 its members signed their first treaty, on joint search-and-rescue missions, which are too expensive for countries to undertake on their own. A second treaty—on cleaning up oil spills—will be signed shortly. On January 21st the members set up the first permanent secretariat, at Tromsø in northern Norway.

One fear—especially in Canada—is that economic development could bring an oil spill that could devastate the pristine Arctic environment for decades. But a bigger question is what effect the newcomers might have on these cosy arrangements. Could China one day decide the northern sea route had become so important that it was within its sphere of strategic interest—meaning Chinese submarines would appear in Arctic waters? Such fears are far-fetched. The driving force of the outsiders' interest is economic. China and others are backing the established rules and institutions such as the Arctic Council, not undermining them.

Yet worries persist. The insiders are squabbling about the right role for the outsiders. Canada is relaxed about China's application to join the council, but fears the EU will try to stop its native peoples hunting seals (though the EU has a limited exemption for the Inuit). Russia is happy for the EU to join but is suspicious of letting in the Chinese.

Arctic miners

China is also affecting the domestic policies of some Arctic countries, rather as it has in Africa. For instance, Greenland governs its own internal affairs, but Denmark runs its foreign policy. It contains about a tenth of the world's deposits of rare-earth minerals. China, with a third or more of the rest, wants to build a big mine there to keep control over the global business. Uranium will be a by-product, but responsibility for disposing of that is considered a matter of foreign policy, residing in Copenhagen. Denmark has no experience of uranium recycling, and little desire to start.

Greenland's government is also backing a \$2.5 billion iron mine which, if it went ahead, would be worth more than the island's annual GDP and could attract as many as 5,000 Chinese workers (the capital, Nuuk, has only 15,000 souls). In December 2012 the local government exempted such large projects from Denmark's strict labour laws. But Chinese workers in Greenland would still need visas, which must be issued in Copenhagen. Denmark could therefore face the unwelcome choice between scuppering a pet project of huge, poor Greenland's or undermining its own labour laws.

For the foreseeable future China and others are unlikely to challenge the rules that underwrite Arctic stability. But the outsiders' impact may be more disruptive than their self-restraint would suggest.

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