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## Russia in the Arctic race

The Mansi<sup>1</sup> poet Yuvan Shestalov wrote: "The energy hunger of the Earth will be solved by the oil and gas of the North". The foreseeable future may indeed confirm these words. Energy markets are in a state of flux; oil and gas prices are unpredictable; onshore reserves are gradually shrinking; some forecast that by 2015 almost 40% of global oil and gas will be produced offshore. Moreover, most of the Arctic receding ice is taking place in Russia's territorial waters. The legendary Northern Sea Route may be opened to commercial shipping in 2025-2030. These data explain Russia's interest in exploring undersea oil and gas resources, especially those located to the North of its Northern border. Still similar scenarios bear important consequences for the re-definition and subdivision of the global energy scene, as well as for investment and technology distribution. They are also the ideal occasion for Moscow to assert world-wide its current and future status of energy power while strengthening a return as a great power.

<sup>1</sup> Mansi is a small nomadic group living in Russia's Northern Ural mountains.

### The importance of the Arctic region for Russia

Russia has traditionally addressed issues pertaining to the development of the Arctic region outside of the framework of international cooperation, opting for unilateral moves, as it is indeed the case of its 2007 Polar expedition (see below). The region has long played a special role for the country, though after the collapse of the Soviet Union Moscow was no longer able to protect its interest there. The Arctic gained a new momentum when in 2000 former President Vladimir Putin endorsed the idea of the Northern territories as Russia's strategic reserve for the future.

So, why is the Arctic region so important for Russia? There are three main reasons. The first one is that it is a future economic and energy resource engine. In 2008 the US Geological Survey assessed undiscovered Arctic energy riches as the geographically largest unexplored prospective area for petroleum remaining on Earth. According to the survey, Arctic resources account for about 22% of the undiscovered, technically recoverable resources in the world: namely 13% of the undiscovered oil and 30% of

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### Abstract

Energy markets are in a state of flux; oil and gas prices are unpredictable; onshore reserves are gradually shrinking; some forecast that by 2015 almost 40% of global oil and gas will be produced offshore. Moreover, most of the Arctic receding ice is taking place in Russia's territorial waters. The legendary Northern Sea Route may be opened to commercial shipping in 2025-2030.

These data explain Russia's interest in exploring the Arctic hydrocarbon wealth and the claim, reaffirmed during the August 2007 Polar expedition, to extend its sovereign rights beyond the 200 mile-rule regulating its exclusive economic zone.

Russia's interests however are not only energy driven. They also entail a strategic and security dimension and have consequently provoked a profound revision of the other coastal states' regional policies. NATO too has recently adopted a firm stance over the access and control of the concerned area calling for a larger military presence there.

Generally speaking, the West seems worried about Russia's unilateral advancement in the Arctic but is that uneasiness justified or is it just another nuance of its resurgence as a great power?

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the undiscovered natural gas. The study also acknowledged that most of the gas (60%), which is the predominant hydrocarbon resource in the Arctic region, lies in the Russian sector. On its part, Russia's Ministry of Natural Resources estimates the country's Arctic shelf at 25% of the world's hydrocarbon resources (50% is to be found in North Africa, the Middle East and the Caspian region; the rest 25% elsewhere in the world). Although analysts point out to the difficulty of calculating the true amount of Russian offshore hydrocarbon resources as geological data cover only about 9–12% of the Russian Arctic section<sup>2</sup>, it is clear that the country is already the biggest player in the area. Moreover, Russia's strategy on continental shelf development aims to increase the offshore share in domestic gas and oil output by 20% by 2020. However, some experts doubt whether the country has a real capacity to do so. They refer to the country's lack of adequate technology in accessing the Arctic resources occurred with the end of exploration expeditions after the collapse of the Soviet Union. There are also other deficiencies such as poor industrial equipment, absence of viable regional infrastructure, ageing Polar fleet, and insufficient investment. In order to solve these shortcomings Russia is currently trying to boost the partnership between domestic public and private sectors so as to get

the necessary financial means<sup>3</sup>. Developing its own technologies or acquiring new (Western) ones amid the global crisis, may prove risky as the cost of Arctic projects will rise sharply becoming eventu-

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<sup>3</sup> In 2007-2008, Russia completed the merger of the state-owned shipping and shipbuilding assets into a holding company, Sovkomflot-Novoship. Former President Putin affirmed that the merger would make it possible to sustain Russian shipbuilding industry, while more effectively supporting national projects concerning the Russian continental shelf such as liquefied natural gas (LNG) and pipeline infrastructure developments. The move somewhat hinted at minimizing foreign involvement in exploring Russian Arctic hydrocarbon deposits. In early 2008 Putin signed a decree "On the Establishment of the United Shipbuilding Corporation" providing for all state shareholdings in the shipbuilding branch to be united into a holding with 100% state ownership. The holding will be building military vessels and civil ships. However, it is likely that the ultimate objective is to build ships for the development of offshore energy projects (like the Shtokman gas field), LNG and Arctic shipping. These three sectors should generate demand for special ships capable of navigating the icebound waters with a specific focus being put on ice-class tankers of smaller tonnage and giant tankers for transporting LNG. Another example of a public-private partnership is the fact that Russia's nuclear icebreakers' fleet was transferred from the trusteeship of a private shipping company to the state enterprise Atomflot, which was then took over by the nuclear power state corporation Rosatom. The Atomflot technical base consists of aging nuclear service vessels and outmoded infrastructure, so the acquisition by Rosatom is expected to channel state budget funds for their modernization or construction of new ones.

ally unaffordable. On the other hand, involvement of international companies seems uncertain, at least in the short run, due to the fact that hydrocarbon riches are viewed as a strategic sector for the country, ruling out any foreign participation. President Medvedev defined the Arctic area a "national heritage" and it is difficult to foresee to what extent Russia will be willing to share its resources with other nations. It seems that the only viable solution is investing in the improvement of social conditions and enhancing local governance to stimulate economic growth. Such politics will not only improve the relationship between the federal centre and the country's periphery but they will also integrate the region into national programmes and will limit the phenomenon of local population fleeing the high latitudes.

The second reason is that the Northern Sea Route, a route between the North Atlantic Ocean and the Pacific Ocean along the Russian coasts of the Far East and Siberia, is a transport corridor, which promises to be one of the more important transit routes in the future. Compared with traditional Southern sea routes, via the Suez or Panama Canals, it is believed to offer a reduction of distances and an ideal occasion for implementing a Russian state navigation policy. Currently, Arctic sailing consists of local traffic, i.e. destination traffic compared to transit traffic (the latter is often hindered by high insurance premiums or weight carriage restrictions on foreign shipping lines, which ultimately

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<sup>2</sup> S.M. YENIKYEFF, T.F. KRYSIEK, *The battle for the next energy frontier*, Oxford Energy Comment, August 2007.

decline using it). "Destination sailing is the large occurrence of oil, gas and minerals especially in the Russian and Canadian parts of the Arctic regions. The climate change increases the season for sailing and it becomes more lucrative to utilise these occurrences"<sup>4</sup>. As Foreign Minister Lavrov has stressed, the Route is crucial for the Euro-Asian transport corridor and is an attractive option for commercial shipping but to that end a surface infrastructure, navigation support systems, environmental safeguards, and transparent tax and tariff system should be developed<sup>5</sup>. It is interesting to note that in mid-February the State Duma announced it was preparing a legislation that will define the Northern Sea Route as Russia's domain in which national inspectors will have the power to board and expel ships that do not meet Russian standards. The bill will apparently reserve to Moscow the right to determine which ships and which nation's ships can make use of the route. This unilateral claim by Russia to a sea route passing through international waters is however challenging the right of others to freedom of the seas. As such it will irk other coastal states, who will interpret it as yet another element of Moscow's campaign to assert control over the Arctic.

The third reason has to deal with its strategic location and

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<sup>4</sup> S.A. CHRISTENSEN, *Are the northern sea routes really the shortest?*, DIIS Brief, March 2009.

<sup>5</sup> S.M. YENIKEYEFF, T.F. KRYSIEK, *The battle for the next energy frontier*, cit.

security worth. From this perspective, safeguarding the status quo in the Arctic area means ensuring national security and sovereignty. Filing a claim in compliance with the 1982 UN Convention on the Law of the Sea (UNCLOS) (see below) is just a means to achieve this goal. In other words, it seems that Russia prefers a partition of the region instead of its internationalisation or local interstate collaboration. This attitude stems from the fact that the Arctic is the base of the Russian Northern Fleet as well as the base of strategic nuclear submarines. The Arctic has long been a fiefdom of Russian military and there are no policy suggestions hinting at the possible end of this status. During the Soviet years, Novaya Zemlya, Plesetsk and Nenoksa, located near the Arctic pole, were used as testing grounds, while the region was considered an imaginary frontline of a nuclear war with the US. Despite the collapse of the Soviet Union and the increasing interests in controlling hydrocarbon riches, the area has not lost its security and geopolitical value. "The bilateral disarmament agreements with the US and the ensuing shrinkage of Russia's nuclear arsenals have [transformed] sea-based nuclear forces into Russia's short term security backbone [compared to Soviet-era focus on land-based intercontinental ballistic missiles]. Furthermore, the task of making Russian submarines invulnerable has been vested in the so-called Strategic Northern Bastion. [In early 1990s it was believed that] a sharp drop in Russia's

defense capability on all theatres of naval operations and scarce finances for defense programs made it necessary to concentrate the main group of nuclear forces in the Northern Fleet"<sup>6</sup>.

All these aspects have been lately embedded into different national doctrines. During the September 2008 meeting of Russia's Security Council President Medvedev adopted the fundamentals of the Russian Policy in the Arctic through 2020<sup>7</sup>. The policy affirms that the Arctic bears a strategic significance for the country and should become its main raw resource base in the 21<sup>st</sup> century. To this end the Security Council set a number of national priorities: determining the external borders of the Russian continental shelf, developing an adequate Arctic transport (including air transport) infrastructure with the Northern Sea Route being a founding element of this policy as well as a strategic national route, developing regional natural resources<sup>8</sup>, developing information and telecommunication environment, and sustaining local communities' social governance. Strengthening the infrastructure will

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<sup>6</sup> Y. GOLOTYUK, *Safeguarding the Arctic*, in "Russia in Global Affairs", August 9, 2008.

<sup>7</sup> Medvedev's speech is available at: <http://www.kremlin.ru/text/appears/2008/09/206540.shtml>.

<sup>8</sup> Security Council Secretary, Nikolay Patrushev, focused on economic issues, noting that the Arctic region provides about 11% of Russia's national income and 22% of growth, and that in some sectors such as nickel, cobalt and platinum it accounts for more than 90% of the country's production.

also help the development of oil and gas fields in the region. As the state budget could not be the only source of funding, the Russian President attributed a substantial role in implementing the goals to the private sector as well. Undoubtedly, the Arctic policy is a consequence of the growing geopolitical competition in the Arctic basin between Russia and the other coastal states. In this sense, it is a message to the latter about Moscow determination to build up its resurgent power not only in relation with traditional areas and actors but also to dictate new scenarios and to define its own role within them.

Yet in December 2008 Russia's Security Council prepared a draft National Security Strategy through 2020, as ordered by President Medvedev in June 2008. The document defines Russia's role in the world, possible challenges and threats expected in the next eleven years and methods of defending from them<sup>9</sup>. Authors of the

draft consider that rivalry for accessing and controlling the energy resources in the world will sharpen in the long-run and will be concentrated mainly in the Arctic Region, Barents Sea, Caspian Sea, Central Asia, and the Middle East. It is important to note that the Strategy acknowledges and accordingly legitimises the use of military force by Russia, whenever it deems it necessary to uphold its right to access and control over hydrocarbon riches.

Finally, in 2009 Russia is to issue its new Maritime Strategy, which is expected to put the emphasis on Arctic territories' development as an area allowing Moscow to claim a leadership position in the region. Among the objectives there is the pursuit of a common logistic system to be established by the Ministry of Transport and the Russian Navy. The document also highlights the need for an enhanced airspace, sea-based and sub-sea control system in the Arctic, as well as for a serial construction of modern Arctic fleet vessels.

### The 2007 Russian Polar expedition

The above illustrated reasons clarify the motive of the August 2007 Russian expedition to the North Pole, which combined scientific and geopolitical goals. During the

expedition, the team, led by the Russian legislator and Arctic explorer Arthur Chilingarov, planted for the first time ever a titanium flag on the floor of the North Pole. Despite the gesture does not have any legal effect, the West interpreted it as a sign of conquest and hence a unilateral claim by Russia of possession and control of the region. Upon his arrival back to Moscow, Chilingarov emphasised that this was a "patriotically-tinted geographical expedition and that the Arctic will always belong to Russia"<sup>10</sup>. Undoubtedly, the purpose of the mission was to gather scientific data in order to advance Russia's political and economic influence by strengthening its legal claims to the gas and oil deposits supposed to lie beneath the Arctic sea floor. Russian scientists were looking for evidence that the Lomonosov Ridge<sup>11</sup> is a geological extension of Russia's Siberian continental platform. The move is envisioned by the only legal framework currently regulating all activities in the

<sup>9</sup> Other priorities of the Security Strategy are: improvements of the Russian political system, optimization of state governance, enhancement of defense and security capabilities, participation in multilateral organisations (G8, G20, the triangle Russia-India-China, BRIC), the need to rely on Russia's own "strength" and armed forces. It is worth noting that the strategy portrays the US as the country's main rival (the document calls on Russia to avoid armaments drive with the US, but recommends not to reduce the nuclear warheads) and throughout its content assumes the language of a "resurgent Russia", despite its pressing problems amid the global crisis. The Strategy also claims that

Russia has overcome the consequences of the systemic political and socioeconomic crisis of the late 20<sup>th</sup> century and has restored its position in the world through multi-polar international relations.

<sup>10</sup> *Russian scientists to study in detail North Pole expedition samples*, RIA Novosti, August 8, 2007; S. BLAGOV, *Russian experts divided over claims to Arctic continental shelf*, The Jamestown Foundation, August 15, 2007.

<sup>11</sup> The Lomonosov Ridge is a 1.2 million sq km underwater mountain that crosses the Polar region and is believed to contain up to 10 billion tons of hydrocarbons as well as diamonds and metal ores. Since it spans the whole ocean basin, being connected to Russia on the one side, and, on the other, to Greenland (administered by Denmark) and Canada, these two states too may file the same Russia's claim.

region, namely the UNCLOS. The Convention stipulates that a country can claim exclusive economic rights in the Arctic within 200 nautical miles (320 nautical km) from its coast. Although the document is rather vague with regard to possible exceptions of the 200 miles-rule, it allows coastal states to extend their sovereignty over mineral resources on and below the seabed beyond the 200 miles if they succeed in proving that the structure of the continental shelf is similar to the geological structure of the relative country landmass. The Convention prescribes that such claims should be filed within ten years after its ratification. Among the five coastal countries – the US (through Alaska), Canada, Denmark (through Greenland), Norway, and Russia – only the US has not ratified the document. It has an observer status, which minimises its ability to advance sovereignty claims in the Arctic and prevents the country from having a US commissioner to review the data submitted by Russia.

On the contrary, Russia ratified the Convention in 1997, which fixed the deadline for averring sovereignty rights by 2007. In 2001 Russia filed for the first time a claim to expand the continental shelf with the UN Commission on the Limits of the Continental Shelf under the UNCLOS<sup>12</sup>. It was widely believed that the effect of climate change on the continental shelf could reduce some technical bar-

riers to oil drilling and gas extraction. The move was thus meant to secure the country's long-term Eurasian and Asian energy power and to reinforce Russia's leverage. However, the Commission neither definitely accepted nor rejected Moscow's claim. It demanded additional scientific proofs and invited the country to make a revised submission, which is expected to take place by the end of 2009. The collection of such additional data was indeed the purpose of the 2007 Polar mission.

Western media extensively warned of a risk of expansionist race for the exploitation of the Arctic natural resources but it seems that the real problem is the lack of a legal regime regulating the delimitation borders of Arctic coastal states, analogous to the 1959 Washington Treaty coordinating possible sovereignty claims over the Antarctic Pole. The latter Treaty prohibits any expansionist claims and establishes a mechanism of tight control over any kind of activities such as exploitation of natural resources and military actions. Yet another setback is the definition of Arctic territory itself, an issue that may determine or even reverse the right of international actors to advance any claim over this territory.

After the expedition, Moscow backed its scientific claims by military exercises in the region. For the first time since the end of the Soviet Union strategic bomber patrols were resumed over the Arctic Circle, off the coast of Alaska, over the North and Norwegian Seas. Meanwhile Russia also

started conducting tests launches of cruise missiles. Its Northern Fleet was reinforced with the aim to ensure full control of the strategic, economic, scientific and defense national interests in the Arctic region. A number of other initiatives kicked off. Russia's environmental watchdog, Rosprirodnadzor, approved a plan to launch by 2010 a Russian Arctic national park comprising 8.4 million hectares of land, mainly portions of the Novaya Zemlya archipelago, and 6.1 million hectares of territorial waters. The national drifting research station in the Arctic began working in late September 2007, studying region's geological make-up to assess the feasibility of drilling. In 2008, President Medvedev signed a law setting out how Russia's underwater Arctic riches will be tapped and empowered the government to choose companies to extract oil and gas on the continental shelf.

### **Russia's competitors in the Arctic region**

Russia's Polar expedition and sovereign claims prompted the thorough revision of regional strategies and the upgrading of capabilities (including military ones) by the other coastal states<sup>13</sup>.

<sup>12</sup> The submission in 2001 concerned two ridges: Lomonosov and Alpha-Mendeleev.

<sup>13</sup> Even the EU aspires to play a greater role in the region. In November 2008, the EU Commission issued a report entitled "The EU and the Arctic Region" promoting three objectives: protecting and preserving the Arctic in unison with its population, promoting sustainable use of resources, and contributing to

However, the most significant reactions came from Canada and the US<sup>14</sup>, although they both lag behind Russia's moves. Canada choose to rely on its military power in order to defend national Arctic interests but it still has to submit scientific proof to support its sovereign claims. US analysts instead accused Russia of creating new source of international tension because of its ambition to become an energy superpower.

A particular attention should be given to the evolution of the US debate on this issue as it seems that the North Pole race could be one of the clashing points between Russia and the new US administration. The US position has been always weakened by the failure to ratify the Convention. There is a rather broad awareness among US politicians of the tight oil and gas markets and the possibility that Alaska's continental shelf may extend further into the region so as to claim sovereignty over 600 miles of

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enhanced multilateral Arctic governance based on the UNCLOS. See G. BRAUNE, *Cold War in the Arctic?*, IP Spring 2009, pp. 56-63.

<sup>14</sup> As for Denmark, it is currently seeking to prove that the Lomonosov Ridge is an underwater extension of Greenland, rather than Russia's. Norway instead appears somewhat "absent" from the race due to a strategic cooperation with Russia in offshore hydrocarbon development in the region. Norwegian companies Statoil and Norsk Hydro's experience in drilling wells in extreme conditions in the Northern continental shelf may turn up crucial for Russian offshore projects in the Arctic. S.M. YENIKEYEFF, T.F. KRYSIEK, *The battle for the next energy frontier*, cit.

seabed off the Alaskan coast. Yet conservative lawmakers have long criticised the Convention for being a strong mechanism hampering the freedom of the US Navy and so a significant impediment to national sovereignty<sup>15</sup>.

Despite this stalemate, in 2007, the US presented its "Cooperative Strategy for 21<sup>st</sup> Century Seapower"<sup>16</sup>, which places the future situation in the Arctic region among the challenges of a new era. In the aftermath of Chilingarov's August expedition, Washington expressed concern over the technical capability of Russia to perform further research but some analysts stressed that the US ice-breaking fleet too was lacking sufficient capabilities to sail to the Arctic. In fact, soon after that the US National Research Council urged the construction of two new polar icebreakers to replace the ageing *Polar Sea* and *Polar Star* and so to guarantee the country's active presence and interests in the Arctic. In June 2008, the Pentagon held a 12-day exercise in Alaska called "Northern Edge 2008" involving the participation of 5,000 soldiers, 120 aircraft and several warships. In July 2008 the US Coast Guard Commander Adm. T. Allen and the Chair of the US Arctic Research Commission, M. Treadwell, appeared before the US House Transportation and Infrastructure Committee

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<sup>15</sup> *Arctic Scramble Leads Washington to Reconsider Law of the Sea*, PINR, October 26, 2007, [http://www.pinr.com/report.php?ac=view\\_report&report\\_id=708&language\\_id=1](http://www.pinr.com/report.php?ac=view_report&report_id=708&language_id=1).

<sup>16</sup> <http://www.navy.mil/maritime/>.

highlighting in their statements that Russia was getting ahead of the US in the Arctic race and the US administration must urgently revise its approach to Arctic exploration as the region turns out to be a major venue for projection of power and a frontier for protecting the security of North America, Asia and Europe<sup>17</sup>.

The major breakthrough of this long-mounting pressure in Washington came just a week before the former US President G.W. Bush stepped down as US President. On January 12, 2009 Bush approved a strategic plan for the Arctic – the National Security Presidential Directive 66. Here are its key-points:

*"The US has broad and fundamental national security interests in the Arctic region and is prepared to operate either independently or in conjunction with other states to safeguard these interests. These interests include such matters as missile defense and early warning; deployment of sea and air systems for strategic sealift, strategic deterrence, maritime presence, and maritime security operations; and ensuring freedom of navigation and over-flight. The US also has fundamental homeland security interests in preventing terrorist attacks that could increase the US vulnerability in the Arctic region. The US should preserve the global mobility of its military and civilian vessels and aircraft throughout the Arctic region"*

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<sup>17</sup> Their statements are available at: <http://transportation.house.gov/hearings/hearingDetail.aspx?NewsID=681>.

and should mandate the Senate to act favourably on US accession to the UNCLOS. Joining will secure US sovereign rights over valuable natural resources”.

The Directive actually updates the previous (1994) one and bounds the Obama administration with its provisions. In a sense, it is a strong message to Obama not to overlook US interest in the concerned region and to call for a swift UNCLOS ratification, while engaging in a moderate dialogue with resurgent Russia. Although the Arctic issue may appear isolated to public-known political and security clashing points in Russo-American relationship, from a strategic point of view it is tightly linked to the planned US anti-missile system in Central Europe and to a possible militarisation of the region.

### **A NATO-Russia “standoff” in the Arctic?**

The race heralded in 2007 by Moscow in the Arctic is a scramble that has been perceived by the West as posing new security threats. In fact, NATO top military commanders, decision-makers and experts gathered in January 2009 in Reykjavik to examine the risks posed by the Arctic’s thaw and the prospect of a standoff in the region. It was highlighted that as shipping routes from the Pacific to Europe open up, warships from nations seeking to defend claims on energy resources are likely to follow, threatening to worsen the already delicate balance of interests between coastal

states. NATO Secretary General Jaap de Hoop Scheffer affirmed that, despite a military conflict in the region is unlike, there should be a larger military presence due to the increase in energy exploration activities and the likelihood of more commercial ships needing emergency rescue. Still Scheffer stressed that the opportunities for hydrocarbon resources’ extraction in the area will provide NATO with a role to play as the Alliance’s heads of state have identified energy security as a new task for NATO. In a sense, “Scheffer’s speech has been billed as NATO’s first coordinated response to Russia’s moves to claim a sphere of privileged interests in the Arctic. This means that Russia will probably have to deal no longer with a few Arctic littoral states, but with a unified NATO Alliance that will serve as a platform for coordination of the Arctic policies”<sup>18</sup>.

So, a real prospect of NATO Arctic military expansion to confront Russia’s apparent claim over hydrocarbon riches seems unlikely. Nevertheless, the Arctic waters are unique for military manoeuvres. Since 2007 the US and the UK have been conducting joint submarine force exercises exploiting the Arctic Ocean as an alternate route for shifting submarines between the Atlantic and Pacific Oceans (submarines can reach the western Pacific directly by transiting through international waters of the Arctic rather than through the Panama Canal). But there is yet

another explanation for the military presence. Under the thick icecap, a submarine remains invisible to hostile observation satellites until the last moment. As a result, a retaliatory nuclear strike would be sudden and unavoidable. In other words, the Arctic is, with US and NATO missiles, satellite radar and interceptor missile facilities around the world and in space, the only place where Russia is the least vulnerable to an adversary monitoring and may retain deterrence and/or retaliatory capacity in the event of a nuclear conflict. Therefore, the country is seeking to safeguard the possibility to train firing of intercontinental missiles from submarines as a way to help its Fleet’s strategic submarines to obtain the leadership in the Arctic. Yet Scheffer’s statement seems going in the opposite direction, namely to drive Russia out of the Arctic. The position of Canada, Denmark, Iceland, Norway, the US and the UK as well as Finland and Sweden (the latter states aspire to join NATO) hint at this scenario. In December 2008, for example, Denmark, Finland, Iceland, Norway, and Sweden agreed on increased defence cooperation emphasising the need to offset Russian patrols in the Arctic region. Some, however, point out that NATO Arctic presence does not seem a “useful contribution as it risks provoking conflict *a priori*. The Alliance is rather searching for a mission in order to justify its own bureaucratic existence. Thus placing the High North in NATO’s sights can be seen as

<sup>18</sup> *A looming battle for the Arctic?*, Russia Profile, February 6, 2008.

both inflammatory and pointless<sup>19</sup>.

## Conclusion

It seems that at present the Kremlin is better positioned than the rest of the Arctic states in exploiting the region's hydrocarbon untapped wealth and in advancing a centrally developed strategy concerning the region. Its claims address not only economic benefits but also strategic and security ones. Behind this, however, stands a key ambition for a territorial expansion. Indeed, it is a race about the control of a still nobody's territory, about assessing sphere of influences in a region with vital future developments for many countries. It is the world's last frontier. If Moscow succeeds in its attempt, this will entail a new geopolitical order in the region and the prestigious confirmation that Russia is indeed a major international player. It will mean, though only in the long-term, a new redistribution of world economic resources and strategies. This will also secure the country's future revenues and economic growth notwithstanding the number of technological problems to be solved in order to launch Arctic exploration.

The Western concern about Russia's willingness to militarise the area appears somewhat unjustified. True, the fact that Moscow has first advanced sovereign claims causes the feeling of an aggressive approach. However,

it has more to do with its image of resurging great power and with delimiting and preserving its sovereignty and forces, than with a true capability to confront Western nations in a military conflict. In general, Russia still views the Arctic as a region where it has no allies and it is hence forced to defend its interest by itself. As a result the region is still ruled by the Cold War bloc logic whereas the country has changed its attitude towards other world powers along its Southern borders.

Finally, it seems realistic to question whether current development may serve as catalyst that will help upgrade the legal framework regulating the Arctic region creating the base for more comprehensive local governance (perhaps in the form of a regional protocol for the Arctic Ocean within the UNCLOS framework). Chilingarov declared that if Russia's rights were not recognised, the country would withdraw from the UNCLOS. While this is just another example of a statement seeking to increase Russia's political leverage, such an approach provokes divisions among coastal countries at the same rate as when NATO calls for increased unilateral presence there. Instead of divisions, the region needs to be ruled by a strong international cooperation in which the two fundamental actors, Russia and the US, are well balanced in their attitudes. Much in the Arctic race will in fact depend on the content of their future relationship.

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<sup>19</sup> V. BELAEFF, *A looming battle for the Arctic?*, cit.