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A STRATEGIC PARTNERSHIP? CANADIAN AND RUSSIAN RELATIONS IN THE ARCTIC

Maj N.J. Tischhauser

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Exercise Solo Flight

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**A STRATEGIC PARTNERSHIP?
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Maj N.J. Tischhauser

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A STRATEGIC PARTNERSHIP? CANADIAN AND RUSSIAN RELATIONS IN THE ARCTIC

Introduction

Canada and Russia are natural partners in the Arctic – at least they used to be. There are no two countries in the Arctic which share so much in common as Canada and Russia. Our Arctic identity, our Arctic expertise in technologies, our geographic proximity, our challenges and opportunities in the Far North are often forgotten or taken for granted.¹ The Arctic Ocean which separates us across the North Pole makes us very close neighbours with a need to collaborate. The Arctic has grown in strategic importance in recent years due to the fact that it holds twenty-five percent of the world's undiscovered oil and gas reserves as well as non-energy mineral resources. Global warming with the melting of Arctic Ocean ice cover will open this region to shipping and increase its accessibility to exploration and resources. Assertion of sovereignty with respect to land and waters, such as seabed claims, remain unresolved under the United Nations Convention on the Law of the Sea (UNCLOS).

With global challenges facing the Russian Federation, such as the emergence of the Chinese as a superpower, the enlargement of NATO into former Soviet republics, the separatism and terrorism in Central Asia and the Caucasus, Russia is looking to the North to maintain its influence as a "Leading Arctic Power."² The Arctic region has regained

¹ Loukacheva, Natalia. 'Canada and Russia are natural partners in the Arctic'. *National Post*. 8 May 2013.

² Russian Federation. Ministry of Finance. 2008. "Ofitsial'naya informatsiya k sasedaniyu Pravitel'stva Rossiiskoi Federatsii 2 aprel'ya 2008" (Press release: Official information for the meeting of the government of the Russian Federation).

strategic importance since the end of the Cold War and accounts for twenty percent of Russia's gross domestic product and twenty-two percent of all Russian exports.

Although Canada has recognized that the Arctic plays a significant importance to Canadian interests, it has yet to dedicate a significant amount of resources to bolster economic development and its presence. On the 24 April 2015, Canada marked the conclusion of its Arctic Chairmanship and the beginning of the United States Chairmanship. The new Chair of the Arctic Council, US Secretary of State John Kerry, stated that: "There's only 'one Arctic' and all of us - the United States, other nations, indigenous people, and Arctic communities - must join together to ensure responsible stewardship of this incredible region."³ This is the new theme of the next US Chairmanship: "One Arctic: Shared opportunities, challenges and responsibilities." Basically, it means let us cooperate and work together towards common goals.

The Arctic region has been immune from geopolitical tensions so far. It has been described as a 'zone of peace.' However, ongoing sanctions imposed by Canada, the United States and the EU on Russia's Arctic oil production since Russia's incursion in Ukraine and Crimea has brought a halt to international cooperation on Arctic energy exploration in the Kara Sea.⁴ The sanctions have affected Russia's ability to develop long-term oil assets and have reduced the partnerships between North American and European companies for the future. Finally, when Canada boycotted the Arctic Council meeting in Moscow last April 2014 in protest over Russia's aggression in Ukraine, it did

³ News Release: Arctic Council renews commitment to Arctic economic and social development and environmental protection", *Arctic Council*, 24 April 2015.

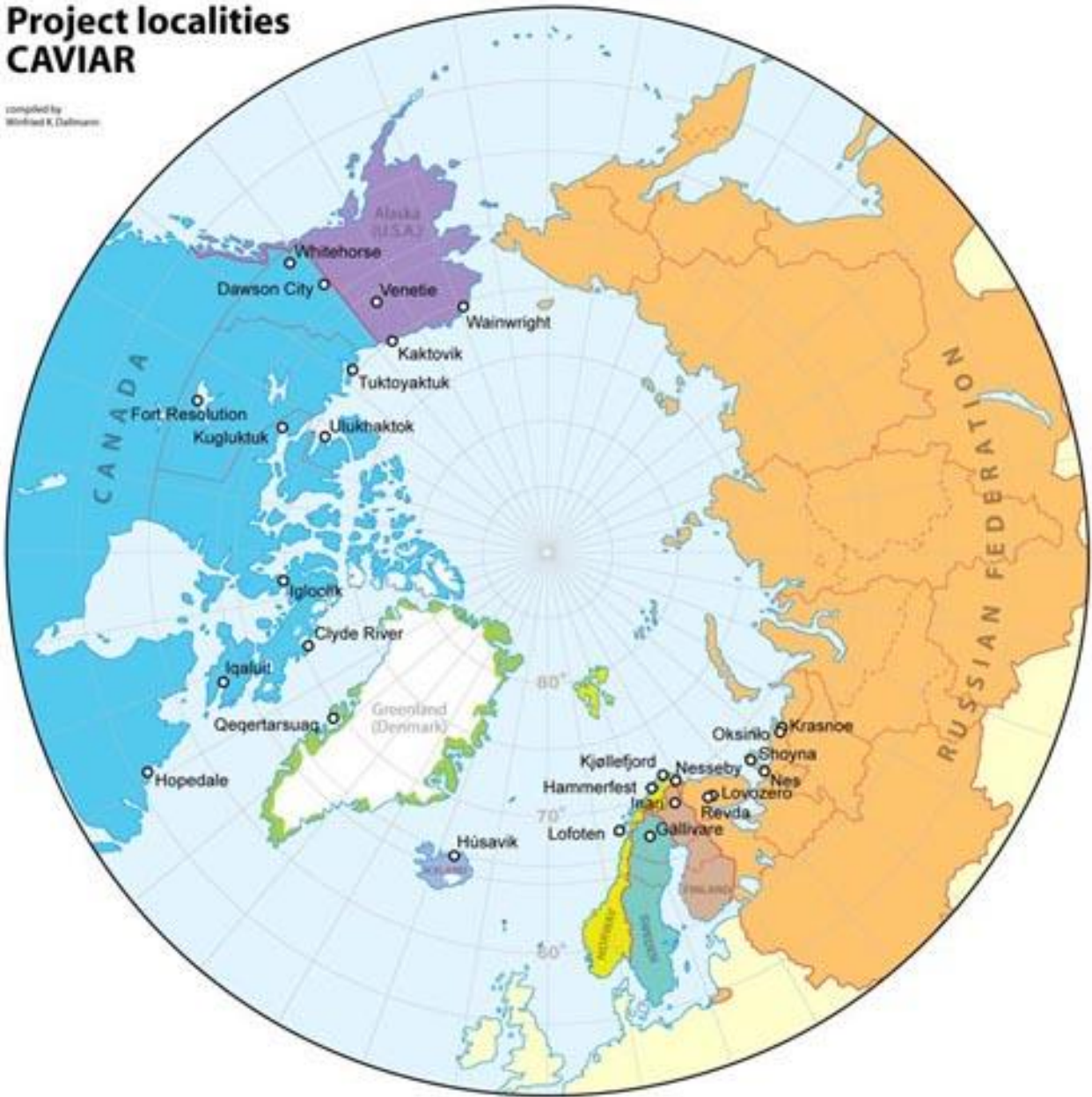
⁴ Rosenberg, Elizabeth, Dr David Titley and Alexander Wiker. "Arctic 2015 and Beyond. A Strategy for U.S. Leadership in the High North". Policy Paper. *Center for a New American Security*. December 2014: 4.

not help to create a peaceful and workable relationship between Canada and Russia over Arctic issues.

The purpose of this paper is to demonstrate that bilateral cooperation between Canada and Russia is essential for shared opportunities, challenges and responsibilities and Canada and Russia must be seen as strategic partners in the Arctic. The first part will review the changes occurring in the region and its geopolitical importance. Second, an examination of national strategies and interests and their importance in solidifying claims in the Arctic will be reviewed. Arctic nations have increasingly engaged in cooperative activities designed to raise the profile of the Arctic for the security and sustainability of the region. Finally, the Arctic region badly needs fresh policy leadership on bilateral cooperation between neighbours, Canada and Russia. How is Canada building trust and promoting cooperation in the Arctic region? Is a military build-up the answer? Some solutions will be suggested. No pan-Arctic initiative or policy can proceed and be successful without Russian support. Thus it is important to foster constructive and bilateral engagements with both Russia and the other Arctic nations for the future economic, social and environmental protection of the region.

Project localities CAVIAR

compiled by
Wolfgang K. Dabbs



Source: Global Environmental Change Group, University of Guelph, 2008

Figure 1 - Map of Northern Canada and Northern Russian Federation

1. A climatic shift: a new geopolitical era in the region

1.1 Geopolitical influences

Since the annexation of Crimea and the military support for pro-Russian separatists in Eastern Ukraine's Donbass region, Canada has suspended most low-level discussions with Russia which includes the Arctic Council. Canada has been giving the cold shoulder to Russia which is surprising given that the US and European leaders have continued to have regular discussions with Russian President Vladimir Putin and his governmental officials in order to resolve the crisis. They are all involved in phone diplomacy except for Canada. "It's not like the olden days where countries in conflict went mute."⁵ In one of his statements last fall, Prime Minister Stephen Harper vowed not to drop the subject even if it takes 5 months or 50 years until the Ukraine territory is returned to Ukrainians.

In February 2015, comments made by Canada's immigration Minister, Chris Alexander during a Speech to Ukrainian-Canadian stating that Putin is 'behaving like a terrorist' has not help Canada reconcile any form of diplomatic approach. The federal Associate Minister of Defence, Julian Fantino toned down the remark by stating that Putin's actions are causing much 'grief'. Unfortunately, Russia's aggression is being felt worldwide.

This year's Arctic Council meeting marked the end of Canada's two years chairing the group. Although the West, notably Canada continues to take a very tough stance

⁵ Berthiaume, Lee. "Russia won't be 'begging' for better relations with Canada: Ambassador". *Ottawa Citizen*, 24 January 2015.

against Russia over its action in Ukraine, the Russian President is not conceding either. The relations between Canada and Russia are likely to remain icy for the near future. At the recent Arctic Council meeting in Iqaluit last month, the sudden revelation from Russia that they would not be sending their foreign minister to the meeting sent a chilling message to Canada.

Since 2014, Russia has increased military activity in the Arctic and NORAD has reacted by sending jets to intercept Russian aircraft flights more than usual. According to Patrick Basham, US Director of Washington DC Democracy Institute, "The Russians keep racketing it up. They're stretching their legs militarily around the world, signalling that if we, the West, want to up the ante that they will meet that. In fact, they will exceed that."⁶ But he also believes they are not necessarily doing it for a fight. Russia actually wants things to stop because they have gained something and they want the world to realize that they are serious about the Arctic and they do not want to lose it.

Canada and Russia need each other to protect the Arctic and fight terrorism. However, the lines of communication have been 'frozen' over the crisis in Ukraine. Russian Ambassador Alexander Darchiev stated that his country would like to re-open those lines of communication with Ottawa and re-establish their relationship.⁷ But Darchiev added: "We are not begging for dialogue. We are suggesting dialogue, which should be equal and mutually respectful."⁸

⁶ "Russian foreign minister to miss Canada's final Arctic Council meeting". Global News. 12 April 2015.

⁷ Berthiaume, Lee. "Russia won't be 'begging' for better relations with Canada: Ambassador". *Ottawa Citizen*, 24 January 2015.

⁸ Ibid

1.2 Common Arctic interests

International interest in the North has intensified for both Canada and Russia because of the potential for resource development, the opening of new transportation routes, and the growing impacts of climate change. In September 2007, satellite imaging verified that the Northwest Passage had less than 10 percent ice coverage, making it, by definition, "fully navigable" for several weeks. This was well ahead of most recent forecasts. Although the Northwest Passage is not expected to become a safe or reliable transportation route in the near future, reduced ice coverage and longer periods of navigability may result in an increased number of ships undertaking destination travel for tourism, natural resource exploration or development.

Cooperation, diplomacy and international law have always been Canada's preferred approach in the Arctic. From the development of world-class diamond mines and massive oil and gas reserves, to the growth of commercial fisheries, to a thriving tourism industry that attracts visitors from around the globe, the enormous economic potential of the North is being unlocked. Areas that require urgent attention – such as infrastructure, housing and education – are being addressed to help ensure Northerners are positioned to seize these unprecedented opportunities. As international interest in the region increases, effective Canadian stewardship of our sovereign territory and the active promotion of Canadian interests internationally are more important than ever before.

According to the Russian Deputy Minister, Anatoly Antonov, the active presence of Russia in the Arctic is aimed at ensuring the security of this country by protecting its national interests including the preservation of its natural resources. In December 2014,

President Vladimir Putin revised Russian military doctrine and for the first time named the protection of national interests in the Arctic among the main priorities for its armed forces in times of peace.⁹ In recent months, Russia has conducted military drills in the Arctic and continues to plan to create a network of naval facilities for submarines and warships. Russia denies talks to militarize the Arctic; however, it has stated that it will take all necessary steps to ensure its defence capabilities in the region ensure the security of their country.

2. Solidifying national interests and claims in the Arctic

2.1 Canada: True North interests and vision

Canada's North is the Canadian identity. Canada's future is intimately tied to the future of the North. The Government of Canada recognizes its responsibility to preserve and protect the Northern heritage in the face of new challenges and opportunities. In 2009, the government introduced *Canada's Northern Strategy. Our Heritage, Our Future* which sets out national interests with respect to: exercising our sovereignty, promoting economic and social development, protecting the Arctic environment and improving and devolving governance.

Canada's vision for the Arctic is “a stable, rules-based region with clearly defined boundaries, dynamic economic growth and trade, vibrant Northern communities, and healthy and productive ecosystems.”¹⁰ New opportunities and challenges are emerging in the North and Canada requires strong leadership and stewardship to promote this

⁹ Arctic-Info. "Deputy Defense Minister: Russian presence in Arctic aimed at protecting national interest". 30 April 2015.

¹⁰ Government of Canada. Statement on Canada's Arctic Foreign Policy – Exercising Sovereignty and Promoting Canada's Northern Strategy Abroad. 2013.

vision. The strategy details Canada's approach in a region of rapid change and growing importance, and ways to work with others through bilateral relationships with neighbouring Arctic countries, through regional mechanisms like the Arctic Council and through other multinational institutions. It has been five years since the strategy was first introduced. The government has implemented some initiatives under the strategy, such as introducing a heavy icebreaker for the Coast Guard and putting in place new reporting regulations for ships entering Canadian waters; however, not all proposed projects and programs are completed. The Department of National Defence and the Canadian Armed Forces activities are contributing to this Northern Strategy primarily by focusing on exercising sovereignty. Effective stewardship of the North can only be achieved through solid partnerships between federal and territorial departments, agencies and aboriginal organizations.

2.2 Russia: asserting its sovereignty

The High North is 'Russia's Mecca' where trillions of dollars' worth of oil and gas reserves lies dormant. Russia is the most active Arctic country. 'Growing international interest in the region has increased Russia's determination to act as a central, even leading Arctic nation.'¹¹ The Russian Arctic region, north of the Arctic Circle, encompasses more than sixty percent of Russian territory. Following the Soviet era of a Northern militarization, the post-cold war years are now faced with a growing interest for natural resources. "For many Russians, the Arctic and everything connected to it, is not

¹¹ Penttilä, Dir Gen Teemu. "Governing the Arctic: View beyond National Interests". *Defence Academy of United Kingdom*, MOD, Republic of Finland, July 2013.

an abstract concept or a romantic exotica, but a practical and a vitality important reality" said Yevgeny Lukyanov, the deputy secretary of Russia's Security Council.¹²

The development of the Arctic is a strategic national priority for the Russian Federation. Russian President Vladimir Putin has stated that the Arctic is "a concentration of practically all aspects of national security-military, political, economic, technological, environmental and that of resources"¹³ and has always traditionally been of special interest to Russia. The Arctic has been identified by the Russian leadership as the resources base of the 21st century.

In 2008, the Russian government adopted the first comprehensive Arctic strategy called the '*Foundations of the Russian Federation's state policy in the Arctic until 2020 and beyond.*' The principle objective in the strategy was to use the Arctic zone as a 'strategic resource base' to resolve socio-economic problems and develop the Northern Sea Route. During a recent meeting of the Security Council on state policy, the Russian President described his six priority tasks to maintain Russian influence in the region and to maintain Russia's national interests:¹⁴

- 1) to improve quality of government control, of decision-making with the creation of a single centre of responsibility for the implementation of the Arctic policy;

¹² Sevunts, Levon. "Canada and Russia stress Arctic economic development. Canada's Leona Aglukkaq spoke at Arctic Frontiers conference in Tromso, Norway, on Monday", *CBC News*. 21 January 2013.

¹³ Putin, Vladimir., "Meeting of the Security Council on state policy in the Arctic", 22 April 2014. <http://eng.kremlin.ru/news/7065>.

¹⁴ Ibid

- 2) to implement the Socio-Economic Development of the Arctic Zone of the Russian Federation through 2020 with sufficient funding;
- 3) to improve the legal formalisation of the outer boundary of Russia's continental shelf in the Arctic Ocean;
- 4) to develop the best economic model for the development of the Northern Sea Route so that by 2015, it can raise its tonnage up to 4 million tons a year;
- 5) to maintain environmental security and protect the fragile ecological system in the region;
- 6) to ensure a comprehensive security of the Russian Arctic zone with a military component such as protection oil and gas production facilities, pipelines from terrorists and other potential threats.

Russia places great importance on transportation in the Arctic. The air, water and railway transportation is the thread connecting the country to the outside world. Control of the Northern Sea Route is one of Russia's top priorities. The development of this Trans-Arctic route is key for Russia's economic strategy as an alternative shipping lane from Asia to Europe. "Unlike Canada, which fears repercussions of regular international shipping through the Northwest Passage for its sovereignty claim over the disputed maritime route,"¹⁵ Russia has always considered the Northern Sea Route as internal sea lane and is actively promoting this route as an alternative shipping line from Asia to Europe. However, Russia needs investments from the private industry and international

¹⁵ Sevunts, Levon. "Canada and Russia stress Arctic economic development. Canada's Leona Aglukkaq spoke at Arctic Frontiers conference in Tromso, Norway, on Monday", *CBC News*. 21 January 2013.

partners to make this possibility a reality. Russia is the only country to possess a nuclear powered ice breakers fleet which is vital for this year-round opportunity.

In addition, Russia continues to show the world their progress and their dominance in the Arctic by investing in numerous infrastructure development projects in support of their Arctic Strategy. Recently announced was the first floating nuclear power station in the Arctic which will be ready for operations in 2016; it is called 'Akademik Lomonosov'.¹⁶ This is a nuclear reactor which can be docked to coastal infrastructure and will provide energy through a cable to any Arctic city. This floating power station can be used to power port cities, industrial infrastructure, oil and gas drilling platforms and refineries. In the 1960s, the United States launched the first floating nuclear station but Russia now intends to put this type of vessel into serial production.

2.3 Securing its territorial claims

The North Pole and the region of the Arctic Ocean surrounding it are not owned by any country and are located in international waters. All five countries are limited to an exclusive economic zone (EEZ) of 200 nautical miles (370 km) adjacent to their coast. Water beyond this zone is considered international waters or high seas. Below the exclusive economic zones is the extended continental shelf which is being claimed by the Arctic nations. The extended continental shelf is administered by the UN International Seabed Authority.

The 1982 United Nations Conventions on the Law of the Sea (UNCLOS) rules that coastal nations have exclusive economic rights to resources located within 200

¹⁶ Arctic-Info. "Russia's first floating nuclear power station in the Arctic to be ready in 2016". 23 April 2015.

nautical miles of their shores. Each Arctic country may request to extend this zone to 350 nautical miles based on proof of specific geological data. Under the UNCLOS and upon ratification, a country has ten years to make a claim to an extended continental shelf, which if validated and confirmed will give exclusive rights to natural resources on or below the seabed of that extended continental shelf area. Most countries have signed and ratified the UNCLOS by submitting claims; the exception is the US. This is considered the 'Race for the North Pole.'

The Lomonosov Ridge is potentially the most valuable territory in the Arctic because of the large amount of energy resources which it contains. All Arctic nations are competing to secure sovereignty over this geological formation and to gain control of the natural resources. Russia, Canada as well as Denmark, Norway and the United States all have sent naval missions to the region to delineate their territory and secure the vast energy resources. 'In 2009, the U.S. Geological Survey estimated that the region contains up to 30 percent of global gas reserves and 13 percent of undiscovered oil. The Lomonosov Ridge, which extends 1,100 miles from Ellesmere Island through the North Pole to the New Siberian Islands, remains most critical to gaining access to Arctic riches.'¹⁷

Russia ratified the UNCLOS in 2007 and submitted its claim to an extended continental shelf as far as the North Pole and including the Lomonosov Ridge within its Arctic sector. According to Scientists, the Lomonosov Ridge, an underwater shelf between Russia and Canada in the Arctic Ocean, contains 10 billion tonnes of gas and oil deposits. Russia claims the oil-gas rich triangle is linked to the Russian Federation

¹⁷ Marzalik, Peter J. 'Canada Challenging Russian Claims in Arctic'. Eurasianet. 21 August 2014.

territory. On 2 August 2007, a Russian expedition called the Arktika 2007, led by Scientist Artur Chilingarov descended in a submarine to the seabed and planted the Russian flag challenging the world of owning of this area. This evoked international attention and was seen by other countries as a sign of provocation.

Securing its territorial claims in the Arctic under 1982 UNCLOS has been Russia's top priority. There are many disputes regarding claims and what constitute 'internal and/or international waters' and rights to passage along them. The UNCLOS is the only legal method to govern and resolve maritime boundary disputes among nations. The Arctic region is not governed by any other comprehensive regulations. Russia maintains that all claims are to advance in accordance with international law, specifically the UNCLOS and in cooperation with the other Arctic states.

Last August 2014, Canada dispatched two icebreakers on a mission to map a key portion of the Arctic seabed around the Lomonosov Ridge. This mission was in support of the country's proposal to the UNCLOS. Last December 2014 Canada submitted its claim for jurisdiction over a section of the Lomonosov Ridge between Ellesmere Island and the North Pole.

In the near future, conflicts might arise from the overlapping claims in the Arctic. This will lead to protracted and tough negotiations and the world needs to be ready with a proper regulatory system to help mitigate future conflicts. Deteriorating relations between Canada and Russia over the ongoing crisis in eastern Ukraine could prompt Russian leadership to approach this region with a new focus or strategy.

2.4 Countering a possible new strategy: *Maskirovka*

Maskirovka is a Russian term used both in the military and dates back to the Russian Imperial Army. The term means to mislead, confuse, interfere and conceal. *Maskirovka* is "in fact war that is short of war, a purposeful strategy of deception that combines use of force with disinformation and destabilisation to create ambiguity in the minds of Alliance leaders about how best to respond."¹⁸ Russia's seizure of Ukraine-Crimea and incursions into eastern Ukraine is President's Putin grand strategic plan to destabilize the West and keep it off-balance which is a recent example of *Maskirovka*.

According to Lindley-French, "President Putin believes that the West is decadent and declining and that his use of strategic *Maskirovka* can keep the Allies sufficiently divided and politically off-balance to enable him to achieve his *primary* strategic objective: the creation of a new Russian-centric sphere of influence around Russia's borders and the ending of 'frozen conflicts' in Eastern Europe and Central Asia in Russia's favour."¹⁹ Putin's use of this strategic concept is not confined to Europe; Russia can be seen to exert influence across the World, which means that this strategy could potentially be used elsewhere, such as in the Arctic. "The central pillar of Putin's strategy is the establishment of Russian force superiority at times of crisis, the timing and location of which Russia chooses."²⁰

¹⁸ Lindley-French, Julian. "NATO: Countering Strategic *Maskirovka*". *Canadian Defence and Foreign Affairs Institute*. May 2015.

¹⁹ Lindley-French, Julian. "NATO: Countering Strategic *Maskirovka*". *Canadian Defence and Foreign Affairs Institute*. May 2015.

²⁰ Ibid.

3. Framework for strategic collaboration in the Arctic

3.1 Strengthening the Arctic Council

In Ottawa, in 1996, the Arctic Council was formally established as a high-level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among Arctic States and Arctic indigenous communities in addressing common issues and challenges faced by Arctic nations on a consensus basis – it avoids discussing geopolitics. The Arctic Council consists of eight Arctic states: Canada, Denmark (including Greenland and the Faroe Islands), Finland, Iceland, Norway, the Russian Federation, Sweden and the United States of America. It also comprises representatives of the region's indigenous population. Its main activities include the protection of the Arctic environment and sustainable development as a means of improving the economic, social and cultural well-being of the residents of the Arctic.

All Arctic countries have a desire for international cooperation to resolve disputes and common issues. When one looks at the national policy documents and Arctic strategic documents, the need for cooperation at the international level is very prominent and clearly stated. According to Dr Gen Penttilä, "Fulfilling national expectations for international cooperation requires solid and effective regional and global ways of cooperation which can evolve to adapt to new opportunities and conditions."²¹ Over the last few years, the Arctic Council has become a more effective decision-making forum and its permanent secretariat is now established in Tromso, Norway.

²¹ Penttilä, Dir Gen Teemu. "Governing the Arctic: View beyond National Interests". *Defence Academy of United Kingdom*, MOD, Republic of Finland, July 2013.

The Arctic Council currently lacks the mandate needed to address disputes and challenges in the Arctic region. Over the last two years, Canada's Chairmanship of the Council chose to use the Arctic Council as a forum to promote resource development in the Arctic. This is in fact a national issue. What is interesting is Canada did not continue the work of the three previous Arctic Council chairs (Sweden, Denmark and Norway) to develop and strengthen international cooperation on issues such as climate change, fisheries and ecosystem management. Canada's key achievement as Chairmanship was the creation of the Arctic Economic Council (AEC), a new independent forum of business representatives to facilitate business activities and to promote responsible Arctic economic development for the region. Now, the new Chair of the Arctic Council, the US Secretary of State John Kerry has realigned the Council towards a cooperative approach.

However, there are many other forums that provide opportunities to raise Arctic issues, such as scientific bodies and International maritime organizations. The opening of the Arctic will lead to increased Arctic maritime shipping, tourism and resources extraction industries. How Arctic nations manage these issues and opportunities in a sustainable manner, in an ecologically sensitive region is a major challenge for the Arctic Council. All states have an interest in sharing responsibilities,

One of the major questions facing the Arctic Council is what this forum will accomplish given that it cannot institute binding rules or regulations. As we have seen recently, the East versus the West tensions that have dominated the G-20, G-8 and other international meetings have crept into Arctic Council work this year. The Council works on a consensus basis of cooperation and sharing of responsibilities. Now this might need

to change as the deterioration of Canada and the US relations with Russia is already having an impact on Arctic relations.

It will be interesting to see how the US will manage and continue the cooperation over the next two years. Many argue that what is missing right now in terms of US credibility on Arctic affairs is a lack of resources committed or devoted to this rapidly changing environment. Unlike Russia, which has declared that the Arctic development and defence are now a central part of Russian President Putin's Arctic strategy, the US is not prioritizing the Arctic in a similar manner.

The US chairmanship of the Arctic Council cannot proceed without cooperative engagement with Russia. Stability and peace must be a prime consideration as the US moves forward and assumes the Council chair of this international high-level forum for the Arctic. The challenge will be to focus on ensuring the Arctic remains a stable and peaceful region, insulated from global geopolitics.

The United States has begun its two-year term as Chair of the Arctic Council despite tensions with Russia. Its policy will largely focus on climate change, environmental protection and indigenous communities. They are steering clear of geopolitical and military issues in favour of a more social and environmental stewardship of the North.

The US has been clear that the Arctic is the wrong place to send 'tough messages' to Russia. It would seem that the United States has the ability and the commitment to lead in the Arctic.

In Russia, Vladimir Putin's campaign is to create a new patriotic narrative for his country, one which is focused on the Russian identity and which fills the void left after the abandonment of the communist system. Such an approach is derived from an Imperial pride and from historical Orthodox culture. This patriotic pride was also invoked to justify the unilateral annexation of Crimea.

3.2 A mandate for cooperation

The North is expensive to develop; multilateral cooperation on issues and bilateral programs on science and shared infrastructure could enhance economies of scale to develop the Northern Region. Many believe that issues with Russian transgressions on international law on Crimea and Ukraine should not be transported to the very different context of international northern relations. Most Canadian professionals agree that we need to learn to work together as partners. The melting of the permafrost has brought with it an urgent, shared need for cooperation, as this will affect most northern communities, transport and resources extraction. According to Michael Byers,²² "the Arctic has been more cooperative on the whole than anywhere else on Earth and scientists agree that cooperation should not be interrupted, especially as there are no regional developments or serious challenges to Canadian sovereignty."

It used to be that our biggest sovereignty challenge was from the US over the Northwest Passage as internal Canadian water or as an international strait. A pragmatic solution as eventually signed in 1988 as the Arctic Cooperation Agreement where the two

²² Kinsman, Jeremy. "Arctic Sovereignty: Fear and Loathing Over Santa's Workshop." *OpenCanada.org. Canada's Hub for International Affairs*. 7 July 2014.

countries "agree to disagree" on the territorial issue for surface transits through the passage. Unfortunately, a relationship of personal confidence does not appear to exist between Canada and Russia. One could argue that both countries' leaders have a similar style of leadership; top-down, secretive instincts, at times adversarial, and distrust for each other. The main issue is that currently Canada continues to shun Russia as a threat to world peace. This makes a Canada-Russia partnership and cooperation unattainable for now. The Arctic region needs a fresh policy, leadership on the bilateral level, and also a stronger mandate for cooperative engagement with Arctic nations. The US Arctic Council chairmanship has the opportunity to once more foster good relations with Russia.

Both Canada and Russia appear to be at an impasse, right now, but as the Russian Ambassador mentioned, he would like both countries to start discussions regarding the serious business which affects both countries; this business includes Arctic issues and fighting terrorism, while agreeing to disagree on Ukraine. Canada-Russia must strive to find common ground and focus on an 'agree to disagree' approach. Prime Minister Harper needs to strengthen Canada's national commitment to Arctic capabilities and deliver the promised efforts and proposed development. This will show Russia our seriousness for the region and gain a certain respect. Currently, Canada seems to be taking an 'all talk and no action' approach, which is certainly not helping the image we portray internationally. Canada has, over the years, announced a series of infrastructure projects; however, many of them have gone astray or have not had the political support or financial resources required to implement them in a timely fashion. It is time, with global attention shifting north, to invest the resources and make the Arctic a clear priority.

Also, as noted earlier in this paper, the Arctic Council must strengthen its power and establish a regulatory system in the near future. Once the UNCLOS ratifications start delivering results, a system of negotiations and arbitrations will be required to avoid potential misinterpretation and monitor future conflicts in the Arctic.

Finally, as the new chair of the Arctic Council, the United States has the opportunity to show global leadership and the responsibility to strengthen international cooperation in the Arctic. No nation can sincerely talk about sustainability, conservation and environmental protection or commercial development without maintaining close collaboration and respect for each other's national interests. All key leaders must put aside their differences in other areas and come together to discuss Arctic issues for the benefit of the world and the Northern people.

Conclusion

In the past, Canada and Russia have made great efforts to encourage collaboration and cooperation on Arctic issues on a number of levels. In 1992, the Russian-Canadian Agreement on cooperation in the Arctic and North was signed. In 1997, the Interdepartmental Memorandum of understanding concerning cooperation on Aboriginal and Northern development was also signed. Finally, in 2003, the cooperation in the North was a major subject of the Governor General of Canada's visit to Russia. Bilateral meetings and programs were developed as a result. Now these talks seemed to have been discontinued.

Globally the Arctic is of strategic importance for both Canada and Russia because it is holding twenty-five percent of the world's undiscovered petroleum reserves. Due to

climate change and the growing accessibility of waterways, these resources are becoming very attractive to large companies wanting to exploit them. Big money is to be made and many countries are trying to position themselves to benefit. Canada and Russia need to strategize together and build a working relationship to protect their national interests and share opportunities. Both countries have an opportunity to compromise in discussing approaches for the region in a cordial atmosphere.

With the fall of the Soviet Union and the collapse of the Russian economy, Russia experienced a severe decline in military capability in the Arctic. Once the pride of the Soviet Union, the Northern Fleet fell apart. It would not be terribly surprising if one were to acknowledge that Russia is the state with the most to lose from instability in the Arctic; Russia is likely very aware about what it has at stake in the Arctic. Recent initiatives from many different countries towards developing comprehensive national Arctic strategies should help in this regard, both by making Arctic foreign policies more predictable and by making them less vulnerable to domestically motivated opportunism.

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