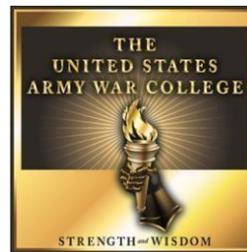


China's Strategic Interests in the Arctic

by

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USAWC STRATEGY RESEARCH PROJECT

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Abstract

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China has been active in the Arctic for many years conducting climate research and expeditions. Over the last few years, China has made overtures for greater involvement in Arctic affairs and governance seeking full membership status in the Arctic Council and further collaboration with Arctic nations. China's interest in the Arctic is driven by the need to fuel and feed the world's largest population and most powerful economy. This study begins with a review of China's historical activities in the Arctic then argues that its recently intensified interest there is driven by two factors: natural resources and new maritime trade routes. Next, it suggests venues for increased Chinese participation in the governance structures for the Arctic and concludes with recommendations of concrete steps that the United States, as the incumbent Chair of the Arctic Council in 2015, can take to promote U.S. national security interests and encourage China's responsible behavior in this dynamic international sphere of cooperation.

China's Strategic Interests in the Arctic

The Arctic environment is in great flux as scientific studies show the Arctic ice cap has diminished by 40% over the past 35 years.¹ Nations are conducting polar scientific research to better understand the changing Arctic ecosystem and the effects of the warming Arctic upon the world's climate. The Arctic Ocean and coastal areas once barren and frozen under a dense sheet of ice are slowly coming to life with industry and commerce brought about by the receding ice conditions.

These environmental changes bring new opportunities for the eight Arctic nations (Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States) that ring the North Pole (Figure 1). Arctic nations are competing for abundant resources such as oil, natural gas, minerals, and fish stocks that the newly accessible Arctic contains. The receding ice is also unlocking additional maritime trade routes that will relieve the increasingly stressed global marine transportation system between Asian, European, and North American ports. This study will address these new trade routes known as the Northern Sea Route, the Transpolar Sea Route, and the once-legendary Northwest Passage.

Although it has no Arctic littoral, China has been active in the Arctic for many years conducting climate research and scientific expeditions. Recently, China has signaled its intent to become more involved in Arctic affairs and governance by seeking full membership status in the multilateral Arctic Council and further collaboration with the Arctic nations. China's interest in the Arctic is driven by the need to fuel and feed the world's largest population and economy.

This study begins with a review of China's historical activities in the Arctic and argues that its recently intensified interest there is driven by two factors: 1) new sources

of oil, natural gas, minerals and fish, and 2) additional maritime trade routes. This review also proposes avenues for increasing Chinese participation in the governance structures for the Arctic and concludes with recommendations of concrete steps that the United States, as the incumbent chair of the Arctic Council in 2015, can take to encourage China's responsible behavior in this dynamic international sphere of cooperation.

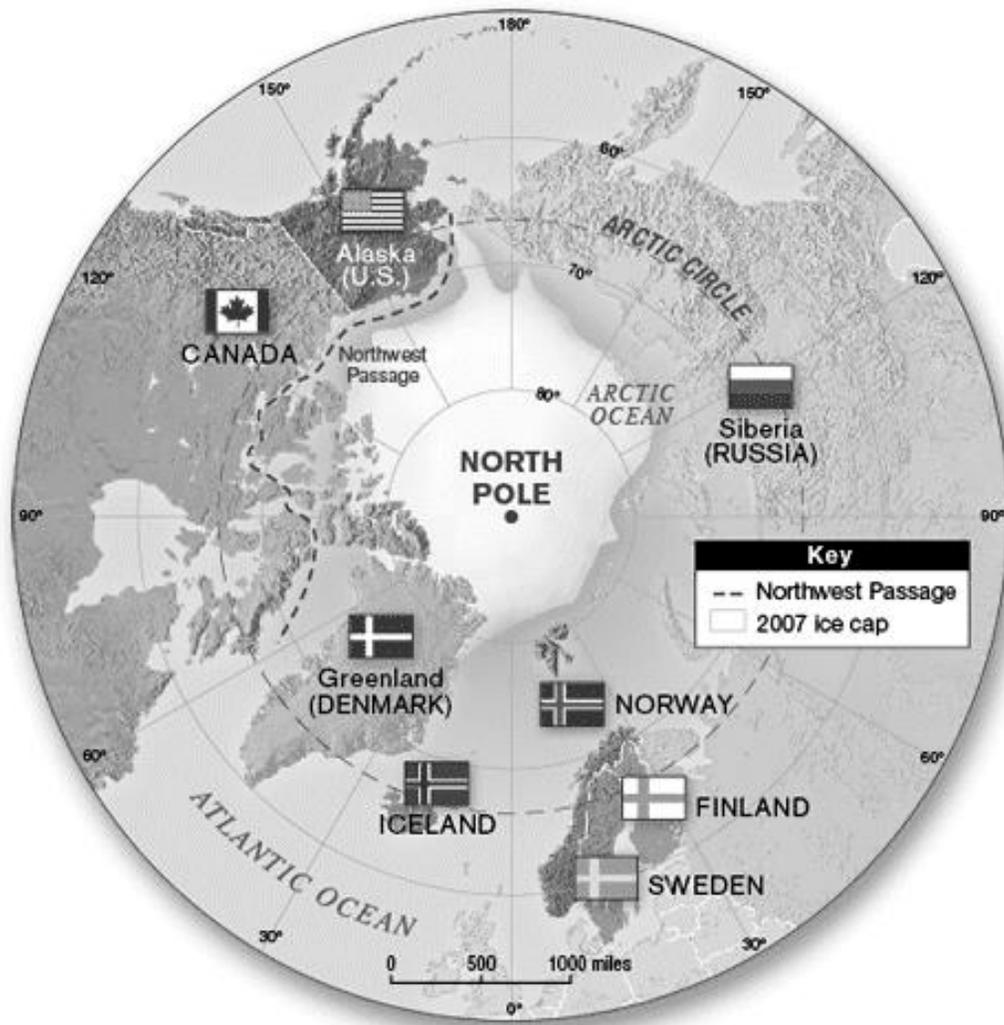


Figure 1: The Arctic Nations²

China's History in the Arctic

China's interest in the polar regions dates back over thirty years. The Chinese Arctic and Antarctic Institute that directs the nation's polar research program was established in 1981.³ China's initial interest in the Arctic was related to scientific research to better understand the effects of changing Arctic conditions on the weather patterns in China.⁴ It has since conducted numerous expeditions to both the North and South Poles.⁵ In 2004, China built a permanent Arctic climate research facility in Norway.⁶

Since 2007, Chinese publications have shifted from a purely scientific focus to more strategic, political, and legal issues concerning the Arctic region.⁷ China conducted four independent Arctic missions by 2010 aimed at scientific research, partnership building, and economic opportunities.⁸ Looking ahead, China's *Twelfth Five Year Plan* calls for increased polar research to understand potential effects of Arctic climate on its national economic policy.⁹

Despite the aforementioned activity, China has no declared official Arctic policy. Rather, Chinese officials have issued statements espousing their interest in the environmental impacts of the changing Arctic climate.¹⁰ Unlike its position in the South China Sea, the Chinese government has stated the Arctic should be open to all nations – not simply those with territory in the region. This attitude indicates its intent to compete for the potentially immense natural resources the Arctic possesses and a subtle warning to any nation that looks to control the Arctic waterways. China's State Oceanic Administration has called the Arctic the “inherited wealth of all humankind...and not the ‘private property’ of the Arctic nations...every country in the world has an equal right to exploit the Arctic Ocean.”¹¹ The use of the word “exploit”

signals a much greater intent than simply conducting scientific research. This language indicates that China sees the Arctic as an opportunity to meet its growing energy, mineral, and food supply needs.

The region is rich in natural resources needed to sustain China's large population and meet the demands from its rising middle class. In July 2014, China's population was estimated at 1.4 billion people, the world's largest.¹² China's government has used many different voices to express its intent to compete for Arctic access and resources. A leading Chinese academic stated, "Whoever has control of the Arctic route will control the new passage of world economics and international strategies."¹³ A Chinese Navy official claimed that since 20% of the world's population is located in China, it is entitled to 20% of the resources contained in the Arctic.¹⁴ Before discussing China's goals in the Arctic, an explanation of the international legal framework that governs nations' actions there is in order.

The United Nations Convention on the Law of the Sea

The 1982 United Nations Convention on the Law of the Sea (UNCLOS) provides the legal framework for governance and cooperation. UNCLOS addresses many issues to include dispute resolution mechanisms for natural resource and maritime boundary line disputes through arbitration.¹⁵ Unlike the other seven Arctic nations, the United States has yet to join the current 156 signatories to UNCLOS because ratification by the Senate has stalled over concerns about political sovereignty. Yet, the U.S. government has affirmed its commitment to the principles of the treaty and currently regards nearly all of UNCLOS as customary international law.¹⁶ However, this approach does not allow authorize the United States to take advantage of the UNCLOS dispute resolution process. UNCLOS membership would aid U.S. sovereignty claims to the extended

Outer Continental Shelf (OCS) and allow for better multi-lateral cooperation in the Arctic.¹⁷

UNCLOS includes specific provisions for claims related to the OCS, which is defined as the seabed and subsoil areas that may reach beyond a nation's exclusive economic zone (EEZ). The EEZ, by definition, extends past a nation's twelve-nautical mile territorial sea out to 200 nautical miles from the baseline where the territorial sea originates (Figure 2).¹⁸ UNCLOS awards coastal states the sovereign rights to the natural resources (such as oil and gas) both within their EEZ and in the Outer Continental Shelf.¹⁹ States submit applications to the Commission on the Limits of the Continental Shelf based on scientific evidence proving where their OCS extends beyond the EEZ. Neither China (a non-Arctic nation) nor the United States (a non-party to UNCLOS) has legal standing to assert any extended OCS claims in the Arctic.

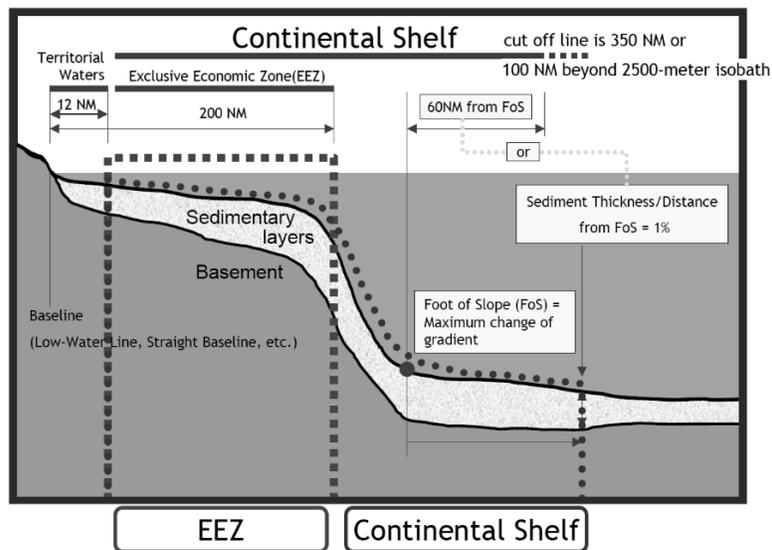


Figure 2: Exclusive Economic Zone and Continental Shelf ²⁰

The UNCLOS legal structure intended to resolve Arctic maritime boundary disputes is similarly unavailable to the United States, despite its unquestionable status

as an Arctic nation. For example, the United States must negotiate resolution of two boundary disagreements on a bilateral level with Canada – outside the orderly process enjoyed by signatories to UNCLOS. With an understanding of how nations interact under this treaty regarding maritime natural resource issues, a look at China’s three interests in the Arctic is the next step.

China’s First Interest: Transpolar Trade Routes

As the world leader in global maritime commerce, almost 50% of China’s gross domestic product is reliant on ocean shipping and China’s ports continue to increase container throughput capacity.²¹ Chinese shipping companies view the Arctic as a viable trade route during the ice-free months. Three Arctic Ocean routes (Figure 3) hold great promise for China’s commerce: the Northern Sea Route (NSR), the Northwest Passage (NWP) and the Transpolar Sea Route (TSR).

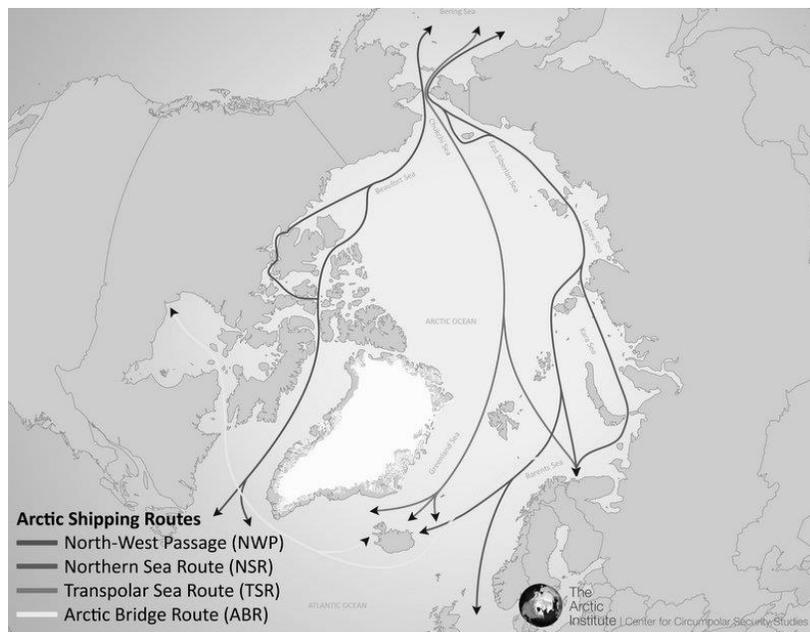


Figure 3: Arctic Shipping Routes²²

The Northern Sea Route, also known as the Northeast Passage, runs along the Arctic coasts of Russia and Norway. Vessels traveling the NSR can realize significant savings in sailing days (and fuel costs) between Northern Europe and Asia and avoid the risk of piracy associated with the Strait of Malacca near Malaysia. The traditional warm-water route through the Suez Canal averages 48 days and 11,300 nautical miles for oil tankers and large container vessels. That same voyage along the NSR is shortened by 13 days and 4,000 nautical miles.²³ In 2014, the NSR was ice-free for maritime traffic during six weeks from mid-August until October.²⁴

Russia defines the NSR as the leg transiting Russia's "internal waters" (an UNCLOS term) from the Bering Strait to the western edge of the Kara Sea and consequently regulates vessel traffic along it.²⁵ Specifically, vessels must apply for transit permits and are subject to inspection by Russian authorities. The NSR Information Office in Moscow received a record number of over 600 transit applications in 2014. Currently, Russia and the other Arctic nations hold strong differences in interpretation of the UNCLOS terms regarding transits, leading to protests against Russia's "improper implementation of UNCLOS provisions" to support its sovereignty interests.²⁶

Russia's regulation of the NSR magnifies her global strategic importance to other maritime trading nations. China's Polar Institute stated that if conditions permit, 5% to 15% of China's international trade could move via the NSR by 2020; its number of NSR transit permits today trails only Korea and Japan.²⁷ Some scholars believe China's influence as a global leader in maritime shipping may force Russia to ease its control

over this route as China advocates for freedom of navigation rights throughout the Arctic.²⁸

The Northwest Passage begins near Greenland, threads its way through the Canadian Arctic Archipelago to its western terminus south of the Bering Strait. The NWP is ice-free for about one month now and reduces distances between ports in Asia and Europe by nearly 2,700 nautical miles compared to the Suez Canal.²⁹ For example, the *Nordic Orion*, a bulk carrier, saved \$200,000 and four days transiting from Vancouver to Finland via the NWP in September 2013.³⁰ Experts predict traditional non-ice strengthened vessels will be able to make the voyage by the summer of 2050.³¹ Canada claims that since much of the NWP passes between its sovereign islands, it is considered Canadian territorial waters. However, the United States asserts the NWP is an “international strait” whereby “transit passage” applies instead.³²

As the Arctic Ocean ice cap shrinks to reveal ice-free routes in the summer months, the Transpolar Sea Route will become accessible. The TSR crosses the Arctic Ocean directly over the North Pole from the Bering Strait to Northern Europe. Only 2,100 miles in length, this route may be the most perilous since it requires a mostly ice-free Arctic Ocean for safe transit. Despite this restriction, the TSR may become the preferred route since it does not require innocent passage through the Russian or Canadian EEZs where those nations seek to enforce jurisdiction over vessels transiting the NSR and NWP, respectively.³³ Current environmental conditions coupled with climate modeling predict ice-free summer months by 2030.³⁴

The Chinese government has declared it shall “ensure the safety of marine transport channels and maintain our country’s marine rights and interests.”³⁵ A senior

Chinese officer stated, “[w]ith the expansion of the country’s economic interests, the navy wants to better protect the country’s transportation routes and the safety of our major sea lanes.”³⁶ An increased Chinese naval presence in the Arctic creates another venue for potentially aggressive confrontations with vessels from other nations. China’s lack of compliance with the Convention on the International Regulations for Preventing Collisions at Sea (which China signed in 1980) was highlighted as recently as 2013 in a near-collision with the USS *Cowpens* in the South China Sea.³⁷

China has also expanded its civilian maritime capability to operate in the Arctic. Currently China has one operational polar icebreaker with another in production.³⁸ The 167-meter *Xuelong* (*Snow Dragon*) can break 1.2-meter thick ice and has deployed on five Arctic research expeditions since 1999.³⁹ China’s new eight-thousand ton icebreaker will cost nearly \$200 million, reflecting the level of China’s commitment to future Arctic operations.⁴⁰ Both vessels are slated to deploy to the Arctic and Antarctic for over 200 days per year.⁴¹

The United States, an Arctic nation, operates two polar icebreakers; however, unlike China, the U.S. Congress has committed no funding to fleet modernization. The U.S. Coast Guard cutters *Polar Sea* and *Polar Star* were built in the 1970s as “heavy icebreakers”— the most powerful non-nuclear icebreakers in the world.⁴² In 2000, the Coast Guard commissioned the *Healy*, an Arctic-only, medium icebreaker, funded by the Department of Defense. In 2006, *Polar Star* was placed in indefinite caretaker status with no funding to replace her engines; her sister ship avoided the same fate only after a nearly \$60 million, ten-year service life extension. The Coast Guard is left to support

U.S. maritime operations in the Arctic Ocean while resupplying American installations in Antarctica with only two icebreakers.⁴³

In support of its Arctic maritime vision, China is also investing in ice-strengthened vessels to carry both bulk cargo and containers. Its stated intent is for scientific polar research, but these vessels could escort Chinese merchant ships transiting the ice-choked Arctic waters of the NSR. Their unstated mission will likely include increased Arctic maritime domain awareness.

China's Interests: Petroleum and Minerals

According to the U.S. Geological Survey, the Arctic region contains approximately 90 billion barrels of oil, 1.7 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids. Estimates place 84% of these resources in offshore areas of the Arctic Ocean.⁴⁴ China, meanwhile, is a net importer of oil with projected demand to lead the world in this category by 2020. China currently gets half of its oil supply from the Middle East via tankers and is also a leading importer of that region's natural gas. Middle East conflicts or interruptions in the sea-lane supply routes would adversely impact the Chinese economy.

As a result, China must seek more secure sources of oil and natural gas to fuel its expanding economy. Arctic hydrocarbons are available from an area more politically stable and closer to China than its current Middle East suppliers. Consequently, Russia and China are building partnerships for development of Arctic oil and liquefied natural gas fields in the Russian Arctic.⁴⁵

The Arctic can also potentially supply mineral resources China needs for its robust manufacturing sector. Greenland, which is a part of Denmark, holds large reserves of high-grade ores of copper, uranium, and other minerals that make it an area

of keen interest for China's industries and government. A Chinese corporation recently purchased an iron-ore deposit there along with a quartzite mine in Norway, and has planned oil exploration in the waters of neighboring Iceland.⁴⁶ These investments, which often cost several billion U.S. dollars, provide economic boosts to the smaller Arctic nations who partner with Chinese state-run corporations.

China's Interests: Fisheries

According to a 2010 study on global fisheries conducted by the Pew Environment Group, China leads the world in catch by tonnage as well as in overall consumption of fish.⁴⁷ The growing Chinese middle class places increasing demand on China's commercial fishing industry to find new areas, such as the fish stocks of the bountiful Arctic Ocean.

China deploys a distant-water fishing fleet numbering more than 2000 vessels (ten times larger than the United States).⁴⁸ Currently, China has nearly 400 vessels operating near West Africa and 100 more fishing the waters off South America.⁴⁹ Chinese fishing vessels are generally not compliant with international fishing standards and regulatory practices; they have been cited or seized for illegal fishing from South Korea to Indonesia.⁵⁰ China's disregard for fisheries management and refusal to control the actions of its fishing vessels could be disastrous for the health of fish stocks in the unpatrolled waters of the Arctic.

In 2014, five Arctic nations (Canada, Denmark, Norway, Russia and the United States) signed a ban on commercial fishing in the Arctic Ocean to protect the living marine resources of the thawing region.⁵¹ The United States had previously banned commercial fishing north of the Bering Strait in 2009. With the exception of the aboriginal native groups living in the Arctic who are allowed to harvest fish and sea

mammals, there are no commercial Arctic fisheries. Fisheries stocks such as herring and cod are predicted to flourish as the climate warms.⁵²

China may be positioning itself to exploit these marine resources of the unspoiled Arctic. Bans and active enforcement of national fisheries regulations may be seen by China as denying its right to the so-called “global commons.” This increasingly robust stance by China may be reflected in the deficit of international fisheries agreements concerning the Arctic. Surprisingly, despite its mandate to “promote cooperation...on issues of sustainable development,” the Arctic Council has not created a regional fisheries management organization as exists in other important fisheries around the globe.⁵³ This could be a result of China’s lobbying efforts; this indirect approach against the only Arctic governance structure reflects China’s desire to gain influence in this realm – the second theme of this paper.

China’s Role in Arctic Governance

The Arctic Council was established in 1996 and is headquartered in Tromsø, Norway.⁵⁴ It is a high-level intergovernmental forum, which addresses issues faced by the eight Arctic governments and the indigenous people of the Arctic.⁵⁵ Although the Council’s original mandate was sustainable development and environmental awareness, it has expanded both in mission scope and membership.

The Arctic Council lacks regulatory authority on security issues, and its actions are non-binding, which undermines its potential effectiveness.⁵⁶ The Council has demonstrated its worth as a forum for collaboration between members, who have crafted significant multi-lateral agreements. In 2011, Council members signed the Aeronautical and Maritime Search and Rescue agreement (the body’s first binding agreement) followed by the 2013 Arctic oil spill response plan.⁵⁷

China's Observer Status on the Arctic Council

The Arctic Council's charter provides for non-Arctic states and organizations to be granted non-voting observer status. During its term as the secretariat of the Arctic Council in 2007-2013, Norway lobbied for inclusion of China as an observer.⁵⁸ Perhaps due to its commercial interest in Greenland's mines, China petitioned Denmark to support this initiative, too. Some Arctic states opposed the enlargement of the Council by observer states, assuming their interests were merely economic (read: China).⁵⁹ Russia, at first, resisted the admission of China, as it would potentially upset the balance of power in the Arctic. Its delegates believed that China, as a non-Arctic nation, would attract unwanted attention to the region.⁶⁰

As a result, Canada proposed limitations to alleviate Russia's concerns. Under the terms of admission to the Council, the observers must acknowledge the sovereign rights of Arctic nations and the application of UNCLOS. All observer states will come under review by the full members of the Arctic Council every four years and are not allowed to vote on issues brought before the Council.⁶¹ Ultimately, the Arctic Council admitted as observers China, France, Germany, India, Italy, Japan, Korea, the Netherlands, Poland, Singapore, Spain and the United Kingdom, as well as nine intergovernmental and eleven non-governmental organizations.⁶² According to Espen Barth Aude, Norway's foreign affairs minister, "We want people to join our club. That means they will not start another club."⁶³ Expanding the Arctic Council to non-Arctic states was important because issues such as marine transportation regulations would require support from non-Arctic states utilizing new trade routes. The aim of expanding the membership is not only to build the Council's stature but also to maintain its status as the body of reference for all Arctic issues.

China is on a mission to convince the Arctic Council and the world that it has legitimate rights to the Arctic and its resources. In anticipation of the 2015 session, China wants to change the rules of the Arctic Council and is lobbying for full membership status. Calling itself a “near Arctic state,” China argues the Arctic is a global commons and that it should have access to the region’s natural resources and scientific research potential.⁶⁴ According to Chinese Navy Admiral Yin Zhou, the “Arctic belongs to all the people around the world, as no nation has sovereignty over it...China must play an indispensable role in Arctic exploration as [it] has one-fifth of the world’s population.”⁶⁵

As a result, many countries have questioned China’s role and interests in the Arctic. A Canadian official stated, “There exists in China a distinct group of academics and officials trying to influence their leaders to adopt a much more assertive stance in the Arctic than has traditionally been the case. This could ultimately bring China into disagreement with circumpolar states in a variety of issue areas and alter security and sovereignty relationships in the circumpolar region.”⁶⁶

U.S. Opportunities to Encourage China’s Responsible Actions in the Arctic

In 2015, the United States will assume the leadership chair of the Arctic Council for two years. President Obama appointed a well-qualified chairman, retired Admiral Robert Papp, former U.S. Coast Guard Commandant. As Commandant, he worked closely with his Chinese counterparts on the North Pacific Coast Guard Forum and strengthened the China-United States ship-rider program, where Chinese maritime enforcement officers deploy on U.S. Coast Guard cutters operating in the Western Pacific. The latter program is a sterling example of international cooperation to combat transnational maritime crime, specifically the prevention of illegal commercial fishing.

The ship-rider program represents an ongoing opportunity for increased U.S.-China combined maritime operations and partnership in a common area of concern. Lastly, Papp established strong relationships with navy and coast guard leaders from other Arctic nations to develop the Arctic search and rescue and oil spill response plans.

China and America share a common interest of freedom of navigation in the Arctic. However, while China views Canada and Russia as an Arctic power, it does not view the United States as an Arctic power. Perhaps China's attitude stems from the lack of any serious U.S. Arctic strategy, its refusal to ratify UNCLOS, and diminished U.S. operations in comparison to other Arctic states.⁶⁷

One option the new Arctic Council leadership should consider is offering China full member status in return for China submitting its controversial maritime claims in the South China Sea to UNCLOS arbitration. This alternative would take close coordination not only between Arctic member states but also littoral nations of the South China Sea. To date, China's official messages concerning its interests in the Arctic have followed twin themes of scientific research and environmental monitoring, with undertones of natural resource allocation and the development of new trade routes. China has shown support of the Arctic Council, as evidenced in its pursuit of full membership status, and the underlying framework of UNCLOS as it applies in the Arctic.

At the same time, China has been unwilling to consider UNCLOS as a forum for arbitration of maritime boundary disputes in the South China Sea. China's signing of UNCLOS in 1996 was qualified by its rejection of certain provisions in dispute resolution clauses.⁶⁸ Offering full member status on the Arctic Council in return for China's submission to UNCLOS arbitration elsewhere on the planet may reveal China's true

ambitions. Both the South China Sea and the Arctic Ocean offer similar potential natural resources (hydrocarbons and fisheries).

The United States may have an opportunity to collaborate with China on the Arctic Council while working to shape its expanding influence in the Arctic. China's *Twelfth Five Year Plan* calls for increased coordination and cooperation to include forging bilateral and multilateral maritime cooperation agreements as well as active participation in international maritime forums.⁶⁹ Acknowledging China's great power status may encourage China to embrace a more cooperative tone and transparent efforts in the Arctic.

Even if not offered full member status, China will likely continue to expand economic partnerships with smaller Arctic countries such as Denmark and Iceland to meet China's future natural resource demands. The Arctic Council, under U.S. leadership, needs to monitor these relationships and prevent China from becoming a quasi-Arctic state through its economic leverage over Council member states.

For example, China has forged a strong bilateral relationship with Iceland, as evidenced by China's construction of the largest embassy in Reykjavik. Iceland has permitted the Chinese National Offshore Oil Corporation to develop projects on its continental shelf.⁷⁰ Additionally, China's only free trade agreement in Europe exists with Iceland.⁷¹ Iceland has experienced significant problems with its economy since the 2008 banking collapse, and the opportunity to collaborate with a rising China is seen as a financial lifeline.⁷² The chair and the members of the Arctic Council must be alert to the character of votes cast by Iceland on Council issues. Do they truly reflect Icelandic

positions and are they in the best interest of the Council? Or is China seeking to influence Council actions through its *de facto* Arctic proxy?

From 1951 through 2006, Iceland hosted U.S. forces at Keflavik Naval Air Station until a U.S. military drawdown program closed the facility and withdrew 1,300 American personnel from Iceland.⁷³ With no organic military, the Icelandic government was upset since closing the base left the island nation with no defense presence.⁷⁴ Iceland likely still resents this abrupt move by fellow NATO member the United States. As their bilateral relations with China strengthen, Iceland may offer China aircraft and naval basing rights to support their regional interests.

China's burgeoning influence may potentially be a threat to this framework of Arctic cooperation and the broader security of the region. China, therefore, should not be allowed to create implicit proxy states through financial leverage or to exert undue diplomatic influence on smaller, politically and economically weaker Arctic states such as Iceland. The risk of an unchecked China in the Arctic may lead to regional instability and a lack of trust and cooperation among Arctic nations. It may cause a shift from the current state of liberalism fostered through the Arctic Council to a realist view.

China's interest in the Arctic may also reinforce its broader narrative of a rising China as a global power. To this end, China has recently flexed its muscle on the United Nations Security Council through the increased use of its permanent member veto power (five times since 2007).⁷⁵ Likewise, it has become a more assertive leader in Asian multinational forums such as the Shanghai Cooperation Organization and in 2014 directly challenged the existing Bretton Woods monetary institutions with its establishment of the Asian Infrastructure Investment Bank.⁷⁶

Conclusions

The Arctic will continue to be a strategically important region into the future as nations position themselves to take advantage of the untapped resources and expeditious maritime routes. Although China's interests in the Arctic started with scientific research, they have evolved into a desire to exert influence over the control and distribution of the bountiful natural resources (oil, natural gas, minerals, and fish stocks) required to sustain China's population and fuel the world's largest economy. According to Stephen Blank, "China is clearly after more than simply investment and trade opportunities as it continues to display its obsession with securing energy and other supplies where the U.S. Navy cannot or will not go."⁷⁷ Additionally, China has signaled its intent to step up its use of the three Arctic maritime transit routes.

The Arctic Council is the internationally agreed model of governance and has established a strong reputation for cooperation and mutual respect among Arctic nations, as evidenced by the Arctic SAR and oil spill agreements. Some argue China will not be satisfied with its limited role of observer in Arctic affairs and will continue to lobby for full membership on the Council. However, the Arctic Council can capitalize on China's leadership position in the global economy to boost the strategic importance of the group. The rise of China in the Arctic may also be seen as a balance to Russia, which is the most active and provocative state in this region.

The self-labeling of the United States as an "Arctic nation" by national policy makers is not borne out by the intensity of American policy and activity in the region.⁷⁸ Unlike Russia and Canada, the United States is perceived by China as neither an Arctic power nor a threat to China's rising influence in the region. This perception offers the

advantage of muting any aggressive notes in the tone of American calls for China to exhibit responsible behavior befitting a major international power.

The United States can take concrete actions in three arenas – unilateral, bilateral and multilateral – to reduce the risk to its national security interests in the Arctic. First, the U.S. Senate should ratify the UNCLOS and fund additional Coast Guard aircraft, icebreakers and other patrol vessels to give the United States both increased international legitimacy and Arctic maritime capability.

Second, the United States should capitalize on the success of the bilateral Coast Guard ship-rider program to build confidence with China in related maritime areas. A candidate venue could be the joint maritime patrols between littoral nations in the South China Sea proposed last month in Malaysia by the commander of the U.S. 7th Fleet. Scott Cheney-Peters of the Center for Strategic and International Studies suggests that the U.S. component of such patrols could be vessels from the Coast Guard (rather than the U.S. Navy) to reduce the appearance of a direct military challenge to China.⁷⁹ The law-enforcement character of the Coast Guard and its established capacity-building programs with its Chinese counterpart should result in a less provocative presence that could spawn additional areas of cooperation.

Third, the chair of the Arctic Council affords the United States a powerful legitimacy granted by a multilateral body that China desperately wants to join. The U.S. government must leverage this unique opportunity to build a solid coalition within the Council to induce China to assume the mantle of responsible global partner in several venues. The prize of full membership in the Arctic Council could be used to prod China into cooperation on maritime issues not only in the Arctic Ocean but further afield in the

contentious theater of the South China Sea. The United States and the other Council members must be vigilant to Chinese attempts to subvert Council proceedings through economic coercion of vulnerable Arctic nations. The evolving Arctic offers great potential for multi-lateral cooperation rather than the pursuit of self-interest and competition. The United States and China have an opportunity to reinforce strong maritime governance in the Arctic for their mutual benefit.

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