



HMCS *Montréal* sails past an iceberg in Arctic waters during Operation *Nanook*, summer 2017.

## China Looking North: Compromising Canada's Arctic Sovereignty and Security?

by Adam P. MacDonald

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### Introduction

There is a steady growing *interest in and involvement of* external actors within the Arctic. Of these states, China consumes considerable academic and media interest in Canada.<sup>1</sup> Although there is near-universal agreement that Beijing's current Arctic engagements are conducted within accepted state and legal practices, there are disputes as to their underlying motivations, ultimate aims, and impact upon the regional order,

and Canada's role and place within it. The most concerned about China's increasing capabilities and activities in the North claim Beijing is subtly positioning itself either to remake or thwart the regional political architecture to gain unobstructed access to newly opening shipping routes and natural resources prospects, thereby compromising the interests and sovereignty of the Arctic states. China's entrance, furthermore, is represented as one of the most significant future stresses upon an already geopolitically-sensitive region, as states both *inside* and *increasingly outside* compete for influence and power, which will squarely place Ottawa at odds with Beijing.<sup>2</sup> This emerging strategic reality has motivated calls for Ottawa to prepare

for such an eventuality, developing the required political rules and restrictions domestically and regionally, and military assets able to operate in the North to deter any possible Chinese revisionist predilections.<sup>3</sup>

Depictions emphasising the challenges China poses to Canadian Arctic sovereignty and security, however, are largely informed by the larger literature related to Rise in China, and the stability of the Arctic in general. By no means entirely dismissing concerns about China in the Arctic, these arguments rely upon these larger frameworks to contextualize and explain

**“Much remains uncertain about China's interests and strategies for the Arctic...”**

Chinese thinking and action in the North, vice a more surgical and analysis of China's actual current Arctic engagements. Much remains uncertain about China's interests and strategies for the Arctic, but Canada should avoid simple characterizations of this phenomenon (and the issue of external actors in general) and instead, focus upon how to shape and influence Beijing's actions within the Arctic towards supporting the current regional political order which is increasingly focused upon addressing complex and complicated social, economic, and environmental issues associated with the region's growing accessibility, with respect to which China and Chinese entities play a role.



Chinese container ship *CSCL Arctic Ocean*, one of the largest container ships in the world, in Gdansk, Poland, 17 May 2017.

Wojciech Sirozyk/Alamy Live News/Alamy Stock Photo/J5H03C



Container ship *APL China* in Unalaska Bay, Alaska, 11 July 2012.

Dan Parrett/Design Pics Inc/Alamy Stock Photo/EA24TG

## China as an Emerging Arctic Player

Over the past three decades, China's engagements in the Arctic have expanded both in size and scope, since the launch of their Polar program, largely defined by scientific research, in the 1980s. Beijing, however, *has not* (nor is *expected* to anytime soon) published an Arctic policy given the region's relative lack of importance in Chinese foreign policy compared to other areas such as Africa and the Middle East (which produce immediate and significant contributions to their continued economic development and international political influence). China's strategy towards the Arctic, therefore, remains in a 'state of nascent formulation' concerning its views of the region and its role and place within it.<sup>4</sup> Official Chinese commentary on the Arctic is sparse, but Vice-Foreign Minister Zhang Ming's October 2015 speech at an international conference in Iceland signalled China's desire to become an involved regional actor vice a passive observer.<sup>5</sup> The Arctic is a long-term focus for Beijing, due to the intersection of the region with a number of Chinese interests, including: the climatic impacts upon Asia due to the changing ecology of the North; the opening up of resource extraction prospects, shipping lanes, and fishing grounds; and a venue within which China to project influence as a great power. Despite the lack of official documentation and commentary, scholars generally agree that there are three major trajectories Beijing is pursuing to build deeper relations in the Arctic: scientific research; trade and economic partnerships; and involvement in the regional political architecture.<sup>6</sup>

As a large, rising power with *uncertain* (or at least *undeclared* or *not fully formed*) intentions, views, and strategies for the region, China's engagement in the Arctic warrants investigation. Those most concerned with the detrimental effects of this phenomenon upon Canadian Arctic sovereignty and security are correct in emphasizing China's regional engagement is no longer a hypothetical, but a reality, and it will not be a passing fad.<sup>7</sup> With that in mind, however, accounts of the challenges to Canada's interests in the Arctic in general tend to narrowly focus upon and fuse the issues of sovereignty and security together, and

in the process, fixate upon state-based threats, of which China is conceptualized as the latest challenger, conjuring up anxieties that territorial integrity is at risk. Such portrayals not only distort, inflate and simplify China's presence and involvement in the North, but also collapse all of Canada's northern interests under a broad, loosely defined, and greatly exaggerated banner of territorial sovereignty, when in fact, a plethora of diverse but highly interconnected set of interests underpin Ottawa's regional policy which need to form the basis of any holistic assessment of Beijing's impacts to Canada in the Arctic.<sup>8</sup> However, herein, we will focus upon three broad concerns associated with a more Arctic-oriented and engaged China in terms of their impact upon Canadian sovereignty and regional stability:

- Possible maritime sovereignty challenges by Beijing over the Northwest Passage and Extended Exclusive Economic Zone (EEZ) claims;
- The motivations and impact of increasing Chinese state-owned enterprises (SOEs) investments and operations in the Canadian Arctic; and
- Chinese attempts to obstruct and/or restructure the regional political order.

### Maritime Sovereignty Challenges?

China has no territorial claims in the Arctic, and has avoided comment on any of the outstanding maritime claims between the Arctic coastal states. Beijing, furthermore, has accepted the Nuuk Criteria as a pre-condition for gaining entry into the Arctic Council, which includes respecting the sovereignty and sovereign rights of the Arctic states, as well as acknowledging the United Nations Convention on the Law of the Sea (UNCLOS) as the legal regime of the region.<sup>9</sup> Even the most pessimistic assessments of China's intentions towards the Arctic acknowledge there is no evidence of a territorial revisionist strategy unfolding, but suspect Beijing has kept the door open to employ legal and political tools to limit and dilute Arctic coastal states sovereign rights over maritime regions in the future.<sup>10</sup>



The Northwest Passage and its approach lanes, based upon a NASA image.

The major concern in terms of Canadian sovereignty in the Arctic is use of the Northwest Passage (NWP). The debate about the NWP is not over who owns the waterways – there is no objection to Canadian ownership – but whether, as Washington asserts,<sup>11</sup> the passageways constitute an International Strait establishing Transit Rights for shipping, rather than Internal Waters, as Ottawa claims, which would require shipping to receive prior consent before transiting. Washington and Ottawa have an agreement which respects their opposing legal positions, but in actuality means American shippers will inform Canadian authorities before transits are undertaken.<sup>12</sup> It is unclear whether China, which has stated an interest in using the passageway,<sup>13</sup> would be willing either to negotiate a similar protocol, or accept Canada's designation of the NWP as Internal Waters.

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As the world's largest exporter state, China has an interest in securing unobstructed and expeditious shipping movements globally, and may be inclined to side with the American position on this matter. David Curtis Wright, furthermore, speculates Beijing in the future may promote a Svalbard Treaty-like protocol for the NWP, which accepts Canadian sovereignty but also guarantees uninhibited access and transit through the Passage for maritime traffic.<sup>14</sup> Beijing to date, however, has not *proposed* (nor seems *interested in*) the idea, as moving towards such a position would entail clarifying their stance on the status of the Northern Sea Route (controlled by Russia), a traffic route Chinese shippers are far more interested and active in than the NWP.<sup>15</sup>

For Chinese shipping companies, a major consideration in altering transit paths is cost savings, which could be substantial, given the shorter distances of the NWP compared to southern routes, but there are significant risks, including the lack of hydrological data and navigation infrastructure, which have tempered Chinese assessments of the benefits of utilizing the Passage.<sup>16</sup> These do not pose a permanent deterrent to Chinese interest in the NWP, but rather, provide further justification for Ottawa to invest in an Arctic shipping corridor program by positioning navigation and search and rescue assets, as well as reliable hydrographic and meteorological information along these routes, and thereby offering incentives for shippers to report to Canadian authorities.<sup>17</sup> Unlike Russia and its Northern Sea Route, however, Canada is not promoting the NWP as an international shipping route, and it may be averse to creating

such a system which would *enable* and therefore *encourage* further usage. With yearly transits increasing 144% since 2004 (mostly due to tourism),<sup>18</sup> Canada must prepare for increased use of the NWP and thus be willing to negotiate protocols with Beijing (and other shipping states).<sup>19</sup> The aim of these actions should not be conditioned upon ascertaining their legal acceptance of Canada's Internal Waters designation, but to build rules and regulations – and be able to enforce them – which protect shipping, the ecology of the region, and those who inhabit it. To that end, Canada must continue to work with both Arctic states and shipping-intensive countries in producing new shipping rules and regulations for the region, such as the recent work through the International Maritime Organization (of which China is a member), which was successful in the creation of the Polar Code that took effect this year.



Shipping containers on a vessel docked at Rizhao, Shandong province, China, 6 December 2015.

Reuters/China Stringer Network/RTX/INWV

Another area of possible contestation is Beijing's ambivalence towards the Extended EEZ claims of Canada (and other Arctic states), although Ottawa is still completing its formal submission.<sup>20</sup> It is understandable that China would prefer minimizing Extended EEZ claims (for if accepted by the UNCLOS regulatory body allows states ownership of developing the resources within this water space), in order to retain a greater portion of the Arctic Ocean as the 'High Seas' and 'Common Heritage of Humanity,' as defined by UNCLOS. However, it does not follow that they are willing to legally or otherwise challenge these claims, especially considering their own ambiguity of the extent and rights of their Extended EEZ claims in the South China Sea, an area of far more importance currently for Chinese leaders. Would Beijing issue a definitive legal position on these matters in the Arctic, thereby tying their hands legally in the South China Sea considering their current strategy for that region is to remain legally ambivalent about the nature of their maritime claims while ensuring effective occupation of disputed islets? Comparisons between ongoing maritime disputes in the Arctic and the South China Sea, specifically China's views and strategies for each, must acknowledge the significant geopolitical distinctions between them, including the fact China is a *user state* in the former case, vice a *coastal one* in the latter, and the *peaceful nature* of these disputes in the Arctic, as opposed to the military buildups defining those in the South China Sea. As over 75% of the suspected undiscovered oil and gas reserves in the Arctic<sup>21</sup> are within undisputed territorial and maritime sovereign realms of the Arctic coastal states, Beijing has little to gain by being obstructionist towards both the Extended EEZ claims of Arctic states and the determination mechanisms outlined in UNCLOS. They, however, have a lot to lose in terms of souring relations with the region and raising further doubts of their commitment to UNCLOS as one of the foundational legal regimes of the international system, which benefits Beijing immensely as the world's largest exporter state.

### China's Arctic Economic Endeavours: The Strategic Buyer Approach

Some commentators have argued that China has adopted a 'Strategic Buyer' approach towards the Arctic region, as Chinese companies, specifically, State Owned Enterprises (SOEs), move to secure increasing share holdings of Western companies, joint ventures, and purchasing of natural resources through special partnerships.<sup>22</sup> Attempting to seize territory or resources in the Arctic is not practical, thus, Beijing looks to utilize its SOEs to *gain entry into* and *operate within* domestic confines and regulatory schemes to become important stakeholders influencing government decision-making. SOEs, therefore, are not simply seeking new areas of growth and profit, but are under the explicit direction of Beijing forming an important aspect of their resource diplomacy to establish economic dominance as an investor and trading partner in Arctic economies.<sup>23</sup> Within such a position, China could leverage economic ties for political gain, which, in part, may explain the Nordic countries' support of their Permanent Observer status in the Arctic Council in 2013.

Alongside legitimate concerns about the political relationship between Beijing and Chinese SOEs, there are fears these entities will import poor labour and environmental practices employed in other resource-rich and loosely-regulated areas in which they are active (specifically Africa) which could have horrendous consequences for the sparsely-populated and ecologically-sensitive Canadian Arctic. Another apprehension is the strategic implications of increasing trade relations – highlighted by China's conditioning of further free-trade talks on Ottawa restructuring investment rules and building a pipeline to the British Columbia coast, which are controversial domestically<sup>24</sup>– being used by Beijing as a tool of economic coercion in any diplomatic dispute, as illustrated by its temporary cessation of relations with Norway following the awarding of the Nobel Peace Prize to Liu Xiaobo.

Greater economic ties with China raise regional as well as strategic challenges, but Ottawa has taken some action to minimize these risks while finding portals for further engagement with the world's second largest economy. First, Ottawa has enacted tough laws on SOEs since one of China's biggest state enterprises – the China National Offshore Oil Corporation (CNOOC) – purchased Canadian oil company Nexen in 2012. This undoubtedly was a blow to Beijing, but Chinese companies have shown a willingness to abide by stronger regulations as they look to invest in not only *lucrative* but *politically stable* countries such as Canada, even among grumbings that regulations are too strict and not clear.<sup>25</sup> Chinese SOEs, as well, have begun to change their corporate image, including ownership and management relations, to ease Western concerns of political interference by Beijing.<sup>26</sup> As also outlined in the Northern Strategy, Canada emphasizes that external actors must respect the indigenous peoples who live in the Arctic – and their representation in regional institutions – ensuring Beijing (and others) understand the region is a *homeland* and not simply an *economic or strategic arena*; a condition China accepted as part of the Nuuk Criteria in order to be admitted as a Permanent Observer in the Arctic Council.

The possibility of becoming beholden to Chinese interests as they wedge themselves into the Canadian Arctic economically (with current investments estimated at over \$400 million<sup>27</sup>) must not be taken lightly. However, instead of restricting access to the market due to fear, Ottawa should be constructing a more competitive environment, underpinned by a strong regulatory framework, by encouraging the involvement of other economic partners such as Japan and South Korea, who are also interested in the region. Rhetoric of China's impending economic dominance, however, rarely is accompanied by actual statistics of the rate and intensity of their investments and economic operations in Canada (and other Arctic states),<sup>28</sup> and thus, such narratives are more *hypothetical conjecture* than *detailed analyses* of Chinese commercial holdings, activities, and political influence accrued as a result.

Finally, China's willingness to retaliate economically against states during disputes has by and large been short term, with Beijing's economic engagements not conditioned exclusively upon obtaining favourable political concessions from trading partners.

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Emergency drills for firefighting/oil spills at wharf of China National Offshore Oil Corporation, Sanya, Hainan province, China, 13 June 2016.

The denial of Chinese investments projects in Iceland and Norway over concerns of possible connections to the Chinese military did not lead to any major repercussions by Beijing.<sup>29</sup> This demonstrates the ability of Arctic states to exercise diligence against suspicious Chinese entities and practices without jeopardizing the entire relationship.

### Challenging the Regional Order

Perhaps the gravest concern with respect to China's involvement in the Arctic is at the strategic level. Some commentators argue that China is playing a long 'con game,' acting as a non-threatening entity presently, but in reality, it is positioning itself for an eventual revisionist challenge, seeking opportunities to marginalize the Arctic states and their decision-making authority.<sup>30</sup> While showing deference presently to the Arctic states, China self-identifies as a 'Near Arctic State' and 'Arctic Stakeholder,' but remains ambiguous as to *how* and *to what degree* it thinks it should be involved in the regional political order. As the region's importance to China augments, Beijing may become more vocal and active in promoting its polar rights and interests, falling in line with the more 'assertive' tone and posture Beijing has adopted towards 'core national interests' in its foreign policy.<sup>31</sup>

The rationale underpinning a possible Chinese revisionist strategy in the Arctic is well-covered academic terrain, but there are few specifics on how this process would unfold, and with

what mechanisms. One speculation, however, is the employment of the Chinese military as Beijing develops polar-capable naval and air assets (including nuclear powered submarines<sup>32</sup>) as part of its comprehensive military modernization efforts.<sup>33</sup> The presence of a Chinese naval task group in the fall of 2015 off the coast of Alaska fueled concerns that Beijing may use its burgeoning naval capability to promote, perhaps aggressively, its ambitions, interests, and status as a polar power. Chinese naval vessels, for example, could be employed in the Arctic to not only demonstrate an ability to operate in the region, but also to signal Beijing's position on the nature and extent of Canada's and other Arctic states' sovereign realms and authority at sea.

Narratives of a polar revisionist China usually depict the Arctic as a particularly vulnerable region, and criticize political leaders' persistent under-appreciation of the changing strategic landscape and resolve to ensure Canadian sovereignty and security are appropriately defended in this new environment.<sup>34</sup> China's entrance, according to this line of thinking, is *driven by* and *contributes towards* an already stressed geopolitical region as competition over resources and sovereignty at sea has motivated the development of increased military forces in the region (framed in the often used but ill-defined 'militarization' nomenclature<sup>35</sup>). These frictions, it is predicted, will continue to grow, and as a result, erode the regional political architecture, which was designed during the peaceful geopolitical environment of the 1990s, that is not equipped to deal with the emergence of an ultra-competitive and possibly adversarial landscape.<sup>36</sup>



DND photo by Corporal Chris Ringius

HMCS Kingston in the Davis Strait in search of the Lost Franklin Expedition, 2014.

Forecasts, however, of the region becoming a geostrategic flashpoint punctuated by resource scrambles, contestations over sovereign realms, and possibly, arms races, are narratives which have a long historical lineage in popular accounts of the North, despite their failure to materialize in any meaningful way.<sup>37</sup> Even if China harbours revisionist intents, the pathways and process Beijing would employ are shaped by the forces and factors underpinning the current regional order. The Arctic is a stable region characterized by a rule-bound regime of developed countries (including the homelands of two nuclear powers), the absence of war and failed states, and the promotion of regional norms of cooperation and consensus within an inclusive political architecture.<sup>38</sup> The Arctic regime should not be dismissed out of hand as ill-equipped to deal with a new strategic environment, for it has demonstrated an ability to do so (most importantly, in the early-to-mid-2000s) by adequately thickening institutional bodies, norms, and signaling of intent in order to dispel and discredit possible destabilizing competition between them.<sup>39</sup> This confluence of factors in the Arctic may make it one of the more successful regions in stemming the excesses of geopolitical competition, as exemplified by the maintenance of cordial regional relations despite heightened tensions between the West/NATO and Russia. It is not, therefore, the absence of drivers and sources of geopolitical rivalry (including emanating from other regions) which explains the continuation

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of the Arctic Peace, but rather, the resiliency and adaptability of the regional political regime to promote and ascertain acceptance by involved actors that the current political architecture is in their respective national interests to support, or at a minimum, to not oppose.<sup>40</sup>

This does not preclude geopolitical competition playing an increasingly important and contentious role in the region. Greenland, in transition away from Danish rule, and with abundant natural resources, is the most likely place China may try to create a regional partner or possible ally.<sup>41</sup> These pressures are already motivating European states to enhance relations with Nuuk to ensure that, even if independent, Greenland remains a firm regional and military ally with the West. However, the impact of the structural power configurations and institutional characteristics of the region on the calculus of Beijing is largely under-appreciated, especially in analyses which assume China is taking more risks and becoming over-confident, considering that all of the region’s principal actors, including Russia,<sup>42</sup> have some degree of strategic suspicion towards China.

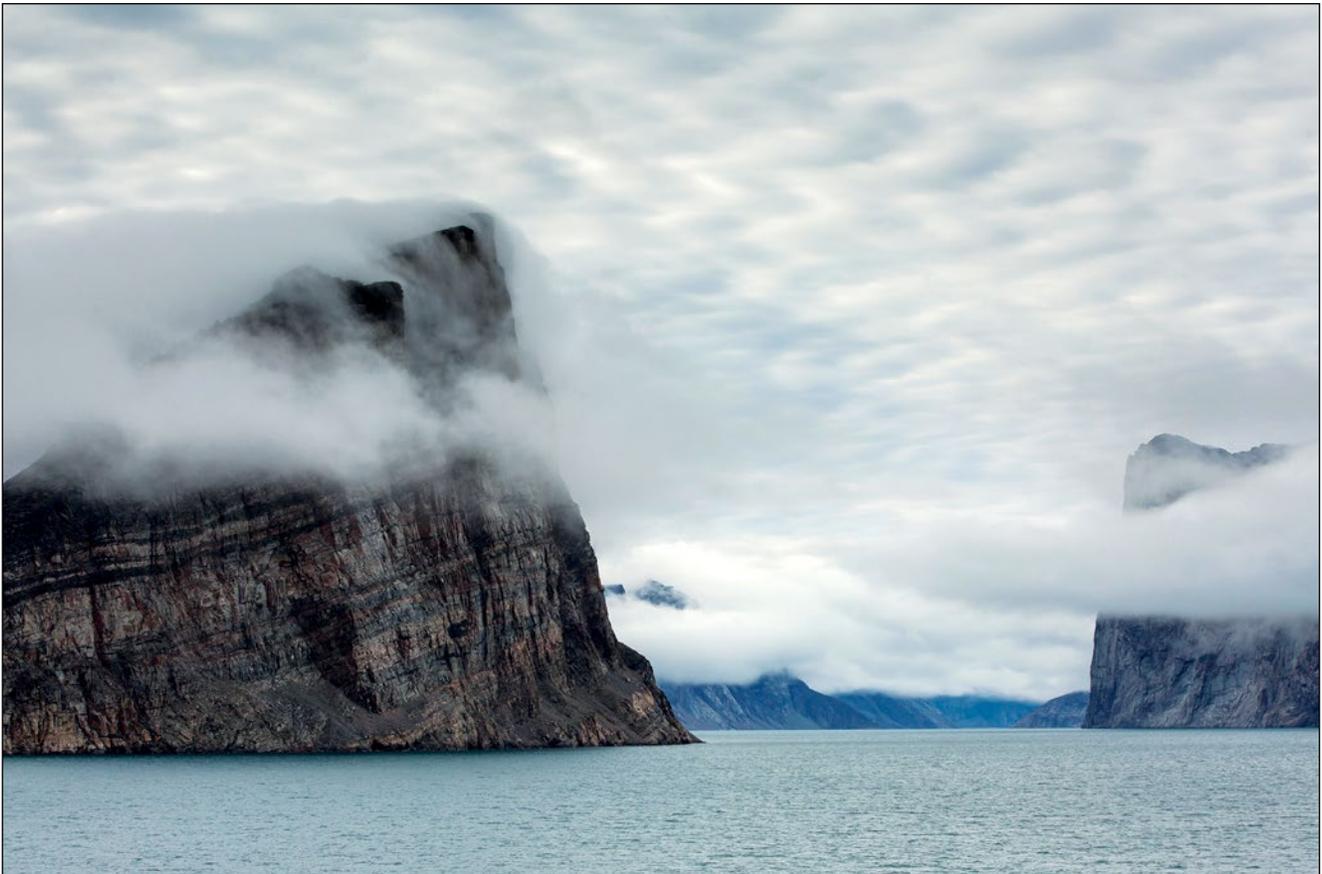
The expanding reach and ability to operate in a variety of operational environments of the Chinese navy is commensurate with Beijing’s goal of becoming a maritime power, but it remains far from certain it would be employed (let alone in a confrontational

manner) in the Arctic, as its expeditionary operations up to now have been peaceful and usually undertaken in support of global security operations. Beijing's use of military assets in maritime disputes in the East and South China Seas demonstrates a desire to minimize the possibility of American primacy influencing the eventual resolution of the disputes, as well as broader regional security and political issues. But the use of/threat of force in Asia does not necessarily indicate a willingness to employ these tactics in other regions where such territorial interests are absent, especially considering that both the United States and Russia reside in this region.<sup>43</sup> The deployment of naval assets, however, may be to probe and gauge American and others' positions with respect to foreign military vessels operating in their EEZs (which is authorized under UNCLOS), considering China is opposed to others doing the same in its maritime spaces. At present, however, there is no indication Beijing views the Arctic as a military arena within which to expand their power and presence, nor is it prioritizing the development of polar-capable assets in their modernization plans.

### Contextualizing Concerns of China's Arctic Entrance

Assessments that a growing Chinese presence in the Arctic could compromise Canadian Northern sovereignty and security tend to rely upon larger global analyses of Beijing's actions and intents as becoming more revisionist as it becomes a great power, more than upon China's actual current activities in the Arctic. The 'Assertive China' narrative, in particular, has become a dominant paradigm in the West, characterizing

Beijing as both increasingly *unsatisfied with* and *having a capability and willingness to obstruct and/or challenge* global configurations of power. Determining Beijing's commitment or opposition to the current international order – encompassed in the 'status-quo/revisionist power' debate – is heavily influenced by a number of competing schools of thought from the discipline of International Relations Theory, particularly structural-based theories concerning periods of power transition between established and rising powers, and the forces that promote either stability or conflict during these times. Attempts to fit China into this mutually-exclusive categorization appears to be an exercise more designed to demonstrate the legitimacy of these concepts than towards a tool to understand Chinese foreign policy, in part, perhaps, to privilege parsimonious analysis in an effort to provide advice and guidance to policy makers and the public, *writ large*.<sup>44</sup> These ideas heavily influence the framing of China's Arctic endeavors by assigning revisionist intent to Beijing, and thus interpreting their actions as at a minimum an attempt to obstruct and undermine rules and norms to achieve narrowly-defined interests (i.e. weaken domestic and regional regulatory and decision-making systems to gain access to resources and markets), and at worse, a comprehensive strategy to alter the regional political landscape geopolitically towards its advantage (i.e. creation of alternative institutional bodies to redistribute decision-making powers). The concept of revisionism, however, is usually poorly operationalized and loosely defined to the point where any action on the part of Beijing falls under this categorization, calling into question whether such a classification schema is



Ginny Scholes Photography/Alamy Stock Photo/EABXFC

The Buchan Gulf, Baffin Island, in Arctic Canada.



Frozen sea and tanker ship at night, 28 September 2015.

useful in understanding China's interests and interactions with the regional order, which itself is not a static entity, but is evolving over time.

Characterizations of China as a new and destabilizing participant in an emerging Arctic geopolitical battleground tend to over-emphasize the certainty, abilities, and confidence of Beijing to remake regional dynamics, while under-estimating the resiliency and adaptability of the regional architecture to diffuse areas of possible tensions and socialize its members into supporting a stable political environment. Despite the existence of some Chinese academic and media discussions calling for a more assertive strategy,<sup>45</sup> Beijing's actions have been conducted through legal and accepted channels, including participating at a low and non-intrusive level in the regional political architecture. Furthermore, China's interests in the Arctic align with its broader foreign policy goals of diversifying energy and resources suppliers, securing trade routes, and becoming more active in global and regional governance instruments commensurate with its growing great power status and role. Viewed in isolation, therefore, Beijing's activities in the Arctic appear to have augmented markedly, when in fact, the region remains a low priority and is more a reflection of China's rise as a major power searching for partnerships, influence, and access to markets and resources throughout the international system at large, rather than a surgical and targeted approach to turn the North into a new 'core national interest.'

Another contributing factor to the portrayal of China as a polar revisionist power is the apparent need for a threat narrative in order to have a sustained public discussion on the region, evident in the persistent inability of successive Canadian governments to develop a strategy for sustained investment and interest in the North.<sup>46</sup> Speculations of a more muscular Chinese approach towards the region are the latest justifications for increased Canadian military and constabulary forces in the Arctic.<sup>47</sup> These deficiencies, however, pre-date China's interest in the region and would continue to be criticized in their absence. Nonetheless, it is easier to conceptualize state-based rather than non-state based threats in generating sustained public interest and debate, even though the latter is of a more real and immediate challenge than the former.

Furthermore, a fixation on the possible deployment (overtly or covertly) of Chinese military forces to the region confuses potentialities with probabilities, and may detract resources and efforts towards the more realistic and immediate challenges confronting Canadian defence and security in the Arctic, which pertain largely to societal-level, constabulary matters vice state-based, military threats.<sup>48</sup> While political and military leaders must be mindful of all possible defence and security challenges, in reality, prioritization for resourcing and planning for the Canadian Armed Forces in the Arctic must be *suitable*, given the nature of the threat in the region, and *sustainable*, due to the unique regional factors which make force development, deployment and projection significant challenges.<sup>49</sup> It is not, however, that state-based threats should

not be prepared for – particularly with respect to enhancing surveillance to increase domain awareness (including sub-surface) – but rather, to ensure they do not consume the entirety of the security discussion of the most pressing issues in the Arctic and derail development of capabilities which are needed in the current threat environment.

**Conclusion**

China presents a numbers of challenges to Canada and its interests, but rather than reluctantly accommodating Beijing out of resignation that attempts to do otherwise are futile, there needs to be acknowledgment that a greater Chinese presence in the Arctic has many potential benefits. These benefits include having a strong partner in scientific research and investment, as well as legitimizing the regional order by including external actors. This does not preclude revisionist intentions on the part of Beijing, the political motives and decision-making processes of which remain shrouded in uncertainty, but to assume China’s intentions are fixed, unmovable, and hostile may unnecessarily exacerbate regional relations at a critical moment when Arctic states – including Canada as a self-proclaimed Arctic power – must show leadership in building pathways for its inclusion. China’s regional involvement is part of a larger process of the internationalization of the region,<sup>50</sup> in which Ottawa’s focus

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should remain upon achieving consensus between the Arctic states and external actors in managing the complex and growing human and environmental security matters affecting the region, vice military build-ups and sovereignty-anxiety based rhetoric to counter Beijing’s Arctic arrival. Simple characterizations must be avoided, both as they relate to Chinese intentions and impact (of which the emergence of various academic camps on this issue, in order to differentiate from each other, sometimes promote), and of China as a monolithic entity in complete control of its citizenry and economic companies operating abroad, although its influence is greater over them as compared to other states, specifically its State-Owned Enterprises.

Reconciling the need to find pathways for deeper engagement with China while mitigating risks and building capacities to manage differences is being advocated by a number of prominent Canadian scholars. They advocate facilitating a more balanced and nuanced public debate and informed government approach to relations with Beijing, much as Australia has accomplished recently.<sup>51</sup> Increasing Chinese activity in the Arctic, and the possible impact upon Canada, is the latest and most visible rationale for such a dialogue on the relationship, which *is* and *will continue to be* complicated and complex.



US Navy photo/Alamy Stock Photo/ESP89P

HMCS *Calgary*, foreground, and Peoples Liberation Army (PLA) Navy *Luyang II* Class destroyer *Haikou* during Rim of the Pacific (RIMPAC) Exercise, 25 July 2014.

## NOTES

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10. David Curtis Wright, "The Panda Bear Readies to Meet the Polar Bear: China and Canada's Arctic Sovereignty Challenge."
11. For a detailed explanation of the American position, see: James Kraska, "The Law of the Sea Convention and the Northwest Passage," in *The International Journal of Marine and Coastal Law*, 2007, Vol. 22, No. 2, pp. 257-281. See also: Michael Byers, *Who Owns the Arctic: Understanding Sovereignty Disputes in the North* (Madeira Park, BC: Douglas and McIntyre, 2009), specifically, Chapters 3-5.
12. The Agreement on Arctic Cooperation, signed by Canada and the United States in 1988, states that US icebreakers conducting transits through the NWP shall seek the consent of the Government of Canada prior to transit, but which will always be accepted. This agreement does not include other types of vessels, but since its enactment, no other US government vessel has traversed the NWP, with the possible exception of submarines doing so covertly.
13. Nathan Vanderklippe, "China Reveals Plan to Ship Cargo Across Canada's Northwest Passage," in *The Globe and Mail*, 20 April 2016, at <https://beta.theglobeandmail.com/news/world/china-reveals-plans-to-ship-cargo-across-canadas-northwest-passage/article29691054/>
14. David Curtis Wright, "The Dragon Eyes the Top of the World: Arctic Policy Debates and Discussion in China," p. 35. The Svalbard Treaty, which entered into force in 1925, is an international agreement between 42 states that recognizes the sovereignty of Norway over the island group, but limits the full exercising of this authority as it also enshrines the rights of the citizens of the respective signatory states to engage in commercial and scientific activities on the islands and in their territorial waters.
15. As with the NWP, Beijing remains ambivalent about its *de jure* position on the designation of the NSR, but in reality, accepts Russian ownership as internal waters. Andreas Kuersten, "Russian Sanctions, China, and the Arctic," in *The Diplomat*, 3 January 2015, at <http://thediplomat.com/2015/01/russian-sanctions-china-and-the-arctic/>.
16. Frédéric Lasserre, Lyin Huang, and Olga Alexeeva, "Is China's Interest for the Arctic Driven by Arctic Shipping Potential?," in *Asian Geographer*, 2015, Vol. 32, No. 2, pp. 59-71.
17. "The Integrated Arctic Corridors Framework," *The PEW Charitable Trusts*, 26 April 2016.
18. *Ibid.*
19. Beijing may not want to commit to prior consent, but rather, to simply advise Canada of its passage. In such a scenario, if Beijing shippers are in accordance with international and domestic shipping regulations, Canada could guarantee acceptance of such transits under these pre-conditions. Frédéric Lasserre, furthermore, asserts that researchers from the Polar Research Institute of China, China's pre-eminent organization responsible for Polar expeditions, have told him that in any future transits of the NWP, they shall inform Canadian authorities beforehand. Frédéric Lasserre, Linyan Huang and Olga Alexeeva, "China's Strategy in the Arctic: Threatening or Opportunistic?," in *Polar Record*, 2015, at <https://corpus.ulaval.ca/jspui/bitstream/20.500.11794/876/1/China%20Arctic%20opportunistic%20Polar%20Record%20OA%20FL%20LH%202015.pdf>.
20. Assessments that Beijing may come to dispute Extended EEZ claims of the Arctic states does not derive from official positions or declarations but rather stems from some non-official commentary, including the often cited assertions of a former Chinese admiral in 2010 that China, as representing one-fifth of the world's population, must be active in securing the designation of the Arctic Ocean as the 'Common Heritage of Humankind,' which does not belong exclusively to the Arctic states (Jakobson and Peng, p. 15). Besides the uncertainty as to whether these views are held by Chinese leaders, such a line of argument is more likely in response to any possible re-assertion of Sector Theory (as once promoted by Russia) of dividing the Arctic Ocean into territorial sea-like domains governed by the Arctic coastal states, than opposing Extended EEZ claims.
21. Dag Harald Claes and Arild Moe, "Arctic Petroleum Resources in a Regional and Global Perspective," in *Geopolitics and Security in the Arctic: Regional Dynamics in a Global World*, Rolf Tannes and Kristine Offerdal, (Eds.) (New York: Routledge, 2014), pp. 97-120.
22. Timothy Curtis Wright, "China's New Arctic Strategem: The Strategic Buyer's Approach to the Arctic," in *Journal of Military and Strategic Studies*, 2013, Vol. 15, No. 1, pp. 1-36; Hubert, "Canada and China in the Arctic: A Work in Progress."
23. The effects of Chinese investment is most pronounced with respect to the small but resources rich states, such as Iceland and Greenland, eliciting alarmist predictions of an impending flood of Chinese capital and workers over these sparsely populated polities. Such predictions, however, to date have not come to fruition. Marc Lanteigne, pp. 22-25.
24. "China Open to Historic Free-Trade Deal with Canada Under Certain Provisos," in *The Globe and Mail*, 15 January 2016, at <http://www.theglobeandmail.com/news/politics/china-open-to-historic-free-trade-deal-with-canada-under-certain-provisos/article28208595/>.
25. "Chinese Companies Feel Misled by Canada, Report Says," *CBC News*, 7 June 2016, at <http://www.cbc.ca/news/politics/china-mining-ambassador-investors-infrastructure-1.3619228>
26. Wendy Dobson and Paul Evans, "The Future of Canada's Relationship with China," *Institute for Research on Public Policy*, December 2015, p. 12.
27. James Munsom, "China North: Canada's Resources and China's Arctic Long Game," in *iPolitics*, 31 December 2012.
28. The fact, for example, that Canada and Australian companies each have larger investment profiles in Greenland vice their Chinese counterparts is absent in such commentaries. Klaus Dodds, and Mark Nutall, *The Scramble for the Poles* (Cambridge, UK: Polity Press, 2016), p. 143.
29. Marc Lanteigne, p. 15.
30. Roger W. Robinson Jr., "China's 'Long Con' in the Arctic," *Macdonald-Laurier Institute*, September 2013; James Munsom, "China North: Canada's Resources and China's Arctic Long Game."
31. David Curtis Wright, "The Dragons Eyes the Top of the World: Arctic Policy Debate and Discussion in China," p. 38.
32. Mark Romanow, "Submarine Proliferation and the Impact for Canada," in *Frontline Defence*, 2016, Vol. 13, No. 4, pp. 28-34.
33. Caution must be employed, however, in distinguishing assets which are polar capable and those which are developed specifically for polar missions. For example, the recent commissioning of a military icebreaker by the Chinese Navy is a continuation of an existing capability tasked with ensuring the navigability of the Bohai Sea (an important economic region along the Chinese coastline) during the winter, and not a new requirement with the intention of using them in the Polar regions, although they could be used in such a capacity. "China Launches a New Icebreaker," in *Popular Mechanics*, 7 January 2016, at <http://www.popularmechanics.com/military/weapons/news/a18867/china-launches-new-icebreaker/>.
34. Rob Huebert, "Why a Defence Review is Necessary and Why It Will Be Easy to Get the Arctic Wrong."

35. Abhijit Singh, "The Creeping Militarization of the Arctic," in *The Diplomat*, 16 October 2013, at <http://thediplomat.com/2013/10/the-creeping-militarization-of-the-arctic/>; Rob Huebert, "The Newly Emerging Arctic Security Environment," *Canadian Defence and Foreign Affairs Institute*, March 2010. For counter-arguments to the militarization of the Arctic portrayal, see: Adam P. MacDonald, "The Militarization of the Arctic: Emerging Reality, Exaggerations and Distraction," in *Canadian Military Journal*, Summer 2015, Vol. 15, No. 3, pp. 18-28; Paal Sigurd Hilde, "The 'new' Arctic – The Military Dimension," in *Journal of Military and Strategic Studies*, 2013, Vol. 15, No. 2, pp. 130-153.
36. Scott G. Borgerson, "Arctic Melttdown: The Economic and Security Implications of Global Warming," in *Foreign Affairs*, Vol. 87, No. 2, pp. 73-77; James Graff, "Arctic: Fight For the Top of the World," in *Time Magazine*, 1 October 2007, at <http://content.time.com/time/magazine/article/0,9171,1663848,00.html>.
37. Rolf Tamnes and Sven G. Holtmark, (Eds.) "The Geopolitics of the Arctic in Historical Perspective," in *Geopolitics and Security in the Arctic: Regional Dynamics in a Global World*, Rolf Tamnes and Kristine Offerdal, New York: Routledge, 2014, pp. 12-48; Dodds and Nutall, *Scramble for the Poles*, pp. 14-17.
38. Wegge Nord, "The Political Order in the Arctic: Power, Structures, Regimes and Influence," in *Polar Record*, 2011, Vol. 241, pp. 165-176.
39. The mid-2000s were defined by the planting of a Russian flag on the bottom of the ocean at the North Pole; the resumption of Russian bomber and naval patrols in the Arctic; the re-ignition of the political dispute between Canada and Denmark over the ownership of Hans Island (including the dispatching of warships and political representatives to assert sovereign claim over the barren rock); and the building up and stationing of military forces in the region by all the Arctic states. Such developments, however, while usually overblown both in terms of their impact and intent, created a popular portrayal of the region as being on the brink of conflict. In part to allay such concerns, the Arctic coastal states issued the Ilulissat Declaration, confirming their intent to resolve outstanding maritime sovereignty disputes peacefully through UNCLOS, which was affirmed as the legal regime of the region.
40. Adam P. MacDonald, "Arctic Politics: From Stable to Scramble," in *Frontline Defence*, 2016, Vol. 13, No. 2, pp. 52-56.
41. The growth of Chinese economic interest and activity in Greenland is being monitored by Danish intelligence, which assess that the strategic importance of the relationship will increase as China comes to see the Arctic as an important source of resources. "Intelligence Risk Assessment 2015," *Danish Defence Intelligence Service*, 11 November 2015, at <https://fe-ddis.dk/eng/Products/Intelligence-Risk-Assessments/Pages/Intelligence-RiskAssessment-2015.aspx>
42. On the strategic tension with Sino-Russian relations with respect to the Arctic, see: Stephanie Pezard and Timothy Smith, "Friends if We Must: Russia and China in the Arctic," in *War on the Rocks*, 6 May 2016, at <http://warontherocks.com/2016/05/friends-if-we-must-russia-and-chinas-relations-in-the-arctic/>. For the practical challenges of greater Sino-Russian economic cooperation in the Arctic, see: Ekaterina Klimenko, "Russia's Evolving Arctic Strategy," *SIPRI Policy Paper*, September 2014, No. 42.
43. Adam MacDonald, "Enlarging Fleet, Expanding Mandate: China's Determination to Become a Maritime Power," in *Canadian Naval Review*, 2016, Vol. 11, No. 3, pp. 4-9.
44. Adam P. MacDonald, "Access, Assurance and Acceptance: Moving Beyond the Status-Quo/ Revisionist Power Debate in Investigating China's Emerging Foreign Policy Strategy," in *Facing China as a New Global Superpower: Domestic and International Dynamics from a Multidisciplinary Angle*, Huhua Cao and Jeremy Patiel, (Eds.) (New York: Springer, 2016), pp. 171-196.
45. Most observers readily admit that such commentary is not Chinese policy or necessarily reflective of government views, but it is unclear the relationship between such discussions and the ability and extent Beijing regulates, monitors and encourages them. The dampening of provocative statements in Chinese academia and the media with respect to the Arctic in 2011, for example, appears to have been motivated by Beijing's assessment that such commentary had undermined their position to join the Arctic Council with their Permanent Observer application being deferred until 2013. Jakobson and Peng, p. v.
46. P. Whitney Lackenbauer, "Canada and the Asian Observers in the Arctic Council: Anxiety and Opportunity," in *Asia Policy*, July 2014, No. 18, pp. 22-29; P. Whitney Lackenbauer and James Manicom, "Canada's Northern Strategy and East Asian Interests in the Arctic," *The Centre for International Governance and Innovation*, 2013.
47. Levon Sevunts, "Canada's Defence Review and the Arctic," *Radio Canada International*, 8 April 2016, at <http://www.rcinet.ca/en/2016/04/08/canadas-defence-review-and-the-arctic/>; Rob Huebert, "Why a Defence Review is Necessary and Why it Will be East to Get the Arctic Wrong."
48. P. Whitney Lackenbauer and Adam Lajeunesse, "The Canadian Armed Forces in the Arctic: Building Appropriate Capabilities," in *Journal of Military and Strategic Studies*, 2016, Vol. 16, No. 4, pp. 7-66.
49. Adam MacDonald, "The Canadian Armed Forces and the Arctic: Maintaining a Suitable and Sustainable Role," *CDA Institute Analysis*, May 2016.
50. For an overview of this phenomenon, see: Peter Hough, *International Politics of the Arctic: Coming in From the Cold* (New York: Routledge, 2013).
51. Dobson and Evans, "The Future of Canada's Relationship with China," David Mulroney, *Middle Power Middle Kingdom: What Canadians Need to Know about China in the 21<sup>st</sup> Century* (Toronto: Penguin Group, 2015).



Young male polar bear at the floe edge with an arctic seagull, Lancaster Sound, Nunavut.

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