The article attempts to present what seems to be of critical importance to the planet in terms of the influence on the life of all of us, namely the current changes occurring in the Arctic, as well as tries to show how complex the issue is. The work also tries to prove that the leading entity governing the Arctic, i.e. the Arctic Council is slowly turning into another unmanageable institution, not unlike the United Nations. In addition, the work endeavors to describe briefly the extremely aggressive policy of China towards the Arctic, a fairly new country with the permanent observer status in the Arctic Council wishing rather desperately to obtain a “chunk of the pie” in the division of Arctic riches, seemingly targeting especially Greenland as of late. The author attempts to present the complexity of international relations and diversified interests of separate countries and organizations, as well as evaluates some potential developments in the Arctic geopolitical sphere.

Keywords: the Arctic, Arctic Council, China, Greenland, Arctic interests

1. INTRODUCTION

Much has been written about the importance of the region, be it in the context of the climate and its global impact or the riches the Arctic might hold. After even a glimpse on the map, the strategic importance of the region becomes obvious in terms of security. “The developments in the Arctic will have lasting ramifications for international relations, international law, international climate change policy, international trade, and international human rights. The Arctic’s strategic location will not only influence government policies, but also affect strategic business decisions and global economic development over the coming decades. The Arc-
tice Institute believes that an interdisciplinary approach to Arctic studies, bringing together researches and experts from a variety of disciplines, is key to fully understanding the ongoing transformation of the region and making progress towards sustainable Arctic development” (Arctic Institute, 2012). The truth is that the whole Mendeleev’s Periodic Table can be found in the Arctic, with the notable position of energy carriers, i.e. oil and natural gas, not to mention abundant fisheries, new maritime passages and incredibly rich wildlife. In terms of maritime life alone, after all, there must be a reason why whales migrate up north to find the richest acqua hunting grounds. In short, there is no shortage of reasons why the Arctic is drawing the international interest and becoming increasingly important to the world's most powerful countries and their economies.

Nature has a way of alarming us about possible disasters, especially when the climate changes. “Heat waves from Greece to Siberia – and fires north of the Arctic Circle – are the latest signs this summer that the Arctic is warming twice as fast as the rest of the world. This once-inhospitable corner of the globe is becoming the next global commons as the polar ice cap melts. This will have broad implications for the Arctic as well as non-Arctic nations, and for local and global ecosystems. But the changing environment, new sea lanes and potential new commercial opportunities also open up global security and diplomacy questions” (McFarland & Lide, 2018).

There is no doubt that the Arctic Council came into being because of climate changes. People simply became alarmed at what was happening, and most of all – at the speed of it. And the place that has been showing all the tell-tale signs of the changes was the Arctic Region.

2. ADMINISTERING THE ARCTIC

This section briefly describes the role of the Arctic Council in responding to the problem of climate changes and presents the countries vying for the participation in it, including their possible reasons for doing so. Commonly, the list of pressing issues includes the following themes pertaining to each country involved in the Arctic: sovereignty, energy, security, new transport passages, oil, gas and other natural resources including fisheries, environment protection, and the welfare of indigenous people inhabiting the area.

Terminology is of vital importance and so is the understanding of the context, players involved in the issues of the Arctic, as well as major factors contributing to the intensified interest in the region. If the article is to examine what is at stake for the world and why so many countries wish to be involved in it, we need to establish first what it is exactly that is being examined and perhaps, more importantly, why.

2.1. INTERNATIONAL IMPORTANCE OF THE ARCTIC: RULES AND REGULATIONS, MULTIPLE PLAYERS

According to the US Geological Survey, some 30% of the world’s undiscovered reserves of natural gas, and 13% of the undiscovered oil, lie in the Arctic. It also contains coal, iron, uranium, gold, copper, rare earths, gemstones and much more, including, of course, fish. In the case of the resource-hungry economies of North-East Asia – China, Japan and South Korea – the chance to exploit these riches should or must not be missed. The same applies to the hope
that the North-East Passage above Russia, also known as the Northern Sea Route (NSR), as well as the North-West Passage from the Atlantic over the top of North America, will become navigable for several months each summer. The NSR cuts the voyage from Shanghai to Hamburg by 6,400 km (4,000 miles) compared with the southern journey through the Strait of Malacca and the Suez Canal (Raspotnik & Humpert, 2013).

One of the main problems and a potential source of conflict in the Arctic are its undetermined borders. History has already noted some territorial disputes in the Region of which perhaps the most famous was between Russia and Norway settled in 2010. In addition, there have been arguments between Russia and the United States in the Bering and Chukchi Seas, and between Canada and Denmark over Hans Island and in the Lincoln Sea. The South China Sea shows how minor territorial disputes can flare dangerously, especially when natural resources are at stake.

Another major issue is the Arctic’s relatively undetermined modus operandi, or fairly weak international institutions combined with huge resource base. Unlike in the case of the Antarctic, there exists no Arctic treaty. The Arctic coastal states opposed such a solution, arguing that the Arctic, as the ocean surrounded by land, was well governed by the existing international law. The primary international law governing the Arctic is UNCLOS1 which provides a framework for managing international waters. In addition, it sets forth measures for solving maritime boundary disputes and territorial claims. The primary institutional framework is the Arctic Council whose major task is the international cooperation in environmental protection and sustainable development. The first step towards the formation of the Council occurred in 1991 when the eight Arctic countries signed the Arctic Environmental Protection Strategy (AEPS). The 1996 Ottawa Declaration established the Arctic Council as forum for promoting cooperation, coordination, and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on issues such as sustainable development and environmental protection. The Arctic Council has conducted studies on climate change, oil and gas, and Arctic shipping. In 2011, the Council member states concluded the Arctic Search and Rescue Agreement (signed by all Arctic countries), the first binding treaty concluded under the Council’s auspices. The third major international and legal framework is provided by IMO – International Maritime Organization (IMO. n.d.). It is the United Nations specialized agency with responsibility for the safety and security of shipping and the prevention of marine pollution by ships. Although all Arctic states are members of it, its impact is somewhat limited by the necessity of unanimity in all its decisions and recommendations, just like the Arctic Council.

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1 United Nations Convention on the Law of the Sea. Here is the problem again. With the traditional mistrust of international organizations and the fear that US may be subject to foreign laws, the United States has never ratified it. Another example of such an attitude, although undoubtedly for various different reasons is the much publicized and criticized the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC). The United States was among the nations that participated in the third United Nations Conference on the Law of the Sea, which took place from 1973 through 1982 and resulted in the international treaty known as the United Nations Convention on the Law of the Sea (UNCLOS). The United States also participated in the subsequent negotiations of modifications to the treaty from 1990 to 1994. The UNCLOS came into force in 1994. Although the United States now recognizes the UNCLOS as a codification of customary international law, it has not ratified it.
Finally, the source of potential conflict may also be the involvement or the wish to be involved as expressed by major world powers, of which more is written below. By nature of their geography, the U.S. is already in the Arctic Council, and so is Russia, but China, India, and Brazil are vying for some measure of involvement, which would then obviously include all the BRIC countries, not to mention the European Union, and other interested organizations and states.

2.2. THE ARCTIC COUNCIL

“The Ottawa Declaration of 1996 formally established the Arctic Council as a high level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular issues of sustainable development and environmental protection in the Arctic” (Arctic Council-f, n.d.).

The Council, which includes the eight states with Arctic territory and representatives of the region’s indigenous populations, has evolved into a decision-making organization with a permanent secretariat and budget and it now attracts more attention from the rest of the world.2

This organization, alongside with the countries geographically belonging to it, has granted the status of a permanent participant to six international organizations representing Arctic Indigenous Peoples (Arctic Athabaskan Council – AAC, Aleut International Association – AIA, Gwich’in Council International – GGI, Inuit Circumpolar Council – ICC, Russian Arctic Indigenous Peoples of the North – RAIPON, Saami Council – SC), which in itself presents a new approach in the international political decision making and governance. However, equally interesting is the list of observers, and the criteria applied when granting such a status. Observer status in the Arctic Council is open to: non-arctic states, inter-governmental and inter-parliamentary organizations, global and regional, and non-governmental organizations (Arctic Council-d. n.d.).

The work of the Council is primarily carried out in six Working Groups (Arctic Council-c. n.d.):

- The Arctic Contaminants Action Program (ACAP) acts as a strengthening and supporting mechanism to encourage national actions to reduce emissions and other releases of pollutants.
- The Arctic Monitoring and Assessment Programme (AMAP) monitors the Arctic environment, ecosystems and human populations, and provides scientific advice to support governments as they tackle pollution and adverse effects of climate change.
- The Conservation of Arctic Flora and Fauna Working Group (CAFF) addresses the conservation of Arctic biodiversity, working to ensure the sustainability of the Arctic’s living resources.

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2 The Ottawa Declaration of 1996 formally established the Arctic Council as a high level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular issues of sustainable development and environmental protection in the Arctic. Arctic Council Member States are Canada, Denmark (including Greenland and the Faroe Islands), Finland, Iceland, Norway, Russian Federation, Sweden, and the United States of America.
The Emergency Prevention, Preparedness and Response Working Group (EPPR) works to protect the Arctic environment from the threat or impact of an accidental release of pollutants or radionuclides.

The Protection of the Arctic Marine Environment (PAME) Working Group is the focal point of the Arctic Council’s activities related to the protection and sustainable use of the Arctic marine environment.

The Sustainable Development Working Group (SDWG) works to advance sustainable development in the Arctic and to improve the conditions of Arctic communities as a whole.

The Council may also establish Task Forces or Expert Groups to carry out specific work. The Task Forces operating during the Chairmanship of Finland (2017–2019) are:

- Task Force on Arctic Marine Cooperation (TFAMC),
- Task Force on Improved Connectivity in the Arctic (TFICA).

During the 2017–2019 Finnish Chairmanship there is also one Expert Group operating: Expert Group in support of implementation of the Framework for Action on Black Carbon and Methane (EGBCM).

The Chairmanship of the Arctic Council rotates every two years among the Arctic States. The first country to chair the Arctic Council was Canada (1996–1998), followed by the United States, Finland, Iceland, Russia, Norway, the Kingdom of Denmark, and Sweden. The second cycle of Chairmanships began in 2013. On 11 May 2017, the second United States Chairmanship concluded, and the second Chairmanship of Finland (2017–2019) began. The next country to assume the Chairmanship is Iceland (2019–2021).

2.3. “NEW” AND “OLD” STATES AND ORGANIZATIONS WITH THE OBSERVER STATUS

The criteria for admitting observers to the Arctic Council are (Arctic Council-e, n.d.) as follows: In the determination by the Council of the general suitability of an applicant for observer status the Council will, inter alia, take into account the extent to which observers:

- Accept and support the objectives of the Arctic Council defined in the Ottawa declaration.
- Recognize Arctic States’ sovereignty, sovereign rights and jurisdiction in the Arctic.
- Recognize that an extensive legal framework applies to the Arctic Ocean including, notably, the Law of the Sea, and that this framework provides a solid foundation for responsible management of this ocean.
- Respect the values, interests, culture and traditions of Arctic indigenous peoples and other Arctic inhabitants.

And the observers need to have:

- Demonstrated a political willingness as well as financial ability to contribute to the work of the Permanent Participants and other Arctic indigenous peoples.
- Demonstrated their Arctic interests and expertise relevant to the work of the Arctic Council.
- Demonstrated a concrete interest and ability to support the work of the Arctic Council, including through partnerships with member states and Permanent Participants bringing Arctic concerns to global decision making bodies.
Thirteen Non-arctic States have been approved as Observers to the Arctic Council (Arctic Council-e. n.d.):

- France – Barrow Ministerial meeting, 2000;
- Germany – Iqaluit Ministerial meeting, 1998;
- Italian Republic – Kiruna Ministerial meeting, 2013;
- Japan – Kiruna Ministerial meeting, 2013;
- The Netherlands – Iqaluit Ministerial meeting, 1998;
- People’s Republic of China – Kiruna Ministerial meeting, 2013;
- Poland – Iqaluit Ministerial meeting, 1998;
- Republic of India – Kiruna Ministerial meeting, 2013;
- Republic of Korea – Kiruna Ministerial meeting, 2013;
- Republic of Singapore – Kiruna Ministerial meeting, 2013;
- Spain – Salekhard Ministerial meeting, 2006;
- Switzerland – Fairbanks Ministerial meeting, 2017;

Thirteen Intergovernmental and Inter-Parliamentary Organizations have an approved observer status:

1. International Council for the Exploration of the Sea (ICES) – Fairbanks Ministerial meeting, 2017;
2. International Federation of Red Cross & Red Crescent Societies (IFRC) – Barrow Ministerial meeting, 2000;
3. International Union for the Conservation of Nature (IUCN) – Barrow Ministerial meeting, 2000;
4. Nordic Council of Ministers (NCM) – Barrow Ministerial meeting, 2000;
5. Nordic Environment Finance Corporation (NEFCO) – Reykjavik Ministerial meeting, 2004;
6. North Atlantic Marine Mammal Commission (NAMMCO) – Barrow Ministerial meeting, 2000;
7. OSPAR Commission – Fairbanks Ministerial, 2017;
8. Standing Committee of the Parliamentarians of the Arctic Region (SCPAR) – Iqaluit Ministerial meeting, 1998;
10. United Nations Development Programme (UNDP) – Inari Ministerial meeting 2002;
12. World Meteorological Organization (WMO) – Fairbanks Ministerial meeting, 2017;

Thirteen Non-governmental Organizations are approved Observers in the Arctic Council:

1. Advisory Committee on Protection of the Sea (ACOPS) – Barrow Ministerial meeting, 2000*;
2. Arctic Institute of North America (AINA) (Formerly Arctic Cultural Gateway (ACG)) – Reykjavik Ministerial meeting, 2004 (as: Arctic Circumpolar Route);
3. Association of World Reindeer Herders (AWRH) – Barrow Ministerial meeting, 2000;
4. Circumpolar Conservation Union (CCU) – Barrow Ministerial meeting, 2000;
5. International Arctic Science Committee (IASC) – Iqaluit Ministerial meeting, 1998*;
6. International Arctic Social Sciences Association (IASSA) – Barrow Ministerial meeting, 2000;
7. International Union for Circumpolar Health (IUCH) – Iqaluit Ministerial meeting, 1998*;
9. National Geographic Society (NGS) – Fairbanks Ministerial meeting, 2017;
10. Northern Forum (NF) – Iqaluit Ministerial meeting, 1998;
11. Oceana – Fairbanks Ministerial meeting, 2017;
12. University of the Arctic (UArctic) – Inari Ministerial meeting, 2002;

The role of the observers is listed at the Arctic Council official site (Arctic Council-e. n.d.) as follows:

- Decisions at all levels in the Arctic Council are the exclusive right and responsibility of the eight Arctic States with the involvement of the Permanent Participants.
- Observers shall be invited to the meetings of the Arctic Council once observer status has been granted.
- While the primary role of observers is to observe the work of the Arctic Council, observers should continue to make relevant contributions through their engagement in the Arctic Council primarily at the level of Working Groups.
- Observers may propose projects through an Arctic State or a Permanent Participant but financial contributions from observers to any given project may not exceed the financing from Arctic States, unless otherwise decided by the SAOs.
- In meetings of the Council’s subsidiary bodies to which observers have been invited to participate, observers may, at the discretion of the Chair, make statements after Arctic states and Permanent Participants, present written statements, submit relevant documents and provide views on the issues under discussion. Observers may also submit written statements at Ministerial meetings.

Under the Arctic Council rules, the decision to admit a country or a non-state entity must be unanimous by the eight permanent members of that body. It would be extremely difficult to present the reasons, if known and made public, and the behind-the-curtains jockeying for the position as regards granting the observer status, but perhaps an example of such attitudes is called for here, as well as some of the problems and challenges posed by multiple and much diversified interests of the bodies involved. Such attempts appear to range from logical and reasonable to occasionally bordering on surprising, oblique, cheeky, if not outright blatant. The last category can be exemplified by a Chinese businessman who surprised everybody with a curious bid to purchase the northern-most 10 per cent of Iceland for development as a golf resort – Icelandic territory straddling the Arctic Circle. Iceland rejected the offer (Marketspace, n.d.).

One cannot help but notice the curious absence of the European Union amongst the Permanent Observers. At the Kiruna Ministerial Meeting in 2013, the Arctic Council “received the application of the EU for Observer status affirmatively”, but deferred a final decision.
Until such time as Ministers of the Arctic States may reach a final decision, the EU may observe Council proceedings.

“Since 2008, the EU has stated that such a status is important for its future engagement in the region” (European Commission, 2008). Its bid in 2009, however, was vetoed by Canada, which stated that ‘Canada doesn’t feel that the European Union, at this stage, “has the required sensitivity to be able to acknowledge the Arctic Council’ (CBC News, 2009). This was attributed to the EU’s 2008 import ban on seal products, which was particularly contentious for Canada. At the ministerial meeting in 2011, the decision concerning observer status applicants was deferred again until 2013. The EU (represented by the European Commission) has nonetheless been attending Arctic Council meetings as an ad-hoc observer by consecutively requesting participation. In reality, the coveted position as a ‘permanent’ observer does not entail much more than a regular invitation to attend Arctic Council meetings and the opportunity to contribute to its working groups, an option already available to ad-hoc observers (Arctic Council-e. n.d.). The emphasis the EU has placed on achieving observer status is thus more symbolic than tangible in nature: being accepted as an ‘in-group’ member confers more legitimacy as an Arctic actor than the practical outcome of the status in itself” (Østhagen, 2013).

Naturally, there exist conflicting opinions on the issue. To illustrate the point, here are two quotations from reputable authors: Luke Coffey, Director of Douglas & Sarah Allison Center for Foreign Policy, in the article titled “No European Union Membership in the Arctic Council” and the opposite view presented by Timo Koivurova, the director and a research professor of the Arctic Centre, University of Lapland, Finland in the article titled “The EU in the Arctic: Correcting Misconceptions.” One of them must be right.

“Since the EU Commission is a supranational organization, it does not meet the criteria established by the Arctic Council to become an observer. The EU Commission has no business applying for, much less becoming, an observer in the Arctic Council. This was the case in 2009, when the Arctic Council rejected the EU’s application, and it is still true today. Supporting the EU Commission’s application for observer status is not in the interest of the U.S.—nor of the other members of the council—as it erodes the importance of state sovereignty in the Arctic” (Coffey, 2013).

“The time has come for Arctic states to try to understand the European Union and acknowledge its investments in research, development and education in the region, and its contribution to Arctic governance. It should be formally accepted as an observer to the Arctic Council” (Koivurova, 2016).

The Canadian source, “Interests and Roles of Non-Arctic States in the Arctic: Background Brief” (Opencanada. 2011), dated to October 2011, enumerates the interests of some of those countries in the Arctic as follows:

**China:**

– Scientific research on climate change and marine species.
– New shipping routes.
– Oil and gas for energy security.
– Natural resources security.
– Great power competition.
Japan:
- Scientific research on climate change and marine species.
- New shipping routes.
- Natural resources (including rare elements and metals) for food and resource security.

Republic of Korea:
- Scientific research on climate change and marine species.
- Liquefied Natural Gas (LNG).
- Natural resources for food security.
- New shipping routes.
- New commercial activity for their shipyards.

India:
- Scientific research on climate change and global warming (the melting sea ice and permafrost will impact their people and ecosystems).
- Oil and gas to provide energy security.
- Natural resources for food and resource security.
- New shipping routes.
- Great power competition.

European Union’s policy is based on the following principle:
- Protecting and preserving the Arctic together with its population, inter alia taking account of climate change and its various potential impacts including on fishing.
- Promoting sustainable use of natural resources.
- Contributing to enhanced governance in the Arctic through implementation of relevant agreements, frameworks and arrangements, and their further development.
- Emphasizing the need for maritime and fishing regulations for the Arctic that do not unduly hamper access on the part of non-Arctic states.

The reasons for admitting non-Arctic countries are substantiated by the reasoning that engaging these countries into Arctic Activities more deeply will on the one hand encourage them to pay more serious attention to the environmental concerns, especially, the concerns which pertain to shipping and future resource exploration, which takes place in the fragile Arctic environment. In addition, USA, Russia and Canada would benefit from stronger Arctic engagement by these states and will better understand their position towards the Arctic while giving up very little of their direct influence on Arctic matters. Rejecting the applications Arctic states will send a very strong negative political message to the countries seeking the permanent observer status. By accepting observers and therefore enhancing its openness and inclusiveness, the Council will help the international community to better appreciate its work, thus expanding its international influence and reputation (SIPRI, n.d.).

Even if we agree that China indeed is a ‘near-Arctic state,’ what about Singapore which sits on the equator? “The answer is that in 2012, as the summer ice melted, 46 ships sailed through Arctic waters, according to the research group called Arctis, mostly from Far Eastern ports to Europe. They carried 1.2 million tons of cargo, a third more than in 2011. This ‘northern route’ could erode Singapore’s position as a global shipping hub. And the melting
of the Greenland glaciers could threaten its existence: Singapore’s highest point, Bukit Timah, is only 164 m (538 ft) above sea level” (Economist, 2013).

As usual, the opinions on the issue of granting the observer status to non-Arctic countries are diverse. On the one hand, as said before, the Arctic Council may gain a lot by allowing other countries in. On the other, however, concern is voiced by many, including especially indigenous people, that the “enlargement” of the Arctic Council might blur the basic issues and principles of it which should govern its activities. “As a matter of established Arctic Council principle, states seeking Observer status must respect the sovereignty of the Arctic states and the rights of the Arctic indigenous peoples. Several commentators noted that this is where the European Union application was questioned, as the EU is perceived to be on the wrong side of a critical issue regarding indigenous rights to hunt and sell their products on global markets (...) Adding to this, it was heard from many that some applicants for Observer status – China, Japan and South Korea, for example – have polar assets, such as an Arctic science research station and icebreaker ships, but that may not be sufficient to qualify them for membership” (Canada as an Arctic Power, 2012).

Overall, the Arctic Council is perceived favorably by the media and the public. The council is viewed positively as an organization grouping states working together on important environmental issues. The council, according to the respondents, registers medium success in raising awareness of its mission. “The Council usually communicates what it does fairly well. But there is a lot of potential for confusion about what it does – especially because there are so many issues happening in the Arctic that the Council doesn’t deal with – which makes it significant when it attracts accurate coverage of its activities” (Charter & Bluth, 2017).

3. COMPLEX RELATIONS: THE CASE STUDY OF CHINA

“For China and the EU and other entities to want to become part of the Council—those are issues that at first glance maybe seem a little bit surprising. That China, a country without any Arctic territory, would want a seat at the table in an Arctic international institution is a bit like Canada wanting to become a member of the African Union. China’s interest was unusual, and the reasons behind it inspired more coverage” (Charter, Bluth, 2017).

The promise of the natural resources seems an obvious answer to the question why so many countries want to join/observe/be in the loop, keep an eye, etc. Much controversy has surrounded the bid for the Arctic Council observer by the economic world power, China. The Arctic Institute Center for Circumpolar Security Studies states that “In his address to conference, Chinese Ambassador to Norway Zhao Yun described his as a ‘near-Arctic state’, and – in a sign that China's diplomatic approach is paying off – there are new indications that both Canada and Norway are open to Chinese observer status. Canada might elect to support China's bid, but not that of the EU. Norwegian Minister of Foreign Affairs Espen Barth Eide has announced that Norway will work towards admitting China as an observer state, as said in the Barents Observer” (Casey, 2013). Other sources claim, however, that Denmark supports China’s bid, which is not surprising taking into consideration the increase in trade between the two countries and China’s high hopes for investing in Greenland’s minerals. Norway initially dropped its support of Chinese observer status after Beijing cut off political and human rights dialogues with Oslo when the Nobel Committee awarded imprisoned Chinese activist Liu Xiaobo with the Nobel Peace Prize in October 2010 (Bennet, 2012). Beijing
also took other retaliatory measures such as enforcing stricter controls on Norwegian salmon imports, causing their sales to fall dramatically. On the other hand, China can count on the support of Canada as the former country “has already invested millions in the Athabaska oil sands. It is also planning to invest in Quebec’s Plan Nord, the province’s strategy for developing its northern half. Last August, Quebec Premier Jean Charest traveled to China and Japan to promote Asian investment in his province. On January 12, Wuhan Iron and Steel Co., China’s third-largest steelmaker, successfully closed the deal to create a joint venture with Adriana Resources, a Canadian iron ore producer, to develop deposits in Lac Otelnuk, in Nunavik, Quebec. Jilin Jien Nickel also recently announced a CAN $400 million investment in a nickel mine near Kangiqsujuaq, Nunavik, and it has signed agreements with three Inuit communities to pay royalties” (Bennet, 2012). If we had a third hand, we could say that although Canada is for granting China the observer status, it is averse to doing so in the case of European Union. Once again, the reasons seem to be purely economic. Despite an Inuit exemption, the EU ban on trade in seal products has had a devastating effect on Inuit communities in the Canadian Arctic. “Canada hasn’t been quite as open in its support but there has been nothing to suggest that Canadians are in fact opposed to the Chinese; probably they would be quite happy to see the Chinese on. The complicating factor for Canada of course is that it has strong views on the European Union’s effort to join as an observer because of the Europeans’ position on seal trade” (Sevunts, 2013). China has invested both financially and diplomatically in the Arctic. The Arctic Institute, a Washington think-tank, notes that China spends more on polar research than America, though, to put this in perspective, so does South Korea” (Raspotnik & Humpert, 2013).

The condemnation of Norway by China for Liu Xiaobo’s Nobel Peace Prize has some Scandinavians questioning Beijing’s temperament to join the Arctic Council. China retaliated following Liu’s 2010 award, suspending talks on a free trade agreement, snubbing visiting diplomats, and imposing new import controls on Norwegian salmon. Oslo reported Beijing to the World Trade Organization over the fishing dispute. Norway worked to resolve the tensions and stressed the independence of the Nobel Committee. After many disputes and several debates, cold shoulders and retaliations, Norway seems to have warmed up to the idea of China being granted an observer status at the Arctic Council. However, Foreign Minister Jonas Gahr Stoere says Norway favors accepting new observers in 2013 – but with two conditions. The first is codifying the difference between full members – Canada, Greenland, Norway, Russia, the United States, Sweden, Finland, and Iceland – and the role of permanent observers, which currently include the Netherlands, the United Kingdom, Germany, France, Poland, and Spain. The second is respect for Arctic Council principles linked to the Convention of the Law of the Sea3 and the obligation to settle conflicts through consensus-based

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3 While the Secretary General of the United Nations receives instruments of ratification and accession and the UN provides support for meetings of states party to the Convention, the UN has no direct operational role in the implementation of the Convention. There is, however, a role played by organizations such as the International Maritime Organization, the International Whaling Commission, and the International Seabed Authority (the latter being established by the UN Convention).

The International Seabed Authority, which has 165 members and whose primary goals are to regulate deep seabed mining and to give special emphasis to ensuring that the marine environment is protected from any harmful effects which may arise during mining activities, including exploration, would seem to be very useful for the deliberations regarding the North, but one more time, as its signatories, out of 8 member states of the Arctic Council it lists Canada, Denmark, Iceland, Finland, Norway,
negotiation (Voice of America, 2012). According to “The Arctic Portal”4, Norway has declared ready to accept China as an observer in the Arctic Council. After a political dispute over Liu Xiaobo was awarded the Nobel Peace prize in 2010, Foreign Minister Espen Barth said it was irrelevant to the issue. “We want people to join our club. That means they will not start another club”. Sweden foreign minister Carl Bildt backed his colleague. “The Arctic Council should be the arena for Arctic issues.” Earlier, Iceland has already welcomed China as an observer. Ambassador to Norway for the People’s Republic of China, Zhao Jun and Ambassador to Norway from the Republic of Korea, Byong Hyun Lee both advocated including stakeholders from outside the Arctic to be granted observer status in the Arctic Council when giving speeches at the Arctic Frontiers in Tromsø (Arcticportal, 2013).

On January 21, 2013 Chinese media reported that Norwegian Foreign Minister Espen Barthe Eide (original spelling by the Chinese press) said that Norway will support China’s application for the status of a permanent observer to the Arctic Council. “We are supportive to the enlargement of the number of observers and we are now working with other members towards a decision at the coming ministerial meeting in May” on the applications including that from China, Eide said at a press conference held after signing the agreement on setting up the Secretariat of the Arctic Council in Tromso, a northern Norwegian city. Norway wants to discuss Arctic-related issues with all relevant countries and China is clearly a country to have such dialogue with, said Eide. “You know, Norway and China are neighbors with only one country between us,” added the Norwegian Foreign Minister (English.news.cn, 2013).

If not Iceland and perhaps not Norway, then may be Denmark and/or Russia, and some other Arctic countries? China cannot physically claim Arctic territory, but it can buy stakes and invest heavily in the Arctic ventures. “The nation struck a free-trade pact with Iceland in 2013, and it has held free-trade discussions with Norway since 2008. Finland has jointly called for greater cooperation with China, in the context of European Union trade policy. Canada and China in December extended exploratory free-trade talks after being unable to launch a formal round. Chinese agencies are already common financiers of Arctic projects, including several Russian initiatives. They have placed early bets on resources in Greenland, which have yet to pan out. And when President Donald Trump visited China in November, the oil giant Sinopec, China Investment Corp., and Bank of China Ltd. pledged to help finance Alaska LNG, a $43 billion gas-export project” (Roston, 2017).

As writes Anne-Marie Brady, by China’s definition, the polar regions, the deep seabed, and outer space are all res nullius (literally, “no one’s property”), and hence are ripe for “colonization”. “In 2015, the Chinese government announced that the Polar Regions, the deep seabed, and outer space are China’s ‘new strategic frontiers’ (zhanlüe xin jiangyu), strategically important areas from which China will draw the resources needed to become a global power. Although this vision has only recently been made public by China’s senior leader Xi Jinping, the thinking behind it has been developing for many years” (Brady, 2017).

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4 The Arctic Portal is an endorsed IPY-Project no. 388 lead by Iceland’s Senior Arctic Official in consultation and co-operation with other members of the Arctic Council and its Working Groups, Permanent Participants, Northern Forum, UArctic, The Arctic Centre at the University of Lapland, The Arctic and Antarctic Research Institute of Roshydromet, The International Centre for Reindeer Husbandry and others.
According to A-M Brady, the map was developed by a Chinese geophysicist, and used for more than a decade by scientists and military. In her opinion, it shows both the scope of the nation’s ambitions and just how concentrated this part of the world really is. The map was first made public in 2014.

“The Arctic makes up only six percent of the Earth’s surface, and yet neighbors feel like they live on the other side of the world from each other. China’s vertical map projects a view of the world few westerners have considered. But it’s a world that has China squarely at its center and is marked conspicuously by a lack of ice at the North Pole” (Roston, 2017).

It so happens that a country like China, with world ambitions and lots of money to invest, certainly would like to sit at the Arctic table for a variety of reasons, to mention only new sea routes and energy resources. As writes Camilla T.N. Sørensen (2018, p. 2) in her policy brief, China as an Arctic Great Power: Potential Implications for Greenland and the Danish Realm, dated to February 2018, “China’s first Arctic White Paper, released in late January 2018 states that China, due to its status, size and proximity to the Arctic, has legitimate interests in the region and should therefore be respected and included as an important stakeholder. Furthermore, it emphasizes that the Arctic should not be regarded as a demarcated region but has global implications and international impacts, and therefore it is not up to the Arctic states solely to establish the rules and norms for the future development of and access to the region and its resources. Non-Arctic states like China also have a legitimate role to play and a right to engage in Arctic research, navigation, overflight and a series of economic activities such as resource extraction, fishery, cabling and piping.”

4. DENMARK AND GREENLAND

The only reason why Denmark is an Arctic state is because Greenland is part of the Danish Realm. Without Greenland, Denmark would lose the opportunity of sitting at the table with great powers such as Canada, Russia, and the United States; something which is quite unique for a small state like Denmark. It is of primary importance that Denmark take utmost care of the relationship with Greenland and treat any possible disagreements between Nuuk and Copenhagen with great mutual respect.

Legally, the stage is set for Greenland to sever links with Denmark, whenever Greenland’s population wishes to do so. That is nailed down in the Act on Greenland Self-Government, §21. Economic realities do, however, make such a decision unlikely in the foreseeable future since the block grant of 3.64 billion Danish kroner account for more than 25 percent of Greenland’s total public budget (Act on Greenland Self-Government, 2009, p. 20, as quoted by Jacobsen). Full independence from Denmark at this stage would therefore result in indecent deteriorations of the general living standards in Greenland, unless significant mineral finds are made, simultaneously with substantial rises in global commodity prices. In the overall picture, that does not have a significant effect. According to the report To the Benefit of Greenland it would require 24 large-scale mines operating simultaneously in order to zero out the block grant (Rosing, 2014, as quoted by Jacobsen). If oil is found it is a completely different matter, but continuing explorations

5 The section in cursive is based entirely on Marc Jacobsen’s, Denmark’s strategic interests in the Arctic: It’s the Greenlandic connection, stupid! The selection was made by R.S. Czarny, with some language modifications introduced. The text has been edited and condensed for the purpose of this article.
since the 1970s has not yet resulted in any kind of oil production whatsoever, so at present it does not seem to be the shortest path to increased economic independence.

For the moment, Denmark, or rather Greenland, seems to be targeted by China, not forgetting about other possibilities. China has been proceeding very carefully as the relations as not to tread on any of Danish rights and seeks support in Copenhagen for its activities (Sørensen, 2017, p. 5). Nevertheless, the direct interest of China in Greenland was evidenced by, for example, “the recent agreement – a so-called Memorandum of Understanding (MoU) – between the Chinese State Oceanic Administration (SOA), which is part of the Chinese Ministry for Land and Resources, and the Greenlandic Ministry of Education, Culture, Research and Church,” as quoted in Sørensen (2017). “The agreement, which became effective in May 2016, aims to increase research networks and exchange between China and Greenland” (Petersen, 2016, p. 5). Subsequently, the Chinese side has followed up on the agreement with efforts to establish a research station and a satellite receiving station in Greenland (Breum, 2017, p. 5). In addition, the visit by Greenland’s Minister for Independence, Foreign Affairs and Agriculture, Suka K. Frederiksen, to the Chinese Ambassador in Copenhagen in the beginning of January 2018 is also noteworthy. According to the subsequent press release from the Chinese embassy, the Ambassador first stressed that the meeting concerned ‘local exchanges’ and then encouraged the two parties – China and Greenland – to increase their exchanges and cooperation within areas such as culture, tourism and the unspecified ‘Arctic affairs’, which seems to complicate limiting the meeting to ‘local exchanges’ (Chinese Embassy, 2018; Sørensen, p. 5).

As somebody smug said – and scholars, loath, abominate, detest and reject such statements – Greenland, for example, may assume the name of The North-American and European, Viking, Democratic, People’s, Sino-Nordic, Indigenous, Sustainable and Natural World Habitat of the Kalaallit. Admittedly, it may be a bit of a mouthful, not to mention the impossible acrostic, but that way Greenland would have incorporated more or less all the interests of the competing countries, combined the semantic with the political, and at the same time preserved the tradition and history of this island reflecting simultaneously the spirit of political correctness and prevailing trends.

China’s Arctic vision stretches out past 2049, the centennial of its revolution (Roston, 2017), and it seems to be realized in a very deliberate and methodical way. “China’s thinking on the Polar Regions and global oceans demonstrates a level of ambition and forward planning that few, if any, modern industrial states can achieve. If China succeeds in its goals in the Polar Regions, the high seas, outer space, and cyberspace, then its quest for international status and power will be assured” (Brady, 2017).

Recently, President Donald Trump expressed his interest, presumably on behalf of the United States, in buying Greenland. Almost unanimously, it has been condemned, laughed if not jeered at, rejected and considered crass and undiplomatic if not plain arrogant. Be as it may, it has sent a powerful and unambiguous signal to China and other powers that the United States is interested in the Arctic and most probably will not tolerate any attempts aiming at changing the status quo in the Arctic.

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6 The name of the island in the indigenous Greenlandic language is Kalaallit Nunaat (“land of the Kalaallit”). The Kalaallit are the indigenous Greenlandic Inuit people who inhabit the island’s western region (Stern, 2004, p. 89).
5. CONCLUSIONS

If we take the member states of the Arctic Council (8) and their respective memberships in various organizations (e.g. the EU, NATO, add to them permanent participants (6), observer states (13), intergovernmental and inter-parliamentary organizations (13) and non-government organizations (13) with the observer status and the countries and organizations currently applying for the observer status, together with their affiliations, and complement that situation by the variant of the changing chairmanship, and then multiply the received number by international, multilateral political and economic relations of each of the entities, the result will be mind-boggling. The situation is dynamic, ever-changing and what is written today will probably no longer hold true tomorrow. With the right of veto enjoyed by the state members and the complexity of various interests, a comparison with the United Nations Organizations seems to suggest itself. Even if we examine the investors, following the obvious trail of money, in the global world of economy today and the very complex ownership of companies, the picture does not become much clearer. The political games are very much on. Because, hypothetically speaking, one could ask a question which is pure conjecture and an example only: Why would Russia even wish to risk/enjoy/block the EU’s bid for the observer status at the Arctic Council when the United States is openly against it, as it is on public record, when the decision of the member states needs to be unanimous?2

Some critics of the Arctic attempted solutions claim that the Arctic Council with its veto rights and multiple players becomes as manageable as the UN, and it is not a compliment in this context. The same kind of people state that if the issues become so complex that no layman appears to be able to make the heads or tails of them, so it probably is about money.

Optimists say, however, and let us hope it proves true in the future, that the global community finally has a chance to make the Arctic governance not only about the money but also about security, socially and ecologically responsible distribution and access to the resources, shared maritime passages, protection of the environment, common and transparent defense strategies, honoring and protecting indigenous peoples’ right, and sustainable development. May they all agree.

2 “The Senate should seek clear guarantees from Senator Kerry that he will: (…) Veto the European Union’s attempt to join the Arctic Council. The question of sovereignty is also important in terms of defining actors in the Arctic. Only national or sub-national bodies or purely intergovernmental organizations should have a role in Arctic matters. Supranational bodies should be excluded from having a formal role in Arctic matters” (Coffey, 2013).
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