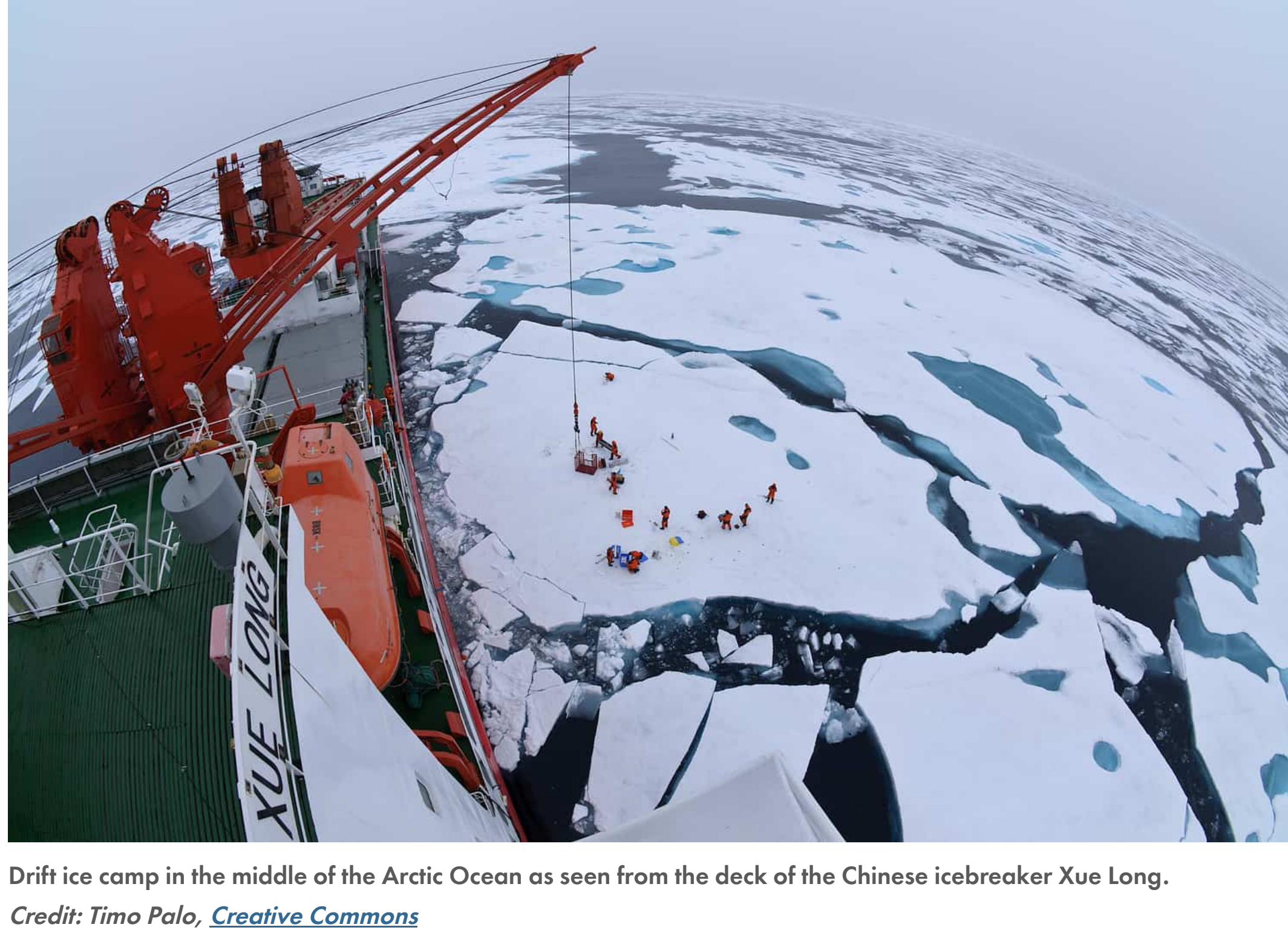
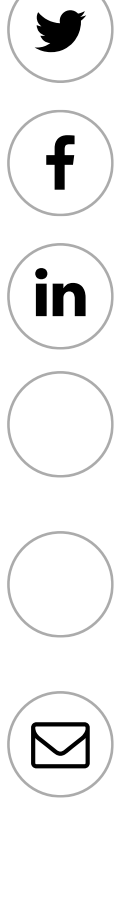


NEWS AND ANALYSIS

Why China's Interests in the Arctic are Constrained

Worries that China's behavior in the South China Sea foreshadows future provocations in the Arctic are exaggerated.

BY YUN SUN — JUNE 26, 2020



Drift ice camp in the middle of the Arctic Ocean as seen from the deck of the Chinese icebreaker Xue Long. Credit: Timo Palo, Creative Commons

China has broad ambitions for influence in the Arctic region, the northern polar region that is rich in natural resources, central to halting the effects of global warming and encircled by the eight, so-called arctic nations: Canada, Denmark, Finland, Iceland, Norway, Sweden, Russia, and the United States.

In recent years, China has invested heavily in the region, [declared itself a "near Arctic state,"](#) built ice-breakers and ships capable of exploring and traversing a region that could cut short its route to Germany, and included it in its plans for a "Polar Silk Road." Taken together, these actions have alarmed some in the United States government, who have pressed Denmark to prevent China from buying an old military base in Greenland or helping build airports on the territory.

Some observers have even drawn links between China's aggressive behavior in the South China Sea and its future potential behaviors in the Arctic. The popular conclusion is that actions such as land reclamation, as Beijing has done in the South China Sea, could represent a Chinese pattern in all maritime domains, especially a remote and faraway region such as the Arctic.

But hyped up American concerns about what China might do, or could do, are largely exaggerated. There are, for instance, considerable constraints on China's ambitions in the Arctic — namely it is not one of the eight Arctic nations — and there are critical distinctions between how Beijing approaches the South China Sea and the Arctic. In the South China Sea, China's goal is to keep it closed, especially militarily and politically, to foreign powers. It intends to be *the* regional power and authority of its own backyard, with the fence gate closed to outsiders.

In the Arctic, on the other hand, China has no territorial claim. In 2018, the country tried to test how far it could get with a self-claimed status as a "near-Arctic state" (turns out, most countries don't deem 900 miles as very "near"), but China seems to recognize that its most important weakness in its Arctic ambitions lies in its non-Arctic state identity. Its goal, then, is to keep the Arctic open, demanding the region remain as free and accessible as possible. If any comparison can be made, China's policy towards the Arctic is more comparable to its goals in the Indian Ocean — it wants access, both for its blue water navy and in order to exercise its global economic presence.

But China faces an uphill battle here. The fact that China does not have any territorial or maritime claim in the Arctic has critical implications for China's available venues for accessing and working in the region. Although China is trying to pry its way into the Arctic through economic engagement and science diplomacy, its ability to maneuver or play a dominant role is extremely limited.



Eight nations have land in the Arctic. Credit: U.S. State Department

Compounding its challenges, China is a late comer to the Arctic. The country's Arctic engagement did not really begin until the 1990s when China "rediscovered" its signatory status to the [Svalbard Treaty](#), which recognizes Norwegian sovereignty over the archipelago while affording foreign signatories certain rights. Since then, China's Arctic activities have been mostly exploratory — e.g., science research expedition and exploration of commercial development — although it certainly has much more exploitative ambitions, especially in the economic arena. The United Nations Convention on the Law of the Sea (UNCLOS) affords China certain rights, especially in the [Arctic high seas](#). But China's direct security and military involvement in the Arctic still suffers from fundamental legal, political, technical and other practical constraints. In other words, without bilateral collaboration with Arctic states or a multilateral approach with more nations, China's mobility and operability in the Arctic is significantly limited.

In other regions, the most effective tool in China's foreign policy toolbox has been its financial capital. For example, major investments have paved a much smoother path in Africa for Beijing to establish, strengthen and expand its influence. But, with the exception of Russia, Iceland, and some local and commercial actors in Alaska and Greenland, the Arctic states are generally not poor and are unlikely to be vulnerable to or dependent on Chinese financing. The more comprehensive and stringent foreign investment regulations, especially in terms of environmental and social impacts, by the Scandinavian and North American countries make them rather immune to the Chinese "predatory" lending.

Russia is perhaps China's most consequential partner in the Arctic, thanks to the strategic alignment between the two since the 2014 Ukraine crisis and, consequently, the crippling sanctions on the Russian economy. But people should bear in mind that this is a relatively new phenomenon. In 2012, Russia [rejected](#) a Chinese vessel seeking to conduct research in its Northern Sea Route and previously [had long opposed](#) its observer status at the Arctic Council.

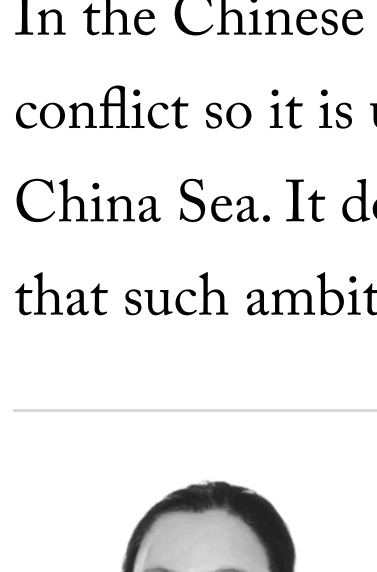
Even with the Russian desire for Chinese financing, however, Chinese money has not proven entirely successful in terms of granting access. Russia has turned to China to stimulate the energy resources exploration in its High North and to reinvigorate the infrastructure of its Northern Sea Route in order to create more revenue, but Russia is not willing to subject itself to exploitative and predatory Chinese financing that could jeopardize Russian sovereignty and security down the road. For example, the Yamal LNG project — a joint venture to develop the natural gas reserve of Russia's Yamal peninsula — has been a successful Chinese project in the Arctic region, but — crucially — the port development in Sabetta, which serves the Yamal project, has been solely funded by the Russian government.

Moscow simply does not let China in on strategically important projects in its High North. The Russian desire for cash has led to many enthusiastic discussions between the two countries on the surface, but they have rendered few concrete projects. In the end, Russian reluctance to surrender ownership gives China less incentive to spend on any major infrastructure projects in the Russian High North.

Which brings us back to the comparisons to the South China Sea. The Arctic does still have security implications for China, especially through missile deployment and missile defense systems since the Arctic represents the shorter attack distance between North America and Asia.

The potential of a naval blockade in the Arctic — which would affect China's LNG from Yamal peninsula as well as the safety and security of China's LNG tankers and other commercial shipping in the region — is also a concern. But any Chinese military or security presence in the Arctic would have to be endorsed (or not objected) by at least one Arctic state. And it is difficult to see Russia extending that invitation letter. This is critical, because without a polar maritime environment to develop, practice and exercise operational capability in the High North, China, especially the Chinese Navy, has little operational background and ability.

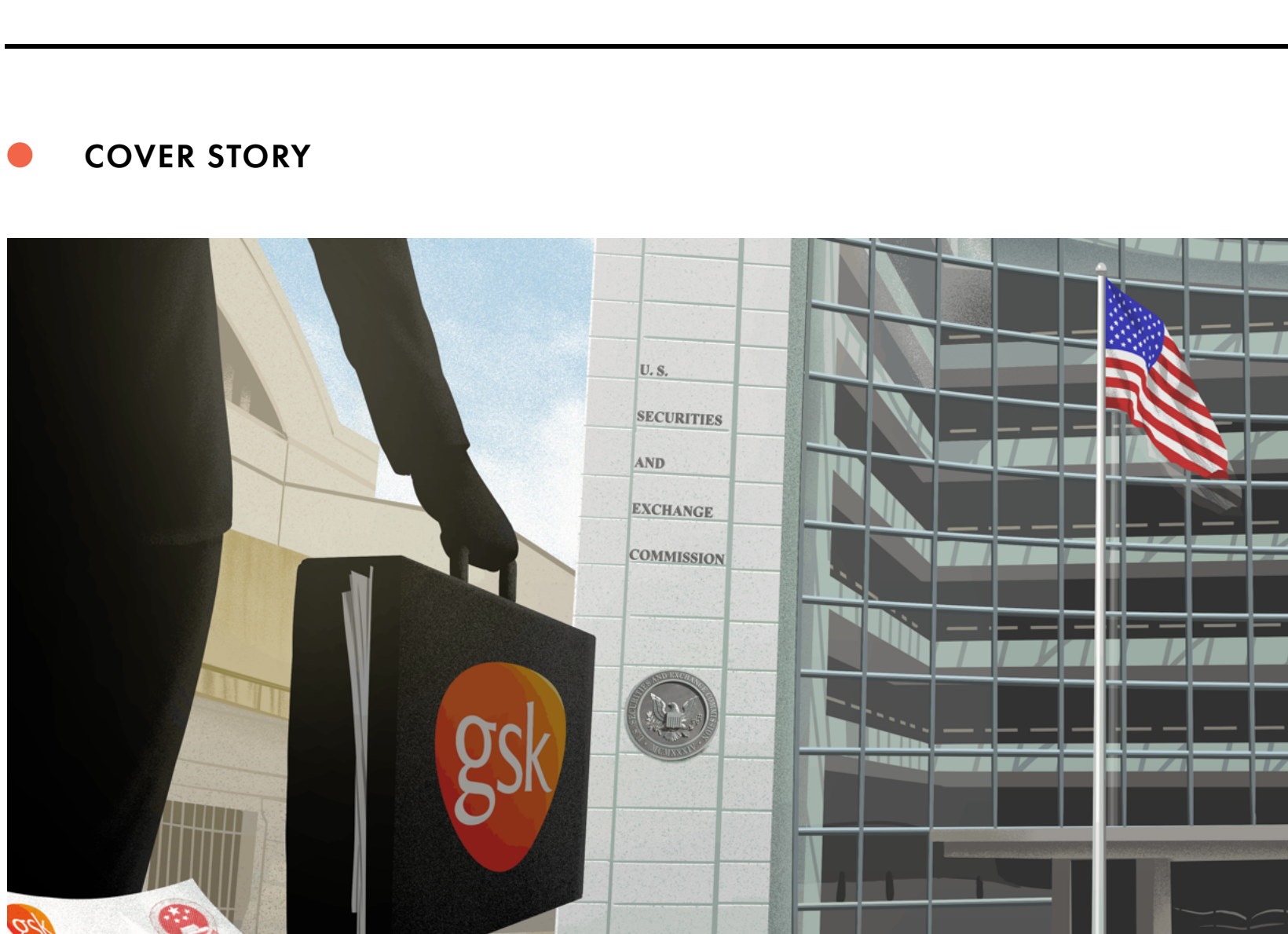
In the Chinese playbook, then, the Arctic will simply not be the primary theater for a conflict so it is unlikely to push aggressively in the region the way it has in the South China Sea. It doesn't mean that China does not have ambitions there. But it does mean that such ambitions are less likely to be vital or dominant.



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COVER STORY



The GSK Files

BY DAVID BARBOZA

Ten years ago, a single whistleblower sounded the alarm on rampant corruption at GSK's China office. But while the ensuing scandal led to record fines and even prison time in China, the original whistleblower is still waiting to be heard in the States. This is their story.

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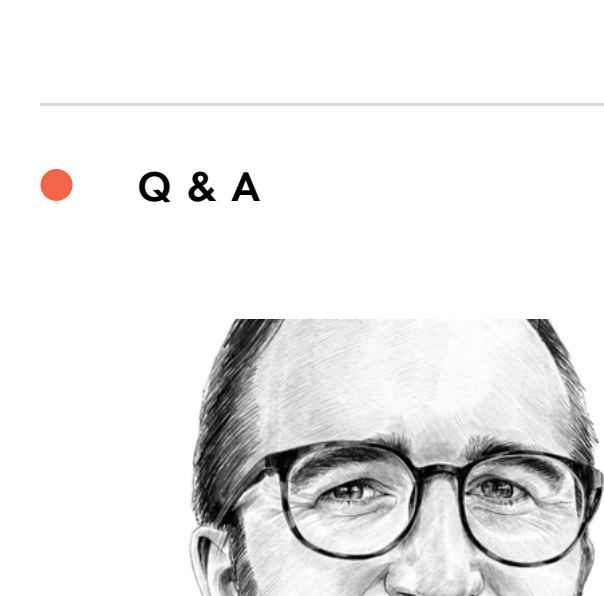


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BY KATRINA NORTHROP

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Q & A



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