

Executive Summary Background

No. 2202
October 30, 2008



Published by The Heritage Foundation

The New Cold War: Reviving the U.S. Presence in the Arctic

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The Arctic is quickly reemerging as a strategic area where vital U.S. interests are at stake. The geopolitical and geo-economic importance of the Arctic region is rising rapidly, and its mineral wealth will likely transform the region into a booming economic frontier in the 21st century. The Arctic coasts and continental shelf are estimated to hold large deposits of oil, natural gas, methane hydrate (natural gas) clusters, and large quantities of valuable minerals.

With the shrinking of the polar ice cap, extended navigation through the Northwest Passage along the northern coast of North America may soon become possible with the help of icebreakers. Similarly, Russia is seeking to make the Northern Sea Route along the northern coast of Eurasia navigable for considerably longer periods of the year. Opening these shorter routes will significantly cut the time and costs of shipping.

Despite the Arctic's strategic location and vast resources, the U.S. has largely ignored this region. The United States needs to develop a comprehensive policy for the Arctic, including diplomatic, naval, military, and economic policy components. This should include swiftly mapping U.S. territorial claims to determine their extent and to defend against claims by other countries. With oil and gas prices recently at historic highs in a tight supply and demand environment, the rich hydrocarbon resources in the Arctic may bring some relief to consumers. These resources, especially the hydrocar-

bons, also have the potential to significantly enhance the economy and the energy security of North America and the world.

Russian Ambitions. Russia recognizes the multifaceted potential of the Arctic and is moving rapidly to assert its national interests. Moscow has submitted a claim to the U.N. Convention on the Law of the Sea to an area of 460,000 square miles—the size of Germany, France, and Italy combined. The Kremlin is pursuing its interests by projecting military power into the region and by using diplomatic instruments such as the Law of the Sea Treaty. Russia made a show of planting its flag on the Arctic seabed in August 2007 and has resumed strategic bomber flights over the Arctic for the first time since the end of the Cold War.

While paying lip service to international law, Russia's ambitious actions hearken back to 19th-century statecraft rather than the 21st-century law-based policy and appear to indicate that the Kremlin believes that credible displays of power will settle conflicting territorial claims. By comparison, the

This paper, in its entirety, can be found at:
www.heritage.org/Research/EnergyandEnvironment/bg2202.cfm

Produced by the Douglas and Sarah Allison
Center for Foreign Policy Studies
of the

Kathryn and Shelby Cullom Davis
Institute for International Studies

Published by The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002-4999
(202) 546-4400 • heritage.org

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West's posture toward the Arctic has been irresolute and inadequate. This needs to change.

Reestablishing the U.S. Arctic Presence. The United States should not rely on the findings of other nations that are mapping the Arctic floor. Timely mapping results are necessary to defending and asserting U.S. rights in bilateral and multilateral fora. The U.S. needs to increase its efforts to map the floor of the Arctic Ocean to determine the extent of the U.S. Outer Continental Shelf (OCS) and ascertain the extent of legitimate U.S. claims to territory beyond its 200-nautical-mile exclusive economic zone. To accomplish this, the U.S. needs to upgrade its icebreaker fleet. The U.S. should also continue to cooperate and advance its interests with other Arctic nations through venues such as the recent Arctic Ocean Conference in Ilulissat, Greenland.

Specifically, the United States should:

- **Create an interagency task force on the Arctic** bringing together the Departments of Defense, State, Interior, and Energy to develop the overall U.S. policy toward the region. The U.S. should use diplomatic, military, and economic means to maintain its sovereignty in the Arctic, including establishing a Joint Task Force–Arctic Region Command, headed by a Coast Guard flag officer. The U.S. should also establish an Arctic Coast Guard Forum modeled after the successful Northern Pacific Coast Guard Forum.
- **Accelerate the acquisition of icebreakers** to support the timely mapping of the Arctic OCS and the Arctic in general to advance U.S. national interests. The U.S. needs to swiftly map U.S. claims on the OCS and areas adjacent to Alaska to preserve its sovereign territorial rights. Timely mapping will be important as the other Arctic nations submit their claims within the 10-year window. The U.S. should not rely on mapping from other countries to advance its claims or to defend against the claims of other countries.
- **Provide the U.S. Coast Guard with a sufficient operations and maintenance budget** to support an increased, regular, and influential presence in the Arctic.

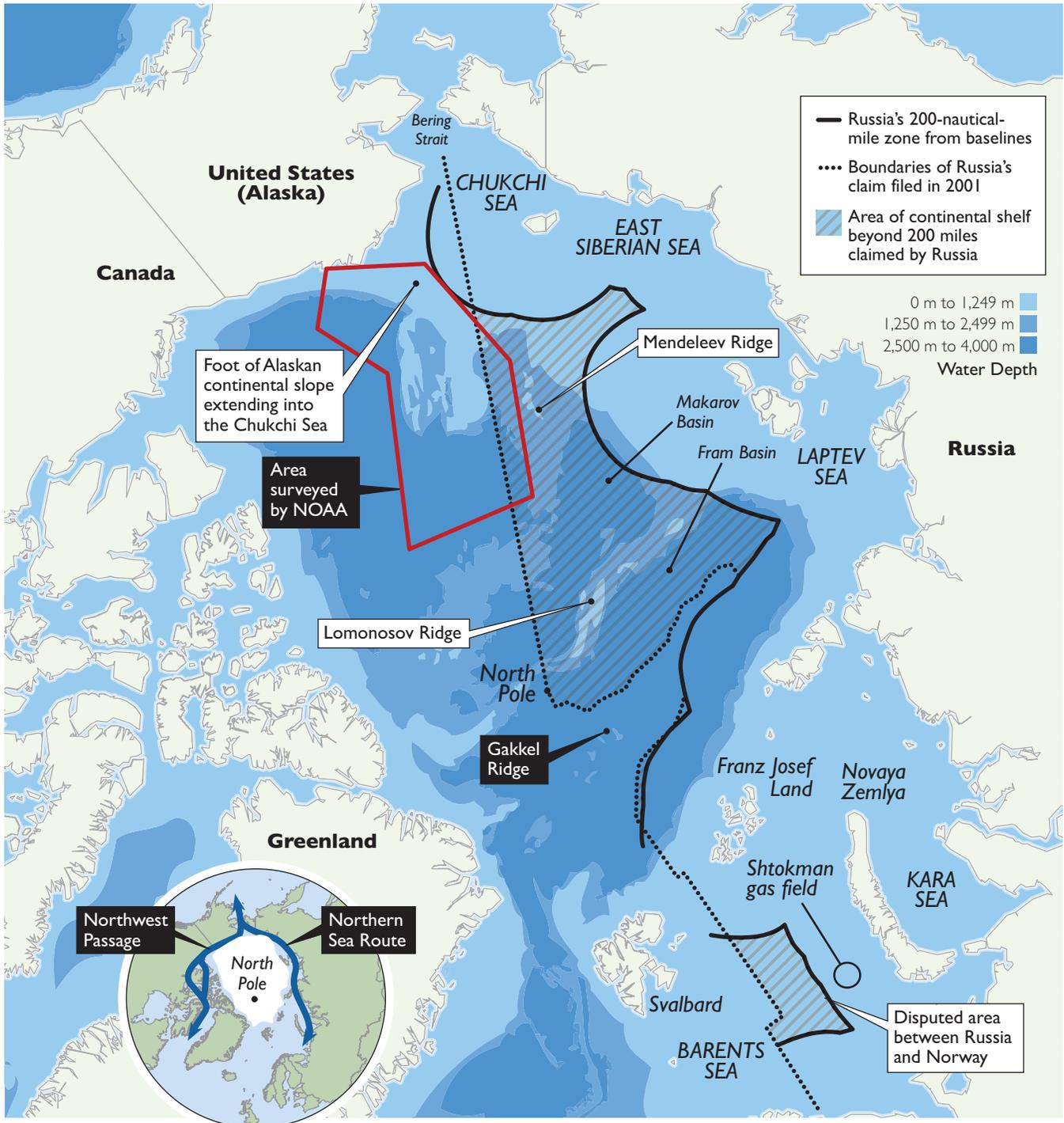
- **Reach out to Canada, Norway, Denmark, and—wherever possible—Russia.** Diplomacy and cooperation with Canada and European allies with interests in the region will be required to prevent conflict with Russia and to maintain the special relationship with Canada. The U.S. needs to work with Canada to develop a mutually beneficial framework for the commercial exploitation of Arctic hydrocarbons.
- **Create a public–private Arctic task force** to provide a formal avenue for the private sector to advise the U.S. government on Arctic economic development. This task force should include representatives from the energy, natural resources, and shipping sectors.
- **Authorize oil exploration and production** in the Arctic National Wildlife Refuge and other promising Arctic areas in order to expand domestic energy production. Congress should also streamline regulations for areas that it has already opened but heavily regulated.

Conclusion. As an Arctic nation, the United States has significant geopolitical and geo-economic interests in the High North. The U.S. should not only have a place at the table, but also a leadership role in navigating the nascent challenges and opportunities, such as disputes over the Outer Continental Shelf, the navigation of Arctic sea-lanes, and commercial development of natural resources and fisheries.

To play this role and to protect its interests, the U.S. needs to revitalize its Arctic policy and commit the necessary resources to sustain America's leadership role in the High North.

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U.S. and Russian Interests in the Arctic



Source: Jeannette J. Lee, "New Seafloor Maps May Bolster U.S. Arctic Claims," *National Geographic News*, February 12, 2008, at <http://news.nationalgeographic.com/news/2008/02/080212-AP-arctic-grab.html> (June 16, 2008).