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CHINA'S UNDECLARED ARCTIC FOREIGN POLICY



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Policy Recommendations

- The United States will find some, though not all, aspects of China's Arctic policy match its own interests both in the Arctic region and globally. Partnering with China in the Arctic where possible, and developing in-depth knowledge of China's Arctic interests and objectives, will strengthen U.S. ability to give meaning to the concept of the United States and China developing a "new type of great power relationship."
- China should be encouraged to make a formal statement on its Arctic policy and interests. Transparency builds trust, while ambiguity breeds mistrust and suspicion.

This policy brief series seeks to share with a wider audience the proceedings of the May 2014 conference at the Woodrow Wilson Center that explored emerging challenges facing Arctic governance, analyzed the goals and policies of stakeholder nations, and evaluated means for promoting international cooperation. The conference was co-hosted under the Wilson Center's Polar Initiative by the Center's Kissinger Institute on China and the United States, Asia Program, Canada Institute, China Environment Forum, Kennan Institute, and Global Europe Program.

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The success of China's overall long-term Arctic strategy is dependent on continued economic growth, political stability, a peaceful international environment, and international cooperation—conditions that would also benefit China's near neighbors and other leading states in the world. The harvest that China could reap from its Arctic investments may well bring as much benefit to itself as it could to many other interested players. To do so, China will need to support current norms that promote cooperation and limit competition.

From the failed plan to purchase a section of remote Iceland farmland by Chinese investor Huang Nubo in 2012,¹ to the news in 2014 that the China Railway Corporation is considering a proposal to set up a high speed railway that would link China and the United States via the Arctic,² China's Arctic interests have continually made headlines in recent years. The question that lies behind much of this coverage is: what are China's intentions in the Arctic?

Who Owns the Arctic?

There are eight self-declared "Arctic" states, five with sovereign territory within the Arctic circle. The sovereignty of the remaining territory within the Arctic Ocean is currently disputed; with rival claims for extended seabed rights submitted to the UN Commission on the Limits of the Continental Shelf by Russia, Canada, Norway, Denmark/Greenland. The United States has signed, but not ratified the UN Convention on the Law of the Sea (UNCLOS), so is currently unable to make a claim. Apart from UNCLOS, there are a range of international agreements and organisations that govern Arctic affairs including the International Maritime Organisation, the Svalbard Treaty, the International Seabed Authority, and the Arctic Council.

In the last 10 years China has steadily expanded its Arctic presence and is increasingly speaking out on Arctic issues. In the last 20 years, China has accumulated memberships in all Arctic-related regional associations it is entitled to participate in; applied to be an observer at the Arctic Council (ongoing status from 2013); and become an active participant in all international organizations whose responsibilities cover the Arctic Ocean.

The Arctic is central to China's future strategic oil and mineral needs. Access to polar resources, as well as Arctic sea and air routes, is crucial to China's future economic, political, and military expansion as a global great power. China is engaged in a five-year assessment (2012-2016) of polar resources and governance that will help refine its existing polar strategy, policy direction, and organizational arrangements.

In 2011 Chen Lianzeng, vice minister of the State Oceanic Administration, stated that the overall goal of China's current five year polar plan was to increase China's "status and influence" in polar affairs to better protect its "polar rights."³

What Are China's Arctic Rights and Where Can It Exercise Influence?

- Scientific and economic activities at Svalbard
- Observer status at the Arctic Council
- Access to Arctic seas for scientific research, transport, tourism, fishing
- Access to cross-Arctic air routes
- Participate in international decisionmaking on Arctic matters that come under international governance

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- Bid for mineral rights and other economic opportunities
- Potentially bid for deep-sea mineral rights

What Are China's Strategic Interests in the Arctic?

- Security (traditional and non-traditional):
 China has economic, political, and military security interests in the Arctic.
- Resources: China wants access to Arctic minerals and hydrocarbons, fishing, tourism, transport routes, and bioprospecting.
- Science and technology: Access to the Arctic is essential for the roll-out of the Beidou navigational system, China's space science program, and accurate weather forecasting in China.

What Is China's Position on Points of Contention in Arctic Affairs?

- Sovereignty: Outside the 200-mile zone of the littoral states, China points out that the Arctic Ocean is currently still international waters (公海). The extended continental shelf claims of various Arctic states will require a combination of science and diplomacy to resolve; China intends to be involved in this process.
- Sea routes: International straits.
- Strategic minerals and hydrocarbons: Global resources that should be opened up to the global market.
- Environmental issues: China sees opportunity more than risk in Arctic climate change.

China's Arctic Diplomacy Can Be Summed up by the Following Longstanding Tactics:

- Ambiguity/Assertiveness
 (韬光养晦,有所作为: 奋发有为)
- Be discreet about Arctic interests to external audiences/Explicit to domestic audiences (内外有别)
- Assiduous bilateral diplomacy to win friends and neutralize opponents (求同/统战)
- Encourage the expansion of Chinese interests in the region on every level (全面外交)
- Use scientists and social scientists to conduct diplomacy (民间外交)

China's Polar Strategy

Beijing is encouraging a multi-level, multi-agency engagement in the region, popularizing knowledge about opportunities in the Arctic for Chinese citizens and companies in order to increase China's overall presence and influence, and strengthen the "right to speak" (话语权) on Arctic affairs.

China talks down its interests in the Arctic to foreign audiences, meanwhile talking them up to domestic audiences. China does not yet have a fully-articulated Arctic strategy document (though the broad strokes of China's Arctic goals and interests are clearly articulated in internal publications). Thus it is hesitant to put its cards on the table this early in the game, when many of the contentious issues in Arctic affairs are 20 years away from being resolved. However in Chinese language materials a different approach

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is followed: the Chinese government aims to garner domestic support for China's initiatives, educate the population on Arctic affairs, and inspire patriotism and confidence among Chinese youth.

China is engaging in proactive diplomacy to susceptible Arctic states: Iceland, Greenland, Denmark, Norway, and Sweden. China avoids challenging Russia, Canada, and the United States, each of which harbors concerns about China's engagement in the Arctic. China is trying to find a way to work cooperatively with the Arctic states whose territories contain oil, gas, and strategic minerals: Canada, Greenland, the United States, and Russia.

China is building a global coalition of like-minded states that will vote with China on crucial issues (not just polar), such as the Group of 77, as well as bilateral relations with other non-Arctic states (and groups of states such as the European Union) that share China's view on global rights to Arctic resources, high seas, and seabed resources.

As in other global scenarios, where China cannot affect change, it makes the best out of the current order and quietly pursues its own interests; but where the possibility of creating new norms exists, Beijing will act assertively.

Multiple Chinese foreign policy actors are having a role in China's Arctic foreign policy agenda setting; and the Ministry of Foreign Affairs is the weakest link.

Endnotes

- 1) Alëx Elliott, "Chinese Investors Still Hot on Iceland, Despite Politicians," *Iceland Review Online*, April 25, 2014, accessed 13 May 2014, http://icelandreview.com/news/2014/04/25/chinese-investor-still-hot-iceland-despite-politicians.
- 2) 泛亚高铁下月动工建设, 京华时报, May 8, 2014, accessed 11 May 2014, http://epaper.jinghua.cn/html/2014-05/08/content_87865.htm.
- 3) Xinhua, June 21, 2011.

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