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**Melting Ice, Rising Interests: Assessing China's Arctic Ambitions  
and their Geopolitical Impacts.**

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**Bibliography:**

**Abstract:**

This paper identifies the People's Republic of China's (PRC) objectives and goals in the Arctic Region. The paper examines China's interests in the Arctic, particularly relating to Arctic governance, science, and hydrocarbon and mineral extraction. The PRC's relationship with Russia is also examined. The PRC's "near-Arctic state" status and Arctic *White Paper* have made China an ambitious Arctic player. This paper makes it clear that, in order to succeed, China should focus its efforts on areas with the greatest potential for growth, such as Arctic science, resource extraction, and strengthening bilateral ties with the Arctic states other than Russia. The paper concludes by arguing that China's most viable future path as an Arctic player requires it to acknowledge that it is better to complement the existing system (e.g. Arctic Council and the Arctic Eight) with its current observer status rather than to try to be viewed as an equal and legitimate Arctic state.

## **List of acronyms and abbreviations:**

AC → Arctic Council  
BRI → Belt and Road Initiative  
CCP → Chinese Communist Party  
IMF → International Monetary Fund  
MCF → Military Civil-Fusion  
MFA → Ministry of Foreign Affairs  
NATO → Northern Atlantic Treaty Organization  
PPD → Polar Policy Division (associated with PRIC)  
PLA → People's Liberation Army.  
PRC → People's Republic of China.  
PRIC → Polar Research Institute of China  
PS-2 → Power of Siberia 2 (Gas Pipeline)  
PSR → Polar Silk Route  
ROC → Republic of China (This is the pre-1949 CCP of China)  
SCS → South China Sea  
UNCLOS → United Nations Convention on the Law of the Seas  
WW1 → World War One  
YRS → Yellow Research Station  
Yamal LNG → Yamal Liquefied Natural Gas

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I chose to write about this topic for several reasons, but the primary reason is most important. The world is at an inflection point that has not been seen in almost one hundred years. It feels like we are living in a "1936-Europe moment" as a result of the post-pandemic economic conditions, Russia's aggression in Ukraine, and the new emerging geopolitics of multi-polarity.

We live in a new era where security, partnerships, diplomacy, and democracy cannot be taken for granted. President George H.W. Bush's support for a "new world order" where democracies would thrive, human rights would be front and center, and conflict would be solved in meeting rooms rather than battlefields may no longer be widely supported. Unfortunately, my generation is entering the economy at such an inflection point.

My passion for politics, governance, and international affairs will not disappear, and that is a guarantee. The following research paper is the *final* paper I will write in academia.

Sincerely,

Alex Joseph Cianflone  
M.A Public and International Affairs

# Introduction

## China in the Arctic, Really?

The People's Republic of China's presence in the Arctic region is not rhetoric, it is a reality. China's self-ascription as a "near-Arctic state" and its description of the Arctic region as a "global commons" is part of Beijing's efforts to assimilate perspectives of Chinese policymakers, academics, and industry experts regarding modern-day structures of Arctic governance (Tingstad et al., 2022). China's actions are clear, its Arctic interests are real, and it will pursue them in a sophisticated way. Despite China's "Wolf Warrior" approach to diplomacy, China's cautious diplomatic approach to Arctic governance and state relations reiterates the importance it ascribes to being strategically placed to contribute to future decisions in the Arctic region (Doshi, Dale-Hung & Zhang, 2021). China's rhetoric, actions, geopolitical goals, and foreign policy regarding the Arctic are diverse, and it is imperative to situate them collectively in the current global and geostrategic era of international governance. By now, it is clear that the status quo era of Arctic affairs which existed before Russia's 2022 invasion of Ukraine, is over. The new era of Arctic affairs is unknown and still emerging, but it is clear that the interests of non-Arctic states, such as China's, will increase as international changes persist.

The People's Republic of China's interest in the Arctic region is not temporary; it is an integral part of China's future prosperity, energy security, climate adaptation, and its relations with Russia, its primary ally internationally. The purpose of this study is to investigate China's Arctic ambitions and their geopolitical impacts. The overall research question underlying the major research paper is: *What are the specific objectives and goals of the People's Republic of China (PRC) in the Arctic region?*

**Research methodology:**

A qualitative research design was chosen for this paper. A detailed content analysis was chosen to evaluate the literature, which includes academic papers/ dissertations, geopolitical and think tank reports, and official government reports (e.g., Western/ Chinese), as well as a few media releases from credible news organizations. Altogether, these sources create a rich dataset of China's Arctic interests over the span of decades, under different government leadership, and in light of changing international and geopolitical conditions. The literature review for this research proved to be an excellent guide in developing the research problem, the precision of the primary research question, and the organization of the data into clear and descriptive chapters. The paper is structured to provide a clear, truthful, and fair analysis of China's Arctic agenda while deconstructing the myths that have reinforced Arctic dialogue. Simplistic answers to complex policy and developing geopolitical conditions will not suffice nor will they be entertained for this major research paper.

**Research problem:**

The research problem of this paper is multifaceted. In this section, two problems are discussed. Contemporary literature discussing the Arctic focuses primarily on the Arctic states, known as the Arctic Eight, and on the respective representatives of Indigenous populations of the Arctic Circle. There is minimal discussion of outside interests, such as those of non-Arctic states (e.g. China) and non-state organizations. In a world increasingly more unpredictable and with a destabilized international order, the Arctic Council's (AC) policies, procedures, and governance convey rigidity when adaptability is required. When the Arctic Council was formed as a regional forum in 1996 in Ottawa, the considerations of non-Arctic parties about the Arctic region were

never considered. Presently, the Arctic Council is facing a dilemma whereby issues such as climate change, resource extraction, commerce, and geopolitics persist, leading to increasing interests of non-Arctic states in the region. A concern about the Arctic Council is that it is too exclusive and that the interests of non-Arctic states are not viewed equally to those of the Arctic Eight states. The Arctic states are no longer alone in the region. The international community as a whole is equally affected by the outcomes in the High North.

Last, Western leaders may not accurately understand China's Arctic ambitions. As discussed later in this paper, China's Arctic policy seems clear, but it is also ambiguous. Mike Pompeo's speech to the Arctic Council in 2019 is a noteworthy example of the lack of understanding. As Secretary of State under the Trump Administration, Pompeo suggested that China's actions and presence threatens Arctic security. Pompeo discussed how the strengthening Chinese relationship with the Russians and China's behaviours in the South-China Sea (SCS) is as an indication of Beijing's Arctic trajectory (Koivurova, 2020). Altogether, Pompeo's speech and other examples have led to an insufficient understanding of China's Arctic goals. The claims ascribed to China's Arctic plans are not products only of the Trump administration, they are a sign of an increasingly difficult rivalry between different states under the present international order. The Arctic happens to be an area where the status quo is now the past and something new is emerging on the horizon.

### **Outline of the Paper**

This major research paper consists of three parts. The first part is the introduction as discussed above. The second part is the core of this paper which discusses the relevant themes of

the literature organized in five chapters. The third part is the analysis where all of the main points from the five chapters are discussed to understand if China's trajectory in the Arctic will be successful, scaled-down, or lead to failure.

The paper's first chapter will begin by providing an introduction to the beginning of China's Arctic ambitions. This discussion traces the historical ties of China's Arctic interests to the former Republic of China (1912-1949), a general and critical analysis of the Belt and Road Initiative (BRI), an overview of China's Arctic Policy commonly referred to as the *White Paper*, and discussing China's "near-Arctic state identity." The history section discusses China's unusual entry into Arctic affairs and its transformative relationship with the Svalbard Treaty. The Belt and Road Initiative (2013) is a defining yet imperfect moment for China's Arctic pursuits under Xi Jinping's ambitious foreign policy. The *White Paper* was momentous for the international community, as a clear perspective of China's Arctic view was provided while skepticism of its genuine intentions rose sharply. China's "near-Arctic state identity" is important as it sets the tone for China's activities and the importance it ascribes to the Arctic.

The second chapter will provide a clear and concise view of Arctic governance and China's involvement. Specifically, the discussion is centered on understanding the rise and role of the Arctic Council, China's presence as an observer, the collective rejection of China's "near-Arctic state" label by Arctic states, the international legal framework, and above all, China's expected role as a norm entrepreneur in a changing Arctic landscape. The purpose of this chapter is to discuss China's place in a rigid Arctic framework.

The third chapter will discuss China's scientific contributions, its most influential contribution to the Arctic region. The chapter is centred on exploring the *White Paper's* policy and its relationship to science, the emergence of scientific diplomacy as a new form of polar governance, China's primary Arctic research organization, its research stations, its motivations and drivers for conducting scientific explorations in the Arctic, and its present activities in the region. The third chapter's purpose is to discuss how China's science capabilities may lead to its goal of an improved Arctic image within the Arctic Council, while allowing China a greater role in Arctic affairs. China's science contributions in the Arctic convey a clear message of using its scientific influence as another way of assimilating into the Arctic region.

The paper's fourth chapter explores China's economic interests in the Arctic region, specifically Arctic resources such as natural gas, minerals, and commercial shipping. The chapter is centred on discussing the exploration of Russia's Natural Gas/ LNG and the region's rare earth elements (REEs). This is necessary to understand the People's Republic of China's need to diversify its energy sources, lessen its reliance on unreliable partners in sensitive areas of the world, and best protect its interests moving forward. The Chinese government also greatly emphasizes commercial shipping in the Arctic. China's commercial potential is one of the largest in the world, and understanding the Arctic's commercial potential in sustaining China's economic power is important. The discussion demonstrates the Polar Silk Route's potential as a commercial corridor for China and why it may be premature to consider the route operational.

The fifth chapter discusses Beijing's relationship with Moscow. Without question, the People's Republic of China's relationship with the Russian Federation is its most important in

the Arctic region. The relationship between both parties is not perfect; it is an alliance of convenience. The chapter is centered on exploring the similarities and tensions between the two countries, and on deconstructing the myths underpinning the Sino-Russian relationship. The goal is to situate how the Sino-Russian relationship may affect China's stated goals for the Arctic region. The chapter will also discuss why Sino-Russian relations may not lead to a military partnership in the Arctic region as a result of Russia's reservations and disagreements.

The analysis section is straightforward. It encapsulates chapters one to five to analyze China's actions in the Arctic, governance, science, resources, and its relations with Russia. The purpose is to determine if China's Arctic ambitions will continue with no trajectory changes or, a scaled-down version with a specific focus on thriving areas, or if China will abandon its Arctic pursuit altogether. The goal is to determine China's path in the Arctic for the next ten to twenty years.

## **Chapter 1: An Overview of China in the Arctic**

### **Svalbard (1925) & China's History:**

China's introduction to the Arctic began after World War One (WW1). The Republic of China (ROC) participated in the Paris Peace Conference of 1919, but despite its presence, its interests were ignored (Liu, 2021). The Western powers reaffirmed Japan's territorial gains, among other elements, to the detriment of the ROC (Liu, 2021). The Paris Peace Agreement of 1919 resulted in the May Fourth Movement in China which significantly reinvigorated Chinese nationalism and altered the ROC's political trajectory thereafter (Liu, 2021). The ROC learned a valuable lesson; that the emerging post-WW1 international order would be premised upon power

politics (Liu, 2021). Given its position as a developing state in the 1920s, the ROC would be excluded from the perks of preferential diplomacy and a genuine seat in the international law-making process (Liu, 2021). The ROC was steadfast in its efforts to be viewed as an equal nation internationally and sought participation in any international agreements moving forward (Lavengood, 2022).

Although it had no stated interest in the Arctic region, the ROC quickly ratified the Svalbard Treaty (Liu, 2021; Lavengood, 2022). At the behest of France, the ROC was extended an invitation to be a Treaty signatory. (Lavengood, 2022). The French recognized the emerging power politics of the new international order and viewed the United States as a competitor first, and a diplomatic ally second. On the surface, the French invitation can be viewed as a great power supporting ROC interests; yet the French were motivated by the desire to secure a new junior ally in Asia to engage with diplomatically and to secure French territorial and geopolitical interests (Lavengood, 2022). As a signatory, the ROC recognized Norway's sovereignty over the Svalbard Archipelago and was provided access to pursue its economic interests on the island, among other permissible actions (Lavengood, 2022).

The People's Republic of China conducted its first polar expedition in Antarctica in 1984 (Lavengood, 2022). It was not until 1991 that polar academics, such as Professor Gao, rediscovered China as a contracting party to the Svalbard Treaty entitled to certain benefits in the Arctic region (Liu, 2021; Lavengood, 2022). Chinese polar interests in the High North grew exponentially in the 90s, with a greater focus on the significance of Arctic climatic conditions and the region's global importance. Since then, Chinese Arctic activities, such as collaborative

research expeditions with Arctic states, academic literature discussing the region's governance, science, and economic potential, and discussions of the Arctic strategies of the Arctic Eight have increased exponentially (Liu, 2021; Lavengood, 2022). The Svalbard Treaty serves as the basis of many of China's activities and assisted in the establishment of the Yellow River Station, China's first and most important science research centre in the Svalbard Archipelago (Liu, 2021). Although China was a latecomer and was originally uninterested in Arctic affairs, the Svalbard Treaty continues to be a cornerstone of its Arctic Policy, as outlined in what is known as the *White Paper*. Since the 90s, the PRC has been very successful in exploiting the full rights of the Treaty (Liu, 2021; Lavengood, 2022).

### **China's Belt and Road Initiative – The Polar Silk Road**

The Polar Silk Road (PSR) is one of three routes comprising President Xi's 2013 project known as the Belt and Road Initiative (BRI). The PSR is an element of Chinese foreign policy which is crafted to resemble the ancient Silk Road, but modernized with Chinese infrastructure within a new globalized era (Tillman, Yang & Nielsson, 2018). The purpose of the BRI is to reorient land and sea trade to China and reinforce the reliance of its signatories on China's economy (Tillman, Yang & Nielsson, 2018; Dang, Diem & Vu, 2022). Discussing the BRI's land and sea route is imperative to understanding the significance the Chinese place on the PSR.

The land route originates in China and traverses through Central Asia and the Middle East to arrive at its final destination, the European continent. The route consists of road and rail networks and infrastructure hubs connecting the landlocked and less advantaged countries of Central Asia and the Middle East to the affluent Chinese and Western markets (Tillman, Yang &

Nielsson, 2018). The sea route also originates in China and seeks to traverse and better connect China to Southeast Asia, Africa, the Middle East, and Europe through the Indian Ocean. The sea route's infrastructure consists of marine ports scattered primarily across the Indian Ocean, such as the facilities in Pakistan, Kenya, Sri-Lanka, and Djibouti (Tillman, Yang & Nielsson, 2018).

The third and less discussed route of the BRI is the Polar Silk Route (PSR). Originally coined as the Arctic Silk Road by then Russian Minister of Emergency Management Sergei Shoigu, the route eventually rose as a serious third piece of the emerging Belt and Road initiative under then Vice-Premier Xi Jinping (Tillman, Yang & Nielsson, 2018). Ten years on, the Arctic route can be viewed as a strategized plan to address and respond to the changing circumstances occurring in the Arctic region (Dang, Diem & Vu, 2022). The PSR provides the People's Republic of China with several benefits compared to the other two routes. The trajectory through the Arctic is estimated to be 30-50% less distant than the shortest conventional sea route to European markets through the Malacca Strait, the Bab-el-Mandeb Strait, and the Suez Canal (Tingstad et al., 2022). There is no vessel congestion in the Arctic and the Bering Strait may become more suitable for regular sea navigation in the next few decades (Tingstad et al., 2022). Therefore, the PRC places great significance and importance on navigation security along the PSR and has conducted hydrographic surveys to better understand navigational security and to minimize the Arctic's unknowns (Tingstad et al., 2022).

The PSR is not without challenges and risks. For instance, despite the Chinese possessing developed polar capabilities equal to or greater than certain Arctic states (Doshi, Dale-Huang & Zhang, 2021), China's ice-breaking technology and equipment are still limited in capacity

(Dang, Diem & Vu, 2022). Another problem is the Arctic's ecological and climatic environment. In the High North, climatic conditions are unforgiving which is creating the concern that should navigation problems arise, freight costs and marine insurance premiums may increase and become fiscally unsustainable (Dang, Diem & Vu, 2022). Globalized cargo and marine insurance form the bedrock of modern-day marine transportation and are necessary to pass through specific straits and high-risk areas (Zeihan, 2022a). The Arctic may be deemed "extremely high risk" and cargo insurance firms may be hesitant to provide coverage, which leaves the unattractive and fragile alternative of sovereign indemnification (Zeihan, 2022a).

Last, Chinese lending practices have been heavily scrutinized as hidden debt traps with a near certainty of borrowers defaulting (Ingimundarson, 2014). Unable to service and repay their debt, countries that are part of the BRI framework make substantial long-term strategic concessions to the Chinese as compensation for missed loan payments (Ingimundarson, 2014). Concerns arise about whether the decision-making processes of recipient states are compromised once infrastructure is completed and the debt burden rises. It is for reasons like this that Western states continue to advise other states not participate in the Belt and Road project. Unless recipient states are aware of all of the risks, it is best to avoid Chinese lending.

These concerns ignite Western anxieties of the Chinese; yet the Arctic states may not be as vulnerable as pundits suggest. Except for Russia, all states in the Arctic are Western democratic states with a preference for Western technology and are in excellent standing with international lending agencies such as the IMF.

## **The White Paper; China's Official Arctic Policy**

The People's Republic of China released its official Arctic Policy known as the *White Paper* in 2018 (Lavengood, 2022; Shi, 2019). Although delayed and roadblocked several times, the *White Paper's* official release was greeted with cautious optimism by the Arctic states. The PRC could no longer passively hide its Arctic interests, especially since its six-year effort (2007-2013) for observer status within the Arctic Council finally succeeded. The PRC needed to expeditiously and effectively create an Arctic policy reflective of the internal and external pressures endured (Koivurova, 2013). It is interesting to note that observers have noticed that China's *White Paper* does not include anything related to military/ security affairs (Lavengood, 2022). At this point, it is unclear if China has serious security considerations to protect in the Arctic.

The main body of the *White Paper* consists of four sections: 1) The Arctic Situation and Recent Changes, 2) China and the Arctic, 3) China's policy goals and basic principles and 4) China's policies and positions on participating in Arctic affairs (Shi, 2019). Altogether, these four sections address what Shi (2019) describes as the three core questions of China's Arctic policy. The *White Paper* also provides the answers to these necessary questions.

- 1) *What role does China play in the Arctic?*
- 2) *Why does China participate in Arctic affairs?*
- 3) *How does China participate in Arctic affairs?*

The *White Paper* answers the first question by emphasizing that Chinese interests in the region (eg: scientific, commerce, resources, governance, etc) classify the PRC as an important stakeholder in Arctic affairs (Shi, 2019). The PRC vows to successfully pursue its Arctic interests in accordance with the jurisdictional and sovereign rights of Arctic states and plans to contribute to Arctic affairs as a constructive partner instead of as a revisionist challenger (Shi, 2019). China supports its position in three ways; first, by reiterating the Arctic's impacts on climatic conditions domestically and on its industries; second, the rights afforded to it under international agreements such as UNCLOS, the United Nations Charter, and the Svalbard Treaty; and last, as a global power with the might and capacity to help address trans-regional issues in the Arctic (Shi, 2019).

The *White Paper* answers the second question by detailing China's envisioned four policy goals for the Arctic. According to Shi (2019), these goals are 1) to better understand, 2) to protect, 3) and to develop the Arctic while 4) participating in the governance of the Arctic. China plans to fulfill these goals according to China's basic fundamental principles of respect, cooperation, win-win results, and sustainability (Shi, 2019).

The *White Paper* answers the third question by emphasizing the main aspects covering China's participation in the Arctic, namely its interests in scientific research, resource exploration and extraction, environmental protection, and international cooperation (Shi, 2019). These interests include using Arctic resources lawfully and sustainably, actively participating in Arctic governance and international cooperation, and addressing climate change in the Arctic (Shi, 2019).

The *White Paper* concludes with China's overall perspective of the Arctic region. The PRC views the Arctic as an area of "the global commons," meaning that all states have a vested interest in the actions and outcomes there, and therefore ought to have a voice and a role in Arctic processes (Shi, 2019).

China's Arctic policy is a byproduct of collaboration between official, non-official, and subnational actors (Kossa, 2020). The PRC created an inter-ministerial coordination committee in 2011 tasked with being a one-stop-shop for all inputs from Chinese domestic actors with interest in the Arctic region (Kossa, 2020). Under the guise of the Ministry of Foreign Affairs of China (MFA), twenty different government ministries and agencies placed together their own smaller version of an Arctic policy reflective of their institutional capacity and knowledge. In addition to research institutions and academics, all parties involved fed information upwards to the policy making process. Although delayed several times, the *White Paper* was the outcome, and was reflective of a time-consuming process streamlining information from diverse actors with wide-ranging knowledge on polar affairs (Kossa, 2020).

Arctic states have welcomed the *White Paper* as indicative of China's respect for international norms, policies, and ethics guiding the region; yet concerns remain regarding the PRC's policy (Bowmann, 2018; Shi, 2019). The Arctic states share a collective concern about whether the PRC plans to adhere to its own policy. The *White Paper* is not a legal document, so China is not legally bound to the statements in its policy. International affairs experts believe that the PRC is likely not attached to its *White Paper*; yet, China may risk harming its Arctic identity efforts and its long-term interests should it deviate from its present trajectory.

## China's "near-Arctic state" Identity

The release of the *White Paper* in 2018 was cautiously welcomed by other states; yet, China's declared identity as a "near-Arctic state" came as a surprise. China's self-proclaimed identity is crucial to understand how it ascribes importance to the Arctic. Originally coined by polar academics, the term "near-Arctic" was eventually adopted by the Chinese government and received official approval in the *White Paper*, but the adoption of the term faced some challenges (Kossa, 2018). The PRC faced several obstructions while "constructing" its Arctic identity.

For instance, the PRC has no sovereign territory in the Arctic as its most northern point is 1,500km away from the southernmost part of the Arctic Circle (Sun, 2018; Xinmin, 2019). At the Kurina Ministerial Meeting 2013, China was not the only observer admitted to the Arctic Council; therefore, China found it difficult to articulate how it was different from the other observers and why it should play a bigger role (Sun, 2018). Other countries not admitted to the Arctic Council, such as the United Kingdom, have Arctic policies, but these are nowhere near as ambitious as China's *White Paper*. Sun (2018) correctly points out that the Chinese viewed "stakeholder" as a term that should only be used sparsely. They perceived "near-Arctic" to be a better term. Furthermore, there is little historical justification for China's Arctic identity, given that although China signed the Svalbard Treaty in 1925, it only became active in the Arctic in the 1990s (Sun, 2018; Rashmi, 2019).

Altogether, Sun (2018), Rashmi (2019), and Doshi, Dale-Huang & Zhang (2021) all collectively agree that the "near-Arctic state" status is an indication of Beijing's seriousness in advancing its national interests and a signal that it would like to be further included in Arctic

affairs. China's "near-Arctic state" status is an advocacy tool to stand apart from the other observers while respecting the Arctic Council's members and their rules.

## **Chapter 2: China and Arctic Governance**

### **The Arctic Council**

The Arctic Council (AC) was formed on September 18<sup>th</sup>, 1996 via the Ottawa Declaration (Friesen, 2021). The Ottawa meeting created the AC as a regional forum tasked with addressing Arctic affairs through coordinated and cooperative discussions between Arctic states and representatives of the Indigenous peoples of these Arctic states (Friesen, 2021). The AC consists of eight Arctic states with official member status, namely Canada, the United States, Russia, Denmark (Greenland), Norway, Finland, Sweden, and Iceland. The first five are referred as the Arctic Five as they border the Arctic Ocean (Friesen, 2021; Forbis & Hayhoe, 2018). Since the Council's inception in 1996, structural change has been minimal. The admission of observers into the AC reflects the changing geopolitics and the rising climatic importance of the Arctic. The Arctic Council is not treaty bound like Antarctica, it is bound by agreement between the Arctic states within the informal setting of the Arctic Council.

Russia's 2022 invasion of Ukraine severely impacted the Arctic Council's function. For the first time since the Council's inception, outside events that implicate the Arctic states have disrupted the typical cooperative atmosphere of the Council. Inside the Council, all of the members, except for Russia, began boycotting official AC meetings as a protest against Russia's actions in Ukraine (Yilmaz & Liu, 2022; Clarke, 2024). The People's Republic of China is by far the best-positioned non-Arctic state to capitalize on the AC's dysfunction; however, this does not

guarantee China will be welcomed and earn a better position than its observer status (Clarke, 2024).

The Arctic Council highlights the power of informal governance and it serves two purposes; first, it provides the forum necessary to facilitate dialogue and common action among Arctic and now non-Arctic states, and second; it is the point of entry for parties interested in Arctic affairs (Yilmaz & Liu, 2022).

The Arctic Council's aims are clear, it intends to be the only entry point into Arctic affairs. However, the Council's fragmented nature is increasingly criticized as a long-term liability (Forbis & Hayhoe, 2018). Consensus decision-making is revered in the Council; yet official Council members have a monopoly on all decision-making. The relevant non-state actors (e.g. Indigenous groups) and non-Arctic observer states (e.g. China, Japan, South Korea, etc) have no voting rights, and thus no voice (Freisen, 2021).

Another issue is that the Arctic Council bears no legal personality and so cannot enforce its decisions. The lack of legal structure does not imply a free-for-all among Council participants, but a legal structure of some sort would be beneficial to hold members accountable for collaborative initiatives such as environmental policies and climate standards in the High North. Last, as more third parties discuss their interests in the Arctic, it is unclear how the Arctic Council will be able to adapt. The current structure is not inclusive; it is exclusive, as its members maintain a monopoly on power within the Council (Suslov & Kashin, 2022). As previously mentioned, international geopolitical events have impacted the Arctic Council's

capacity to function. It is unclear whether the Arctic Council's structure is sufficient to adapt to emerging developments. The increasing presence of non-Arctic states in the forum threatens to accelerate the spill over of geopolitical considerations of other states into the region (Freisen, 2021). The potential of issues spilling over and exacerbating the current crises facing the Council is high; in fact, the Council is facing this problem as we speak (e.g. Russia/ Ukraine 2022 & NATO's expansion).

The Council has not been overly burdened by bureaucratic processes, and its decentralized mechanism of governance has provided gradual results and an incentive to cooperate. More importantly, the Arctic Council may be capable of adapting to new circumstances, but the desire to change is another concern (Freisen, 2021). The multipolarity emerging in the Arctic region beyond the main states necessitates a general re-evaluation of policies and structures should core tenets such as cooperative problem solving of trans-regional concerns be sustainably addressed (Freisen, 2021; Suslov & Kashin, 2022; Forbis & Hahoe, 2018). In periods of stability and predictability, the absence of an enforcement mechanism may suffice, but as harsher realities persist, developing an Arctic-based collectively-agreed upon legal personality is in the Council's best interests moving forward should it prefer remaining the only political body in the Arctic region (Suslov & Kashin, 2022; Forbis & Hahoe, 2018).

### **The Arctic Council – China's Observer Status and Presence**

The PRC's path to Arctic observer status dates back to 2007 when it was an ad hoc observer of the Council. In 2008, China formally declared its intentions to acquire observer status in the Arctic Council (Hong, 2020). Despite Chinese polar experts questioning the merit of

observership, China was admitted as an official Arctic Council observer at the Kurina Ministerial Meeting in 2013 alongside six other Asian states (Hong, 2020). The purpose of this section is to explore the stipulations of observership and why the Arctic Council was in no position to deny China and the six other applications for observership.

As previously mentioned, voting in the AC is contentious, as fully-fledged members exercise voting rights whereas observers (e.g China) have no such right. Permanent observership in the Arctic Council is not perfect, and China's quest for official observer status is indicative of the lengths it will go to attain its goals (Yilmaz & Liu, 2022). The permanent observer title of the Council provides no privileges, but stipulates a requirement to recognize Arctic states' sovereignty, rights, and jurisdictional boundaries (Yilmaz & Liu, 2022), a steadfast commitment to UNCLOS, and willingness to financially and politically (attend meetings) contribute to the Arctic Council (Ingimundarson, 2014). The Council's acceptance of observers is a progressive step; yet, there is no doubt regarding where the real power resides, which is with the Arctic Eight (Ingimundarson, 2014).

The Arctic Council and the eight states have always been wary of increasing the AC's membership out of fear that the forum would be swamped by non-Arctic related affairs, but more importantly by the problem of how to properly integrate them into the forum (Ingimundarson, 2014; Doshi, Dale-Huang, Zhang, 2021). Although China is known to be dissatisfied with the limited power, responsibility, and growth potential of observership, its second submission was guaranteed to succeed for several reasons.

The first reason is straightforward; the Arctic region's ability to respond to new global circumstances is weakened (Kobzeva & Todorov, 2023). The second reason is the harm to the long-term international reputation of the forum had it rejected the Chinese request. The Council would have lost its institutional credibility internationally and would have found itself in conflict with the cooperative, inclusive agenda that it purports to advocate (Kobzeva & Todorov, 2023). Many of the observer applicants (e.g. China) contributed to efforts in Arctic exploration prior to requesting observer status. Although observers are successfully integrated into the Council, the insufficient legitimacy ascribed to their status and the lack of genuine inclusion negates the AC's value as a crucial forum for Arctic regional affairs from their perspective.

### **The Arctic Eight's Rejection of China's "near-Arctic state" label**

China's "near-Arctic state" label makes the PRC's observership submission stand out above other submissions in the eyes of the AC. China is carefully attempting to thread a middle ground; not provoking Western/ AC fears of China as a gate-crasher, while making a serious statement of its claims (Ingimundarson, 2014; Lanteigne, 2017). China's presence in the Arctic is often compared to its sovereigntist position in the South-China Sea (SCS); but this comparison is inaccurate, as China is not claiming sovereignty in the Arctic as it is in the SCS (Koivurova et al., 2020). Although the Western/ AC fears may not be entirely accurate, discussing these sentiments is imperative as the Arctic Eight yield substantial power in the AC.

The PRC's "near-Arctic state" label is viewed by the AC a direct attempt to "challenge the political norms in the region and to act as a gate-crasher" (Koivurova, 2020, p.4) and a well-constructed revisionist strategy for the long-term by Beijing (Sun, 2018). There is a clear

delineation according to the Arctic Eight, which is that a third category of “near-Arctic state” does not exist. There are “Arctic states” and there are “non-Arctic states”. Western reporting of the PRC’s aspirations occasionally reinforces this sentiment. At its core, the sentiment views Beijing as seeking to legitimize its Arctic presence for improper reasons and as acting as a challenge to the Arctic states in the long-term (Lanteigne & Yang, 2017). However, the revisionist label directed at China falls apart in several ways. First, the Arctic Eight do not take into account how their own governing structure works and how the AC is the only legitimate forum in the region; second, China agreed to all AC requirements for formal observership in 2013; and third, China may become more visible but does not have a diplomatic voice or voting rights in the Arctic Council (Lanteigne & Yang, 2017).

Of the Arctic Eight, Russia was the most reluctant to assist China articulate its Arctic vision (Ingimundarson, 2014). The Russian military firmly believes that China’s Arctic aspirations would “adversely affect Russian Arctic policy” (Doshi, Dale-Huang, Zhang, 2021, p.27). Russia is fearful of external parties in the region. It is estimated that between 2013 to 2018, it is very likely Moscow labelled Beijing as one of the top three countries of concerns to its geopolitical vision internationally (Hong, 2020). The PRC is not pleased with Russia’s double-speak regarding its relationship; however, its options are fairly limited in challenging the current system. A further discussion of the Sino-Russian relationship is provided in Chapter 5.

### **The International Legal Framework – UNCLOS, Svalbard, Arctic vs non-Arctic**

The international legal frameworks in the Arctic consists of UNCLOS (1982), the Svalbard Treaty, domestic laws, general international law, and the UN Charter (Xinmin, 2019).

The purpose of this section is to focus on the first two international frameworks as they have greater influence on the PRC's activities and form China's basis of Arctic governance (Lavengood, 2022; Li, 2019). Similar to the AC, international governance in the Arctic has remained fairly static; however, this is no longer the case. It is necessary to reassess the strengths and weaknesses of the Arctic's international legal framework if Arctic governance is to continue to properly function (Xinmin, 2019).

UNCLOS provides a solid legal foundation for responsible governance and regional management of the Arctic Ocean, as it creates "binding international law on property rights and jurisdiction" (Ingimundarson, 2014, p.189). UNCLOS may not be perfect, but in today's context it provides the basis for the facilitation of well-meaning dialogue between Arctic and non-Arctic states (Li, 2019). The People's Republic of China is an UNCLOS signatory and for its Arctic interests, the PRC uses the language of UNCLOS in its *White Paper* (Fengshi, 2016). China is well aware of its full rights under UNCLOS, such as the right to freedom of navigation, the right to innocent passage in Arctic states' territorial waters, and the right to fishing (Sun, 2018). Top Chinese academics have argued that the AC's distinction of Arctic/ Non-Arctic states violates UNCLOS, as non-Arctic states are deliberately positioned below Arctic states (Sun, 2018). Despite UNCLOS' imperfections and China's mixed record of respecting its provisions (e.g. South-China Sea), there are no indications of China disobeying UNCLOS in the Arctic; in fact, its inclusion in the *White Paper* indicates how respecting UNCLOS is China's priority and only option (Lavengood, 2018).

The Svalbard Treaty is another core component of China's Arctic posture (Liu, 2021; Lavengood, 2022). China fully exercises its rights in the Svalbard Archipelago. The treaty provides another legal basis for China's Arctic endeavours, as it ensures that all signatories have equal rights and access to conduct activities (Xinmin, 2019). China's main benefits from the Svalbard Treaty are scientific, geostrategic, and increasingly economic. China's Yellow Research Station (YRS) in Svalbard, Norway, is its most important scientific Arctic research station (Caymaz, 2021), and China has relied on YRS to pave the way for future scientific endeavours in the Arctic. Svalbard's position is strategic, as it sits at the front gates of the open Arctic, and its geopolitical importance is unparalleled; but China will need to tread cautiously to avoid breaching the Treaty.

The People's Republic of China's position on Arctic governance is well discussed in the *White Paper*. The PRC is committed to the current governance regime (the Arctic Council) and to the frameworks of international law (UNCLOS, Svalbard) guiding the Arctic (Xinmin, 2019). However, despite its commitment to maintaining and respecting the current Arctic system, China argues that the structure of Arctic governance needs to be reformed to ensure that it is able to confront emerging challenges and to reflect the basic elements of just, fair, and reasonable governance (Xinmin, 2019). The People's Republic of China, therefore, is not entirely in favour of the current system and is advocating for a revision of current approaches (Liu, 2021; Lavengood, 2022, Xinmin, 2019). The PRC's view is shared by other non-Arctic states such as India, Japan, South-Korea, and others, who view Arctic governance as being too exclusive. These states have no interests in being revisionists, they are discussing a reoccurring criticism of the Arctic Council.

## **China as a Norm Maker or Taker? – Discussion**

Norms in Arctic affairs are essential to the cooperative function and vision of the Arctic Council's governance. The presence of new observers in the AC has introduced new norms that occasionally conflict with established Council norms (Xinmin, 2019). China's presence and growing ambitions have led to the following question: Would Beijing be a norm-maker or a norm-taker as an Arctic Council observer while pursuing its Arctic interests? Xinmin (2019) suggests neither. Rather, the People's Republic of China would be a norm entrepreneur. Xinmin suggests that the "norm entrepreneur" label allows the PRC to carve itself a niche role compared to other non-Arctic states that have revealed their interests in the Arctic. To be clear, it is unlikely that this role will be accepted/ tolerated by the Arctic Eight.

For Beijing to be a norm-maker, several conditions need to be met. The most important would be power presence in Arctic governance, such as official membership in the AC (Xinmin, 2019). China's observer status is not sufficient; therefore, it cannot be a norm-maker. If the Arctic Council changed its rules and allowed non-Arctic states to be official members of the forum, China could be a norm-maker. If China wanted to formalize its Arctic ambitions, it would need to redefine the region's identity in the Arctic Council. If Beijing pursued the norm-maker route, the Western revisionist label would be credible rather than abstract. Therefore, China is not a norm-maker as Beijing does not have any form of power in the Arctic Council.

Presently, Beijing is in the position of norm-taker in the Arctic. This is because China's observer status prevents it from exercising the right to vote, and China has little to no voice in the Council. The White Paper is an excellent example of the norm-taker position, as the PRC is

not interested in being perceived as revisionist in the Arctic (Xinmin, 2019). China's current trajectory as a norm-taker may create a risk for Beijing to be excluded from important conversations and lose its minimal influence (Xinmin, 2019). Xinmin suggests that both options stipulated above are unsatisfactory for the PRC; therefore, norm entrepreneurship is the only lucrative alternative if China intends to be a genuine player in the Arctic region's governance.

### **Chinese Norm Entrepreneurship**

Norm entrepreneurship is a long-term process that involves influencing actors or organizations regarding specific policies, values or norms through cooperative dialogue (Xinmin, 2019). The purpose of norm entrepreneurship is to create new norms for improved political processes. Norm entrepreneurship occurs when one actor with influence elsewhere attempts to strengthen its position in another area, such as policy or governance, to its preferences. Therefore, norm entrepreneurs use whatever influence they have to convince other parties of its perspective and collectively modify rules or policies accordingly. For instance, China is recognized as a powerful country globally and specifically in Asia; however, its global influence is not associated with the Arctic region. Therefore, China as a norm entrepreneur will direct its global might to the Arctic, which is a new region where its aspirations are strong but its influence is weak.

Often, these "new norms" reflect the ambitions of the norm entrepreneur and its parties and are advantageous to them should they be implemented. Norm entrepreneurship is the only path for Beijing if it intends to stop its marginalization in the AC, enhance its underdeveloped Arctic presence, and adapt to this new geostrategic area (Xinmin, 2019). China is definitely a

norm entrepreneur in the Arctic, as it seeks to convince both Arctic and non-Arctic states that the Arctic is a "global commons" for all international actors. At its core, China argues that non-Arctic states and actors ought to have a greater voice as the Arctic states alone cannot address transregional issues themselves (Xinmin, 2019). The PRC embraces norm entrepreneurship and has embarked on bilateral discussions and multi-lateral initiatives to establish its regional presence, which is the precursor to presenting/"selling" its case for the internalization of the Arctic (Xinmin, 2019).

China's norm entrepreneurship intrigues Xinmin as the PRC has vociferously stated its intentions not to challenge Arctic governance, regimes, and international law, yet substantial diplomatic efforts are devoted to the concept of the Arctic as a "global commons." The persistence of new transregional issues will eventually create a moment when the established Arctic Eight/ AC norms will confront China's argument of the Arctic as a "global commons." Whether the non-Arctic observer states will support China in the AC is unknown at this present time.

## **Chapter 3: Chinese Scientific Interests & Climate Change**

### **China's White Paper & Science**

Throughout China's White Paper, the emphasis on science is significant. China's Arctic policy mainly covers three general themes of science: first, it promotes scientific research and expeditions; second, it supports scientific research activities; and third, it encourages the development of technical equipment for scientific exploration (Xinmin, 2019). For the first point, the purpose is to conduct science according to the law and in respect of the sovereignty of Arctic

states. For the second point, there are multi-disciplinary research endeavours ongoing in the Arctic, and the policy is meant to support China's activities. For the third point, capacity building is necessary to ensure Arctic expeditions succeed with their objectives. China's White Paper stresses the importance of increasing scientific research investments, building up Arctic capacity and cooperating effectively with the Arctic states (Xinmin, 2019; Su & Huntington, 2023).

As discussed in Chapter 3, Arctic governance is exclusionary, and the Arctic Eight have a monopoly on power. Therefore, scientific research is China's first and most likely only serious point of entry into the Arctic region (Fravel, Lavelle & Odgaard, 2022). Addressing climate change issues and protecting the environment in the Arctic is a top priority; therefore, the PRC seriously considers the opportunity to understand the climatic conditions of the region and how they relate to its own climate (Caymaz, 2021; Fravel, Lavelle & Odgaard, 2022). What is not discussed in China's White Paper is how scientific endeavours also provide an opportunity for the PRC to engage in research and construct dual-purpose facilities that are capable of serving civilian/ research interests alongside military capabilities (Quinn, 2022; DOD, 2023; CSIS, 2023). The dual-purpose nature of China's scientific activities in the Arctic will be discussed further in this chapter.

### **Science Diplomacy – A New Form of Polar Governance?**

The effects of climate change on the Arctic's climate are clear, yet its impacts on the region's governance are less discussed. Science diplomacy is an emerging concept that suggests that when states cooperate through science, common problems faced by all relevant parties (e.g., climate change) can be addressed through international partnerships (Caymaz, 2021). This form

of diplomacy aims to use science to support policy decisions, prevent conflict, and generate solutions to tensions in order to promote global coordination to international problems. In a foreign policy context, science diplomacy allows the policy process to consult science and to use diplomacy to forge new scientific partnerships, in this case with the Arctic states (Caymaz, 2021).

For China, science diplomacy is an opportunity. A science pathway provides China, a non-Arctic state, an opportunity to legitimize its interests in the Arctic region under the banner of science alongside its rights as a signatory to the Svalbard Treaty (Caymaz, 2021). Science diplomacy lies at the centre of the relationship between science and politics. As Su & Mayer (2018) discuss, science diplomacy actors draw a clear line regarding the implication of politics to their role in the process. Scientists are often effective and reliable international actors, and as members of epistemic communities, articulating scientific facts should be their only priority; they should not need to reconcile with political priorities (Su & Mayer, 2018). Politicized science lessens the value of science and will impact the trust-based cooperation established with international partners.

Scientific diplomacy and knowledge is beneficial in many ways. It can provide objective truths about the climatic and environmental conditions in the Arctic and provide a stable ground for the Arctic governance. Su & Mayer (2018) discuss how science diplomacy is not a perfect solution for future Arctic governance. China may use it as a power source, creating distrust regarding its objectivity. As further discussed in this chapter, China's Military-Civil Fusion

(MCF) has heightened the suspicion of Arctic states regarding China's scientific involvement in the High North.

### **China's Arctic Research Organization – PRIC**

The Polar Research Institute of China (PRIC) is the main research organization for Arctic affairs in China. PRIC serves as the coordinating organization for China's polar studies in both the Antarctic and the Arctic regions (Kossa, 2024). It serves to coordinate China's scientific research expeditions, field stations, and research vessels (Kossa, 2024). In China's polar community, PRIC is a leader in China's research endeavours in the Arctic, and focuses on polar glaciology and oceanography's relationship to climate change (Kossa, 2024). PRIC is also an active participant on China's behalf at Arctic-related events, such as the Arctic Council. The Polar Policy Division (PPD) at PRIC focuses on the polar region's legal status, political system, and economic opportunities (Kossa, 2024). PRIC's role in developing China's White Paper was substantial, and it may answer why Beijing's official policy emphasizes science. As an organization, the PRIC functions as a data collection centre to assist decision-makers in the high ranks of China's leadership in policy discussions (Kossa, 2024). Essentially, the PRIC and the MFA work together, and to guide China's Arctic policy. China's White Paper is a prime example of this relationship.

### **China's Research Station/ Vessels**

The PRC's main research station is the Yellow River Station (YRS), and its research icebreakers, *Xuelong* & *Xuelong 2*, are its main research vessels (Kossa, 2024). The YRS opened in 2004 and is one of China's official Arctic research stations. The primary focus of the YRS is

to conduct scientific research in glaciology, climate studies, meteorology, and environmental monitoring, among other examples, on behalf of the PRC. Another research platform is China's icebreakers, the *Xuelong* & *Xuelong 2*. The former was acquired from Ukraine in 1994 and is one of the largest non-nuclear icebreakers in the world (Kossa, 2024). The *Xuelong* has provided the necessary logistical support to sustain China's scientific ambitions in the Arctic. The *Xuelong 2* builds on the *Xuelong*'s strengths and is very adaptable in complex sea ice conditions (Kossa, 2024). The new ship reflects a new generation of polar research icebreakers that are qualitatively superior and can provide China's scientists with more options and flexibility to operate in extreme polar conditions (Kossa, 2024). As of June 2022, the *Xuelong* has conducted nine voyages, and the *Xuelong 2* has conducted two. China's research capacity is growing, and it is presently working on a third vessel to complement the *Xuelong 2*'s scientific capacity.

### **Chinese Motivations and Drivers:**

Despite China's most northern point being 1,500 kilometres from the boundaries of the High North, the Arctic region significantly impacts China. The first motivator/ driver is climatic conditions. China is specifically interested in gaining the necessary scientific knowledge to grasp better how Arctic meteorological shifts impact Chinese weather patterns (Lavengood, 2022). For instance, scientific research shows the Arctic is warming twice as fast as the normal average, and there is a clear relationship between climate change in the Arctic and the impacts on China's climate, ecological, agricultural, and social development sectors (Caymaz, 2021). The primary concern for China is the melting Arctic glaciers. The rise of sea level water is a disastrous scenario for the PRC. The People's Republic of China's economy is concentrated along mainland China's eastern and southeastern edges, which was China's best farmland before

industrialization. More importantly, China's economic power is situated in the country's most flood-prone area (Caymaz, 2021; Xinmin, 2019). Therefore, the PRC is attentive to the threats of rising sea levels to its socio-economic development and population.

The second motivator/ driver is the growth of China's scientific polar capabilities. China's polar capabilities have grown substantially since 1999 with no signs of slowing (Doshi, Dale-Huang & Zhang, 2021). Scientific research endeavours in the Arctic not only provide on-the-ground experience for scientists, but as previously mentioned, it is China's best path to be more involved in the Arctic and legitimize its presence (Doshi, Dale-Huang & Zhang, 2021). Specifically, greater Chinese involvement allows the core pieces of the White Paper, such as procedural trust among all states, the long-term interaction of scientists, the reinforcement of science in institutions, and above all, the recognition of China as a partner, not a challenger, to succeed in the PRC's favour. The discussion below regarding dual-use technologies and the Military-Civilian Fusion (MCF) of the People's Republic of China form the justification of concern of Arctic states about greater Chinese involvement. However, these concerns must be placed in the correct context. The chances of a firm military presence by the PRC in the Arctic is difficult to imagine. The fifth chapter will further support this claim by arguing how China's military presence in Russian Arctic waters to project its power is one of Moscow's non-negotiable red lines. The potential of Chinese activities/ technology being dual-use and the PRC's emphasis on the MCF strengthens the arguments of Western states regarding China's revisionist intentions for the Arctic region in spite of the *White Paper*.

### **China Arctic Science; Dual-Use Activities and the Military Civil-Fusion**

The national strategy of the of the PRC is to achieve a "great rejuvenation" by the one-hundredth anniversary of the Chinese Communist Party (CCP) in 2049. Scientific advancements within the Military-Civil Fusion (MCF) are imperative after a century of "great humiliation" from 1849 to 1949 by foreign powers. According to Quinn (2022), China's emphasis on employing science in the Arctic is a strategic effort to promote new dual-use scientific projects and thus poses a military danger. However, Quinn fails to mention that almost any form of infrastructure or technology can be labelled as dual-use since almost anything can in theory be used for military purposes. Unless it can be proven definitely that infrastructure or technology is dual-use, calling it such is often a verbal trick and scare tactic to label an enemy's civilian assets as military targets. Some caution is therefore required when examining claims that Chinese scientific activities in the Arctic are “dual use” and therefore threatening.

According to the US Department of Defense, the overall strategy of the MCF has three key points: first, the MCF plans to establish an infrastructure that can strengthen civil-military collaboration; second, it appears to want to engage in activities with a national security component, and which could therefore be deemed “dual use”; and third, it seeks to establish the responsibilities of each sector to ensure an effective mobilization in the case of war (Department of Defense, 2023). The MCF aims to have Chinese sectors and their activities organized to be dual-use so that they can be put to military purposes should the CCP consider Arctic events to be ripe for successfully pursuing Chinese interests in the region (Sorenson, 2024). That said, the chances of China’s MCF succeeding in the Arctic are very low, for two reasons. First, China does not have a geographical advantage as it does in the SCS and cannot dominate the region; second, China does not have the capacity to project substantial power over the states in the region. China's MCF framework in the Arctic is dead on arrival.

## **Chapter 4: Chinese Economic Interests; Arctic Resources + Shipping**

### **Arctic Resources – General Discussion**

The Arctic's inhospitable climate and environment have acted for a long time as a deterrent to exploring the Arctic's rich resources and commercial potential. Climate change is changing these circumstances, and for China, this is both positive and harmful (Lavengood, 2022; Stepier, 2022). The warming temperatures have dismantled barriers for states to extract the untapped resources in the Arctic, potentially making it profitable in the long run (Doshi, Dale-Huang, Zhang, 2021; Stepier, 2022). The Arctic Ocean is estimated to have a significant amount of mineral deposits, natural gas, oil, and other forms of hydrocarbons. China views this as an excellent opportunity to devote its scientific resources to further understand the geological makeup of the region for the benefit of all states, including non-Arctic states (Doshi, Dale-Huang, Zhang, 2021; Stepier, 2022; Lavengood, 2022).

There are other barriers unrelated to the Arctic environment that have hampered the efforts to extract hydrocarbons. For instance, the rapid drop in oil prices in 2014 lessened the attractiveness for states to fund the steep startup costs of Arctic operations and logistics. Another concern is environmental safety, that is, ensuring all additional precautions are enforced. An oil spill clean-up in the Arctic would be next to impossible as clean-up capacity and responsibility have never been discussed among Arctic Council members (Fragouli, 2021). Last, infrastructure in the permafrost or sub-sea permafrost is the most challenging and expensive kind of infrastructure (Fragouli, 2021). The transition to a cleaner economy will involve the Arctic's resources in some capacity, whether it is the minerals intended for new emission-reducing

technologies or the continuance of fossil fuels at a reduced level of consumption. The People's Republic of China has made great advances in transitioning to a green economy, yet it remains reliant on emission-intensive energy sources (e.g. coal) to continue fueling its economy.

Among the non-Arctic states, China bases its claim to a portion of the Arctic's resources on Article 136 of UNCLOS which states that the resources found beyond the national jurisdiction of the Arctic states belongs to the common heritage of mankind (Hong, 2020). It is clear that no state can exercise sovereignty over these resources, which provides some hope for non-Arctic states. The area is relatively small when compared to the designated borders of the Arctic states (Hong, 2020). Therefore, the only path for non-Arctic states to be included in developing Arctic resources is to cooperate with the Arctic states and accept their conditions (Hong, 2020; Stepanov, 2022).

### **China's Demand for Resources – General Discussion**

The PRC's economic growth over the past forty years is attributed to the economic reforms of the CCP and the abundant use of hydrocarbons. China's demand for energy is in lockstep with its economic growth, and this has made it one of the largest consumers of energy in the world (Lavengood, 2022; Stepier, 2022). It is imperative for the PRC to secure a diverse portfolio of suppliers for its energy needs in order to continue predictable growth and avert an economic disaster (Lavengood, 2022). Beijing is attracted to the Arctic region's resources despite the steep start-up costs associated with resource extraction in the Arctic region. Altogether, the new emerging geopolitical and climatic environment present an opportunity for newcomers such as China to cooperate in energy projects (Lavengood, 2022; Stepanov, 2022).

## **China's Demand for Resources – Natural Gas**

China's actions to secure and extract Arctic resources have expanded since the publication of its White Paper and obtaining observer status. The success of the PRC's endeavours is mixed. Common factors in the unsuccessful projects include poor planning, cost overruns, and the national security considerations of the project site's host state (Doshi, Dale-Huang, Zhang, 2021). This section will focus on the Yamal Liquefied Natural Gas project (Yamal LNG). This project is China's largest and most successful efforts to date in resource extraction in the Arctic Circle (Lavengood, 2022; Su & Huntington, 2023; Doshi, Dale-Huang, Zhang, 2021).

The Yamal-Nenets Autonomous region is one of Russia's largest natural gas basins, and the Yamal LNG project is the most complex liquefied natural gas project in the world (Tilman, Yang & Nielson, 2018). Russia and China are the main state actors involved, and both benefit from the project. The Yamal LNG project benefits Russia by providing the infrastructure necessary to unearth its natural gas and allowing it to increase its exports and its shares of the global energy markets (Tilman, Yang & Nielson, 2018). China benefits as it obtains access to energy and it solidifies its geopolitical presence in the Arctic (Su & Huntington, 2023). The project's goal is clear: to extract Russia's natural gas in the Arctic to meet China's growing energy demands (Tilman, Yang & Nielson, 2018).

According to Chinese reports, China is the world's third-largest consumer of natural gas, and its consumption is increasing by 19% yearly (Manta, 2019). Therefore, China's success and future energy needs are tied to the Yamal LNG project's success. While the world economies are

transitioning away from dirtier fossil fuels, China's investment in the Yamal LNG project is a geostrategic and economic gamble that relies on two unknowns: the guaranteed use of natural gas/ LNG in the coming decades and a stable Russian government (Osthagen & Winther, 2024). The former is much more likely to become true than the latter, as Russia's behaviour has been erratic, and its 2022 invasion of Ukraine caught Beijing completely off guard (Clarke, 2024).

The Yamal LNG project is a multilateral venture involving many state and energy firms. After the Russian firm Novatex, China is the second largest holder with a combined 30% stake in the project (Su & Huntington, 2023; Tilman, Yang & Nielson, 2018). The Chinese government has invested approximately USD 27 billion in the development of the Yamal LNG project and approximately USD 100 billion in total to further develop Russia's natural gas potential in the Arctic Circle (Manta, 2019). The PRC's investments are geostrategic as it secures its energy ventures while providing a lifeline to the Russian energy sector, which has been heavily sanctioned since the first invasion of Ukraine in 2014 (Tilman, Yang & Nielson, 2018). The PRC's direct involvement in the Yamal LNG's financing, development, and the use of its energy is a signal to Arctic states that China is serious about extracting the Arctic's natural gas.

The People's Republic of China has pledged to be carbon-neutral by the year 2060. Since this pledge, it has begun to seriously engage with transitioning its fossil fuel-based economy to be cleaner and include the use of more sustainable energy sources (Steblyanskaya et al., 2021). It is predicted that by the next decade, China's consumption of natural gas will double to half a trillion cubic meters a year, and if China intends to meet its pledge, limiting the use of coal and oil and increasing the use of LNG will be necessary. As an energy source, LNG is an alternative

to the dirty fuels as it is environmentally and economically friendly (Steblyansakaya et al., 2021; Stepanov, 2022). The fossil fuel markets will not disintegrate as the world transitions to a sustainable economic model; in fact, they may continue operating at a reduced capacity. Unlike the other two fossil fuels, coal and oil, natural gas is the cleanest and least environmentally harmful fuel to the climate.

As Stepanov (2022) discusses, natural gas will likely be the only acceptable fossil fuel for medium- and large-sized economies such as China to continue using as they transition to a more sustainable future. For instance, large economies such as the United States use natural gas in the electric power industry to act as a bridge between dirty fuels and renewable energy, and in some states, natural gas is the primary energy source for electricity (Stepanov, 2022). As China's green technology market matures, natural gas helps it achieve its climate targets of carbon neutrality by 2060.

China's shared interest with the Russian Federation in exploiting the Arctic LNG can be summarized in three crucial ways (Skalamera, 2022). First, China's demand for natural gas is rapidly growing in different sectors for specific reasons. As previously mentioned, natural gas/LNG will play a major role in weaning China off dirty fuels and in filling gaps in the energy model powering the country (Skalamera, 2022). It is very likely that the energy balance for China and the other most powerful economies in the world will consist of nuclear, renewables, and natural gas. Second, the Chinese leadership has emphasized for the past three decades that they should avoid excessive reliance on unstable regions and vulnerable maritime chokepoints (Skalamera, 2022). By investing in the Russian Arctic, China can secure a reliable source of

LNG for the long term and actively contribute to further developing the region, as Russia cannot develop the Arctic's potential by itself. The Russian Arctic provides more stability from the Chinese perspective than do the Middle Eastern and African regions as Russia is considered more reliable as a partner (Skalamera, 2022). Last, the LNG from the Russian Arctic is increasingly becoming a geopolitical tool for cooperation and exploitation. The Chinese government has exploited Russia's geopolitical isolation from the West and its markets (Skalamera, 2022).

As the current geopolitical trajectory continues, China benefits from exploiting Russian natural gas potential as doing so increases Russia's dependency on China (Skalamera, 2022). China has the option of turning to different suppliers for its energy needs. In contrast, Russia can only turn to China as it seeks to replace the quantities it lost from European markets.

### **China's Demand for Resources – Rare Earth Elements (REEs) & Minerals**

In addition to natural gas/ LNG and oil, the Arctic region is rich in rare earth minerals such as gold, platinum, iron, uranium, lead, zinc (Zoltai, 2023). The Arctic's rare earth elements are estimated to be valued at USD 1 trillion and can serve various purposes, such as civilian uses, telecommunications, the green transition, and military purposes (Zoltai, 2023). Once again, China is interested in exploiting REEs and other minerals in the Arctic with the Russians. The purpose is to develop Russia's weak minerals sector with its experience in extracting and processing these resources (Dalziel, 2024; Zoltai, 2023). For these resources, China can take advantage of the Russians based on two factors: capital and experience.

The People's Republic of China has invested nearly USD 100 billion in multiple endeavours in the Russian Arctic. The Russian economy is resource-based, and its isolation from Western markets, especially after 2022, implies that China can be patient despite the Russians' desperate need for financing (Dalziel, 2024). Since the 1990s, Beijing has gained a near monopoly on rare earth resources, producing approximately 85-90% of the global supply (Lavengood, 2022). Thus far, China's actions have shown its clear interest in mineral extraction in the Arctic Circle to further reinforce its monopoly on supply chains (Lavengood, 2022; Zoltai, 2023). China's projects in Greenland (Denmark), the Kanefjeld and Kringlerne projects, detail the reason why the Chinese prefer partnering with the Russians over other Arctic states.

First, the profitability of the Kanefjeld and Kringlerne projects in Greenland has been seriously vulnerable to market fluctuation (Lavengood, 2022). In addition to the steep start-up costs associated with Arctic projects, the questionable profitability forecasts do not make these projects attractive ventures moving forward. Further, public opinion in Greenland (Denmark) regarding the presence of Chinese firms extracting resources is fragile, which can easily lead to the government revoking the permission of Chinese firms to operate on its land (Doshi, Dale-Huang, Zhang, 2021). The Russian space is most likely the best entry option for the Chinese to secure access to the Arctic's REEs/ minerals in the medium to long term. Russia's vulnerability is an opportunity that is ripe for exploitation.

### **China's Interest in Commercial Shipping:**

Arctic states have long aspired to conduct commercial shipping in the region; however, the severe climatic and environmental conditions have always lessened expectations (Osthagen

& Winther, 2024; Lavengood, 2022). Presently, climate change has increased the chances of more reliable and potentially year-round commercial shipping and has lessened the Arctic's harsh climatic environment. These developments are both welcoming and worrisome news for Beijing as China is a commercial giant in the global economy (Lavengood, 2022); however, China's Eastern coast is susceptible to rising sea levels as a result of the melting glaciers in the Arctic region (Caymaz, 2021), as discussed in Chapter 3.

The Belt and Road Initiative proposed in 2013 reflects China's commercial capacity and its active interest in exploring new global trade routes to sustain its economy (Doshi, Dale-Huang, Zhang, 2021). The purpose of these new shipping routes is to reorient trade to China, and the goal is to reorient China's industrial layout in its favour for the future. The Polar Silk Route, according to Chinese sources, is considered the "golden waterway" due to its potential to reduce the days required to reach European markets, and its potential to strengthen the Sino-Russian partnership. It acts as an excellent gateway to a serious Chinese presence in the Arctic (Doshi, Dale-Huang, Zhang, 2021; Dalziel, 2024). China's commercial potential is significant, and it is considered to be a global leader as it controls one of the top three largest commercial fleets in the world and owns over one hundred ports internationally (Lavengood, 2022). The Polar Silk Route (PSR) is a potential game changer in the abstract; however, the reality is much different.

The PSR is widely considered to be one of the cornerstone pieces of Sino-Russian cooperation in the Arctic in the abstract; however, in reality, the progress on the PSR is overstated (Osthagen & Winther, 2024). Many of the joint Sino-Russian projects that have been key to the PSR's messaging have not materialized in spite of both sides' positive statements

(Osthagen & Winther, 2024; Dalziel, 2024). Osthagen & Winther's (2024) suggestion that this may be a product of distrust between Beijing and Moscow is an accurate assessment. Since Russia's 2022 invasion of Ukraine, many of the developments supporting the PSR have drastically slowed due to the fear of Chinese firms being impacted by secondary sanctions in addition to high costs due to the underdevelopment of the PSR (Osthagen & Winther, 2024). Further, the Arctic's climate is still harsh, which means that the NSR can still be erratic and, unpredictable, and is considered a risky commercial route compared to the longer traditional routes through the Malacca Strait and the Suez Canal. China's large commercial fleet and port access across the world is not insignificant; however, the under development of the PSR means that China's commercial might does not yet extend to the Arctic region.

## **Chapter 5: Sino-Russian Relations; Benefits + Divergences & Military Implications in an Arctic Context**

### **Sino-Russian Relations – Benefits (General)**

The Sino-Russian relationship has significantly strengthened since 2013. Xi and Putin have become closer allies due to their actions and the geopolitical changes occurring internationally (Weitz, 2022; Batool, 2023). The Arctic is an area where both states have progressed their diplomatic relations, especially in their energy partnership (Weitz, 2022). The Russia-China alliance is beneficial to both states' in light of changing geopolitical conditions in the Arctic. Moscow and Beijing have each been able to make concessions to pursue this partnership and to work collaboratively on other Arctic initiatives. The argument that the Russia-China alliance in the Arctic is not a threat to other states is correct. The literature of the past decade supports the above argument in spite of the occasional threatening postures of both states.

Despite both sides' positive declarations and mutual interests, the Sino-Russian relationship has significant faults (Lanteigne, 2024). The "No-Limits" partnership that China and Russia declared in 2022 does in fact have limits (Lanteigne, 2024). The ambivalence both sides have for each other's intentions in the Arctic is one of the many causes (Lanteigne, 2024). The ultimate question, therefore, is *how enduring are the "friendly" relations?* (Suslov & Kashin, 2022). Is it clear that the recent events, such as Russia's 2022 invasion of Ukraine and NATO's expansion, have clear implications for the Arctic and have brought Russia and China closer together. But, once Russia's conflict in Ukraine “subsides” and the Arctic Council returns to “normal” operations, the trajectory of the Sino-Russian relationship will most definitely change.

This is the most likely outcome and may benefit the Chinese in the long term (Suslov & Kashin, 2022). The deeper the Chinese cooperation with the Russians, the less likely the remaining Arctic states will trust China and the higher current tensions with Arctic states may become (Suslov & Kashin, 2022; Lanteigne, 2024). As discussed below, two clear themes about the present Sino-Russian relationship are that the relationship is more beneficial to the Chinese than the Russians, and that the two countries' differences are much more present than their similarities.

### **Sino-Russian Relations – Benefits (China)**

As the Sino-Russian relationship matures, China will be in a better position than Russia (Suslov & Kashin, 2022). In the Sino-Russian relationship, a fact that will not change in the future is that China is the senior partner, and Russia is the junior partner (Suslov & Kashin, 2022). China's rapidly growing economy obliges the government to secure energy imports to

keep pace with economic growth and market demand (Weitz, 2022). A partnership with Russia suits one of China's many needs. Russia's economy is dependent on hydrocarbons; therefore, it is an export-driven economy that relies on an import-driven economy reliant on energy. China is the perfect partner. The Chinese leadership is aware that Russia must now rely on it to sustain its economy (Clarke, 2024). Weitz (2022) is also supportive of Clarke's view that China has successfully leveraged Russia's precarious position to expand its Arctic presence and influence in the short to medium term.

Beijing is also quietly supportive of Russia's invasion of Ukraine despite initially being caught off guard. The reason is that the war supports China's global ambition of weakening the Western-dominated world order wherever it is feasible. The Arctic is a key space where such weakening is occurring with Russia's actions making the Arctic space permeable for China's presence (Berzina-Cerenkova, 2024). It is clear by now that China gains more from its alliance with Russia than vice versa.

### **Sino-Russian Relations – Benefits (Russia)**

The Russian government is in a less advantageous position than the Chinese, but it does gain three specific benefits from an expanded Chinese presence in the Arctic. First, as a reaction to Russia's invasion of Ukraine in 2022, Finland and Sweden submitted NATO applications and have since joined as official members (Siddique, 2023). This means that the Arctic Council now consists entirely of NATO states vs Russia. In this context, Moscow can rely on China as a partner in the power politics in the High North. Russia's threat of providing China more access to the Arctic is Moscow's counterweight to NATO expansion as well as a way of pleasing China.

Second, China's capital allocation is one of the few lifelines to Russia's economy. The Western sanctions that have been imposed on Russia have impacted its economy; however, China's financial support and purchasing power have allowed Russia to maintain its economy. Specifically, China's energy purchases have helped alleviate the Russian energy sector's losses from the European markets (Osthagen & Winther, 2024).

Third, China's continued interest in Arctic resources have helped Russia expand its Arctic extraction potential. Russia's resource extraction potential was very weak and heavily reliant on outside actors (e.g., Western firms) who have since exited Russia (Osthagen & Winther, 2024). As previously mentioned, China dominates the industry and has extensive experience in resource extraction and processing. The Arctic's harsh climate would be the only factor potentially creating an obstacle for the Chinese to provide assistance and its technology to the Russians.

### **Sino-Russian Relations – Divergences (China)**

The People's Republic of China has some disagreements with its Russian partners, both in and outside of the Arctic. China's interests and ambitions are different than those of Russia (Berzina-Cerenkova, 2024). The PRC views Moscow's behaviours, such as interfering in the sovereignty of former Soviet states, among others, as unscrupulous, entitled, and in defiance of the international system (Berzina-Cerenkova, 2024). The Chinese leadership views Moscow's quick resort to military action and its threatening nuclear posture to advance its interests unfavourably (Berzina-Cerenkova, 2024). China has first-hand experience of being on the wrong side of Moscow's nuclear threats.

In the Far East, China and Russia have a territorial dispute. According to Chinese experts, the Russian space along the Sea of Japan is land belonging to Imperial China that the Russians stole (Berzina-Cerenkova, 2024). Russia has made it clear to Beijing that its attempts to reclaim land in the Russian far-east will be met by a limited nuclear strike (Stanko & Warren, 2024). Russia's response is consistent with Russian nuclear doctrine of protecting its sovereignty and territorial integrity (Stanko & Warren, 2024). Chinese leadership actively pursues a stable and influential role internationally and Russia's unpredictability is concerning and counterproductive from Beijing's perspective (Berzina-Cerenkova, 2024). The Chinese leadership may be critical of Moscow, but keeping Putin in power is the best guarantee Beijing has that Russia will be a decently stable ally (Berzina-Cerenkova, 2024). Beijing is aware that Putin's potential successor may be worse for Chinese interests (Berzina-Cerenkova, 2024).

Second, China's seniority in the Sino-Russian relationship is also a liability for Beijing in the Arctic. China is mindful that although Moscow's northern coast comprises half of the Arctic boundary, Russia is not the only country in the Arctic. Suslov & Kashin (2022) stress that China can still deepen its cooperation with Russia, but it has to be mindful of how the other Arctic states view this relationship. The People's Republic of China has been clear that it intends to work with all Arctic states in order to pursue its vision of inclusive Arctic participation. China's most successful initiatives in the Arctic have been with the Russians and its failures have been with the other Arctic states. If China still plans to successfully integrate into the Arctic in the years to come, it needs to redouble its efforts at bilateral diplomacy and become more honest and forthcoming with the remaining Arctic states.

## **Sino-Russian Relations – Divergences (Russia)**

Despite Russia's junior status, its proximity to the Arctic is a benefit that Beijing will never enjoy. Russia's Arctic strategy is straightforward: it is about protecting its sovereign rights, territorial integrity, and resources (Dalziel, 2024). China's actions in the Arctic have caused the Russian government to view it with some wariness (Osthagen & Winter, 2024). Moscow's concern is that Beijing may become a senior partner in bilateral relations with other Arctic states. The fear is that China will leverage Russia for concession in Arctic projects that are desperately needed for Russia's economy (Stepien et al., 2020). To the Russian leadership, being vulnerable to outsiders (e.g. China) in its Arctic region can never be justified. In revised state documents about the Arctic, Moscow is clear that Russia is aware that "unfriendly" states are encroaching on its sovereignty, and it is taking measures to limit their presence before it is too late (Mykylebost & Lanteingne, 2024).

Vladimir Putin's comments on Russia's Arctic sovereignty convey a clear message, which is that "decisions made in the far north should be reserved for Arctic states themselves" (Mykylebost & Lanteingne, 2024, p.4). Russian leadership does not share China's view of the Arctic as a "global commons" – in fact quite the opposite. Berzina-Cerenkova (2024) is correct in that Moscow has little alternative but to partner with China. Russia needs the profits from selling its natural resources to China to fund its actions in Ukraine. Berzina-Cerenkova (2024) does an excellent job summarizing Moscow's position, "Russia and China may share common concerns and do cooperate.... but such cooperation does not imply that the two countries trust one another" (p.6).

## **Sino-Russian Relations – Divergences (*Power of Siberia 2 – Energy Pipeline Dispute 2024*)**

The Power of Siberia 2 Pipeline (PS-2) is a recent example of the fragility of the Sino-Russian relationship. This pipeline intends to connect the Yamal-Nenets Autonomous region in the Russian Arctic to the Northeastern part of China through Mongolia via pipeline (Paraskova, 2024). Before Russia invaded Ukraine in 2022, Russia's gas monopolist Gazprom sold its gas almost exclusively to European markets (Seddon et al., 2024). For the past two years, gas flows have declined by eighty percent, and Gazprom has reported a USD 6.9 billion loss last year (Seddon et al., 2024). Russia's gas sector is suffering from Putin's miscalculation in Ukraine, and it is having a difficult time adjusting. Below is a general discussion of the PS-2 dispute and the Russian and Chinese perspectives.

According to Paraskova (2024), the Power of Siberia 2 Pipeline dispute is that "Beijing is not committing to a new energy project unless it is favourable to its terms" (p.2). China's terms centre on the natural gas price per cubic meter. The original Power of Siberia 1 Pipeline gave Beijing a significant discount per cubic meter. China expects the same benefits at an even better price for the Power of Siberia 2 Pipeline. Beijing's behaviour in regard to the Power of Siberia 2 Pipeline is a reflection of its view of Russia's actions, foreign policy, and desperation for Chinese markets (Paraskova, 2024; Seddon et al., 2024).

Russia's view is straightforward. The Russians view China's demands on gas prices and supply levels as unreasonable (Seddon et al., 2024). Moscow is aware of its precarious position vis-à-vis China in the PS-2 dispute (Down, Losz & Mitrova, 2024; Paraskova, 2024). Russia has been somewhat successful at redirecting its resources to other "friendlier" markets (e.g., India),

but this is not the case with natural gas, due to infrastructure and logistic issues. Russia views the loss of its European market as irreversible, and Russian leadership is aware that a bilateral gas deal with China will not entirely compensate for the loss of its European gas revenues (Down, Losz & Mitrova, 2024). Russia's pivot to China is vital for its gas sector and its economy. In the PS-2 dispute, Russia is at a disadvantage. Russian geopolitical considerations are clear: if it can sell its natural gas at a reduced price to Beijing, it can potentially secure a long-term geopolitical partner (Down, Losz & Mitrova, 2024).

The price of Russia's natural gas is the most important factor influencing both sides. When its European markets were active, Russia sold its natural gas at a premium above the market price to compensate for the below-market price it sold its gas to China and its own heavily subsidized domestic market (Down, Losz & Mitrova, 2024). Moscow is now financially strained and caught in a deal where it set a precedent to provide below-market-priced gas to lure Beijing into an alliance. (Down, Losz & Mitrova, 2024). Moscow does not have an alternative partner to China, and Russia will need to make concessions. Moscow has no choice because "a failure to agree to increased supplies to China would be a further hefty blow to Russia" (Seddon et al., 2024, p.4).

China's view is also straightforward. Beijing is negotiating from a strengthened position, and it knows its demands will be met. China has time on its side and can wait until the situation is ripe enough for the Russians to concede with grace (Seddon et al., 2024). There is no doubt that the PRC is an energy giant, and it will need large volumes of natural gas for its industry and to transition its economy; however, the current contracts it has from all of its marginal suppliers

meet China's current demand (Down, Losz & Mitrova, 2024). Beijing is unlikely to need the added volumes of natural gas from the Power of Siberia 2 Pipeline until the mid-2030s (Down, Losz & Mitrova, 2024). Therefore, China is not interested in Russia's Gazprom dumping its products on its territory when China does not have sufficient storage capacity for additional natural gas. In addition, China knows that Russia wants to keep the flow of gas going to prevent its natural gas infrastructure from collapsing in the Arctic's harsh climate. Russia knows that if its oil or gas wells freeze in the Arctic, its operations will cease for decades. Beijing is unwilling to accept the potential negative consequences (e.g. oversupply of gas with no storage) to allow Russia to continue its operations and boost its supply to China (Paraskova, 2024).

The PRC's delay tactics give it the necessary leverage in the Power of Siberia 2 Pipeline's contract negotiations. China is not interested in being leveraged by a single supplier, which is the position the Germans experienced with Nord Stream 1 & 2. The Nord Stream Pipelines were Germany's main natural gas supply and accounted for more than 40% of its supply (Zeihan, 2022b). The Germans are currently improvising temporarily with nine different marginal suppliers. In this situation, marginal economics sets the price, which is six to seven times higher than the pre-2022 price in Germany (Zeihan, 2022b). Beijing has four to five different suppliers, and is not in the same vulnerable position as Germany, even though Beijing does have some vulnerabilities in its energy supply lines that remain unaddressed (e.g., The Malacca Dilemma).

Altogether, this may explain one of the many reasons why China has only committed to purchasing a fraction of the Power of Siberia 2 Pipeline's potential capacity of 50 cubic meters per year (bcm/y) (Paraskova, 2024). The Power of Siberia 2 Pipeline will not save Russia's gas

sector. Once it is operational, Russia will have conceded to China's future demands due to its strategic vulnerability and desperation internationally. China's need to procure a secure supply of natural gas is a serious future problem; however, Beijing will exploit Russia's desperation to better secure its future needs in accordance with its preferences.

### **Sino-Russian Relations – Militarism**

Sino-Russian militarism in the Arctic would be a worrisome scenario for the region; however, the chances of this occurring are low (McLeary, 2024). Including the points mentioned throughout this paper, such as mutual distrust, military cooperation in the Arctic is a distant projection. Discussed below are a few of the reasons why the People's Republic of China and the Russian Federation's alliance will not lead to militarism, especially in the Arctic.

Since 2013, Xi and Putin have continued to highlight the military cooperation between the two states, despite a clear downturn since 2020. As Berzina-Cerenkova (2024) mentions, Russia's 2022 invasion of Ukraine confirms that China and Russia are not serious military partners. China has adopted a "pro-Russian neutral position" where it states that it has no official position while at the same time it quietly cheers Russia. China provides indirect supplies, such as chips or raw materials, that can be used to produce military equipment (Berzina-Cerenkova, 2024). China does not want to be impacted by secondary sanctions imposed by the West. As previously mentioned, China was caught off guard by Russia's invasion of Ukraine having been told otherwise by Putin himself a few days prior.

Recently, Russian and Chinese bombers conducted joint flights approximately 200 miles off the Alaskan coast (McLeary, 2024). The flights may show an increasingly assertive China and Russia, but this is not an indication of closer military ties. At the week's NATO summit in Washington, all members accused China of enabling Russia's aggression in Ukraine (McLeary, 2024). But Russia and China have little interest in forming a genuine military partnership. They lack the incentives to protect each other militarily, such as by adopting an equivalent to NATO's Article Five. A NATO-style alliance between Russia and China is unlikely.

***Analysis: China scaling down and focusing its efforts?***

The purpose of this study was to investigate China's Arctic ambitions and their geopolitical impacts. The analysis is divided into two sections. The first section analyzes chapters one to five to answer China's objectives in the Arctic. The second section analyzes chapters one to five to discuss China's goals. The second section identifies China's goals and places them in the context of today's Arctic landscape. The discussion will then conclude with assessing China's future path in the Arctic. The path with the greatest likelihood, according to the literature discussed above, will be determined at the end of the analysis.

The research paper above provides a detailed perspective of China's objectives in the Arctic. Two objectives in particular are worth discussing. The PRC's first objective is to be considered a serious Arctic player. The development of China's White Paper (2018), its economic investments, scientific contribution, and participation in Arctic governance are clear signs of China's interest in the Arctic region. Beijing is steadfast in its efforts to prevent its

geographical distance from the Arctic Circle, and its observer status in the Arctic Council, from acting as obstacles to its ability to contribute to the Arctic.

The second objective is to highlight the global implications of the Arctic. Specifically, through its advocacy, governance, scientific contributions, and resource extraction efforts, China seeks to highlight the Arctic's importance to the rest of the world, despite resistance from the Arctic Eight. If the world plans to decarbonize its economies, the Arctic will be a key indicator of its success, and its resources will contribute in some way. The perspective of the Arctic as a "global commons" and "shared heritage of mankind" originated in China, but it is not wrong. The PRC is attempting to deconstruct the argument that "Arctic affairs are reserved for Arctic states only," which is a view all official AC members vociferously support. It is difficult to predict the potential success of this objective in light of resistance from the Arctic states.

Involvement in Arctic governance is imperative for the PRC to achieve its goals; however, China faces several obstacles. The Arctic Council's governance structure is rigid and exclusionary. The AC will remain the entry point into Arctic governance for the foreseeable future. With the exception of Russia's actions in Ukraine, the AC has been a cooperative political forum. Despite the doubts about the AC's capacity to address future issues, the dominance of the Arctic states will continue. China is correct in its view that reforming the Arctic Council is necessary for it to be fair and representative of international interests in the Arctic; however, there is no willpower from the Arctic states to implement change.

The Arctic Eight views China's "near-Arctic state" label unfavourably. The "middle ground" the PRC is attempting to balance is not working. The Arctic Eight view the label as an indication of China's revisionist intentions. Although the revisionist fears may not entirely be accurate and do not reflect the AC's current dynamics, it does not matter. China's "near-Arctic state" label will only succeed if the Arctic states are willing to accept it, and presently they do not. The "near-Arctic state" label emerged as the PRC's way of standing above the other observer applicants (e.g. South Korea, India, Singapore, Italy) for the right reasons; however, it has had the inverse effect. Two options were provided to China: apply for observer status and be associated with Arctic governance, or continue to be unassociated with the Arctic's main forum and parties – China chose the first option. Whereas the Chinese view their norm entrepreneurship as their way of carving out a distinctive role and pushing back against being a norm-taker, the Arctic states view it as China's long-term game of challenging the Arctic states monopoly on power in the Arctic Council.

Scientific capabilities are more likely to enable China to play a bigger role in Arctic affairs. Unlike the region's governance structures, science is more open-minded, and there is a desperate need for more scientific knowledge of the Arctic region. China's White Paper focuses heavily on scientific expeditions, research activities, and developing scientific tech suitable for the Arctic. The White Paper's emphasis on science implies that the CCP is serious about increasing China's science capabilities in the Arctic. Climatic change in the Arctic presents an opportunity for China. The PRC leads in developing and advancing scientific diplomacy within the Arctic Circle. The Arctic Council does have collaborative scientific endeavours between some of its members; however, it does not have a serious collaborative scientific effort involving

all of its members. Considering that China, Russia, and the United States are the world's largest polluters, the Arctic region makes sense as a logical starting point to work collaboratively, as the Arctic is warming at twice the rate of the rest of the world.

The discussion of China's MCF and the use of dual-use technologies must not be forgotten; however, it must be placed in the correct context. Chinese military dominance of the Arctic will not occur in the foreseeable future. China's MCF requires it to be based on a position of strength geographically and militarily – China lacks such a position in the Arctic. The People's Republic of China can only gain an “advantage” in scientific diplomacy over other Arctic states if it is more forthcoming about its intentions by acting more truthfully and collaborating with Arctic states. A scientific alliance with Russia alone will not address China's need to understand the Arctic's impact on its domestic climate or the other scientific interests it has in region.

Another promising endeavour for the PRC is the economic exploitation of the Arctic, specifically natural gas/ LNG, minerals, and commercial shipping. The PRC's energy needs are a problem and an opportunity both domestically and internationally. It is a domestic problem because China's high pollution levels are unsustainable. The Arctic provides China with the opportunity to transition to a cleaner model, maintain its economic growth, and kickstart the extraction of resources within the Arctic region. Internationally, if China can transition its economy using the resources in the Arctic, this invalidates any argument that less polluting states cannot transition to a greener model. The commercial potential of the PSR is promising;

however, until there is more predictability in the Arctic's climatic pattern and better cooperation with Russia, it will remain in its current underdeveloped state for the foreseeable future.

Last, Sino-Russian relations are fragile and show no sign of improving. Even if China succeeds in extracting concessions from Russia, Sino-Russian relations will not resemble the quality, superiority, and reciprocal trust of Western alliances, such as the American-Canadian relationship. Besides an anti-Western sentiment, the core of Sino-Russian relations is not cooperation, but a fervent distrust. As mentioned in Chapter five, Moscow's and Beijing's differences are much more present than their similarities. Beijing views Moscow's behaviour as irrational, its nuclear postures as a liability, and it disagrees with Russia's territorial claim in the far-east. Moscow views Beijing's presence in the Arctic as an encroaching threat to Russia's Arctic sovereignty. It disagrees with the internationalization of the Arctic and with China's "near-Arctic state" ascription, viewing them as a challenge to the power of Arctic states.

The Sino-Russian alliance is a response to the changing geopolitical realities of the world. The Power of Siberia 2 Pipeline is a prime example of how feeble and short-sided the relationship has become. Moscow and Beijing both need one another but are also willing to pressure one another to concede. Considering the discussion of Sino-Russian militarism in the Arctic, the current trajectory suggests that this is unlikely to last, as Russia will not concede its military position and Arctic image for territorial concessions to Beijing. It would be an unwise decision for Beijing to strengthen its relationship solely with Moscow. China's bilateral and multilateral efforts with Arctic states will suffer if it associates too much with Russia.

China's most realistic path in the Arctic will be scaling down its efforts and focusing its resources on science, resource extraction, and developing stronger bilateral ties with the other Arctic states. China may not devote the same level of resources to Arctic governance and its relationship with the Russians. By focusing its resources in areas with growth potential, the People's Republic of China's Arctic aspirations can emerge without posing a revisionist threat to the current system. Beijing can succeed in addressing its needs in the Arctic if it acknowledges that it is better to complement the existing system (e.g. Arctic Council and the Arctic Eight) with its current observer status rather than to try to be viewed as an equal and legitimate Arctic state.

China is the most prominent example of a non-Arctic state challenging Arctic regionalism, governance, and the Arctic states' monopoly on power. Other non-Arctic states are starting to follow China's example, albeit on a reduced scale, by for instance developing Arctic "strategies" despite being geographically distant from the Arctic. China's efforts provide a precedent that many other states have used to portray themselves as parties with an interest in the region's future. In this manner, China is shaping the future of the Arctic, and is likely to continue doing so in the years to come.

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