

# ARCTIC POLICIES OF NORDIC STATES: THE POLITICS OF GEOGRAPHICAL DEFINITIONS



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## **Policy Recommendations**

- To enhance the effectiveness and functionality of the Arctic Council in the long term, the operational distinctions between the Arctic 8, Arctic 5, and Arctic 3 should be discontinued. The permanent members of the Arctic Council should close ranks and operate as the group of the Arctic 8.
- To secure a common frame of policy reference and acknowledgement of problems, the permanent members of the Arctic Council should act in concert.
- To maintain control of regional developments, the Arctic Council is well advised to stand united.
- For the five Nordic states to increase their influence in the Arctic Council, the split in the Arctic 5 and Arctic 3 is dysfunctional and should come to an end.

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

The Nordic states—Norway, Sweden, Finland, Denmark (Greenland), and Iceland-have a long-term practice and reputation of harmonizing their national interests and positions in international organizations by voting together to increase their political impact on world affairs. In particular, this is made possible by the fact that in certain respects they are "similar": they are all geographically and demographically small, economically developed, and politically likeminded; they are welfare states, which to a large extent are modelled on social democratic ideas, and they all belong to a joint security community in a peaceful corner of the world. Thus, they share a "political culture and identity" that encourages political compromise and alliance building. Can this tradition also be applied to Arctic governance and sovereignty issues?

## Arctic Governance and Sovereignty: Some Clarifications

To answer this question, the concepts of governance and sovereignty are in need of some precision. Governance consists of two features: a regime, defining "the rules of the game," and a structure, defining the actors and their interactions in fora such as the Arctic Council (AC). The exclusive focus of this policy brief is on the Arctic Council.

With the sole exception of the sovereignty dispute between Canada and Denmark over Hans Island in the Nares Strait, there are no land territorial disputes in the Arctic. For this reason, sovereignty issues in the region relate to the Arctic Ocean.

## Similarities in Arctic Policy Priorities Among Nordic Countries

In their Arctic policy and strategy documents, all the Nordic states define the United Nations Convention on the Law of the Sea (UNCLOS) and other global ocean conventions as the regulatory foundation for the Arctic Ocean. At the same time they acknowledge that UNCLOS, mostly was developed to regulate the challenges of "blue water" oceans. Out of the 320 articles on UNCLOS, only one, Article 234, deals specifically with ice-covered waters. Issues specific to Arctic regulation such as sea ice, polar darkness, environmental fragility, etc., are not addressed fully in the 1982 Convention. For this reason, all Nordic states are in agreement that there is a need to develop supplemental regimes to UNCLOS (for example to develop a Polar Code for shipping).

The Nordic block also agrees that economic developments should be sustainable. Norway opts for an applied ecosystem management scheme, whereas Finland prioritizes environmental protection before any economic use. International cooperation activity ranks high on all Nordic political agendas, especially when it comes to Arctic science and research. Last but not least, the cultures and interests of indigenous peoples are also prioritized on the respective Arctic agendas of the Nordic states.

When it comes to structure, all Nordic states are in strong support of the AC, which in their collective view should be strengthened and transformed from being a soft law, consensus based forum into an international entity dealing with a broader scope of issue areas and a strengthened decisionmaking structure.

By and large, Nordic agreement relates to the principal aspects of the regime and structure. When it comes to the working of the structure of the Arctic Council, tensions and disagreements are emerging.

#### Differences in Arctic Policy Priorities Among Nordic Countries

The group of the "Arctic 8" includes- apart from the five Nordic states— Russia, the United States, and Canada, all of which are coastal states to the Arctic Ocean and permanent members of the Arctic Council that decide the direction and scope of regional development. Thus, numerically, the Nordic states hold a majority position in the Arctic Council, which in light of their joint political culture and identity, should give them some added influence in internal dealings. Geographically, however, the Nordic states are split into two groups: Finland, Sweden, and Iceland-not bordering on the Arctic Ocean—belong to the group of "Arctic 3"; and Norway and Denmark (Greenland), which are part of the "Arctic 5" that also includes Russia, the United States, and Canada.

On May 28, 2009, the Arctic 5 met in Greenland at the invitation of the Danish government to negotiate and agree on the so-called Ilulissat Declaration on the legal foundation of the Arctic Ocean. After the establishment of the Arctic Council in 1996, this was the first meeting exclusively for the coastal states. This meeting prompted an immediate protest from the Inuit Circumpolar Conference, which underscored its legal right as a permanent participant to the Arctic Council to be present at the negotiating table when issues concerning the region are discussed. As a permanent member of the Arctic Council, Iceland expressed concern at being excluded from the meeting.

A year later, a new meeting of the Arctic 5 was organized in Ottawa to discuss new ways of thinking about economic development and environmental protection. This time the reaction of the Arctic 3 became more vocal, explicit, and public. Iceland expressed dissatisfaction at not being invited, and claimed that a better strategy would be to try to build consensus among the Arctic 8, rather than within an exclusive group of coastal states. Finnish and Swedish officials made similar remarks. Representatives of Arctic indigenous peoples asked if the Arctic 5 was trying to assume leadership in the governance of regional affairs at the expense of the Arctic 3 and the permanent participants. The U.S. Secretary of State, Hillary Clinton, warned against the practice of inviting just a few of the Arctic states to these meetings and advised future discussions on regional issues to include all states with legitimate interests in the region. In principle, the Norwegian foreign minister agreed with his U.S. counterpart, but stressed that these meetings be practical and functional as a means of resolving common challenges between parties sharing a problem. In his mind, participation of non-affected parties could only complicate negotiations and delay resolution. Denmark feels that meetings within the Arctic 5 group are an important and effective vehicle in the governance of region, and is a stern advocate for sustaining them.

Apart from protesting against being excluded, the Icelandic foreign minister in May 2010 presented a report to the Icelandic Parliament to secure his country's position as a coastal state of the Arctic Ocean by developing "legal and geographical arguments for Iceland's role in international decision-making regarding the High North," and "to strengthen the Arctic Council as the most important forum for circumpolar cooperation, opposing the exclusive meetings of the Arctic 5." This move got the support of Parliament, which urged the government to promote an interpretation of the Arctic that did not limit the Arctic to a narrow geographical definition. It stated that Iceland was the only country among the Arctic 8 that has the whole of its land territory within the Arctic Circle, and for that reason should be regarded as a coastal state. Here, geographical definitions have become international politics, arguing that the group of Arctic 5 should be extended to become the "Arctic 6" (the assumption being that the relationship between the map and the terrain is nothing but a matter of interpretation, and therefore a matter of power). This is the politics of geographical definitions, which decides who gets a voice and why it matters.

If Iceland should succeed in its endeavor to get support for a redefinition of the Arctic (in line with what the Arctic Marine Shipping Assessment and Arctic Monitoring and Assessment Programme reports have suggested), Finland and Sweden will lose out and form a new "Arctic 2". Such an outcome is not likely to be well received in Helsinki and Stockholm.

Apparently, Secretary Clinton's warning from 2010 has come to nothing. In the later part of February 2014, the Arctic 5 was again invited by the Danish government to a third meeting, this time in Nuuk, Greenland, to discuss conservation and management of fish stocks in the marine area of the central Arctic Ocean adjacent to the exclusive economic zones of the five coastal states. In the chairman's statement from the meeting, the Arctic 5 reaffirmed that other states may have an interest in the topic and will be invited for a broader process to start before the end of 2014. With the reference to "other states," no distinction was made between the Arctic 3 and non-Arctic states, which has likely been noticed in the capitals of the Arctic 3.

#### **The Way Forward**

The Arctic 8 are self-declared Arctic states, which have taken upon themselves a selfdeclared objective to govern Arctic science and environment within the auspices of their own creation, the Arctic Council. At the same time, the Arctic Ocean attracts political and economic interests from an increasing number of non-Arctic states, that ask for a say and participation in regional developments. In this perspective, the Arctic 8 most likely would gain by closing ranks to avoid external powers playing politics with the political frustration within the Arctic Council. The Arctic Circle, which was established in 2013 at the initiative of Iceland's President Ólafur Ragnar Grímsson, can be used as an arena to critique the state and conduct of Arctic affairs and to mobilize external pressure for change and involvement.

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