NBR ANALYSIS BRIEF

Northeast Asia Turns Its Attention to the Arctic

BY Linda Jakobson

China, Japan, and the Republic of Korea (ROK) have each applied to become a permanent observer on the Arctic Council, an intergovernmental forum established in 1996. Until the 21st century, the Arctic Council was mainly concerned with coordinating the protection of the environment and the rights of indigenous peoples. However, the council's political significance has risen in tandem with the increasing pace of the melting of Arctic ice, and today it is regarded as the most influential international institution for developing Arctic governance and cooperation.

All three countries have lobbied energetically for approval of their applications at the next ministerial meeting in May 2013. Yet, the inclusion of new permanent observers remains a contentious issue among the eight permanent members, which include the five Arctic littoral states (Canada, Denmark, Norway, Russia, and the United States) and the remaining Arctic circumpolar states (Finland, Iceland, and Sweden). At the two previous meetings in 2009 and 2011, ministers chose to defer a decision on new observers. Although in 2012 all the Nordic countries have expressed support for granting China, Japan, and the ROK permanent observer status, Canada, Russia, and the United States remain silent on the issue. The United States—along with Canada and Russia-would benefit from the inclusion of these countries as permanent observers and should back their applications at the next Arctic Council meeting.

GROWING ASIAN INTEREST IN THE ARCTIC

China's, Japan's, and the ROK's recent interest in the Arctic region is driven primarily by economic motives. In the coming decades, melting ice is expected to affect food production in Northeast Asia, while at the same time offering new opportunities for many shipping-related industries, fishing, and resource exploration. In addition, China views its participation in Arctic governance issues as a given based on its status as a rising global power. The ROK, in turn, views involvement in the Arctic as a means to boost its image as an emerging global player.

Over the past five years, these Northeast Asian states have taken the following steps to protect what they perceive as their key interests in the Arctic:

- 1. Deepening their knowledge of climate change in order to be able to respond effectively to its effects on food production and extreme weather patterns
- 2. Securing access, at reasonable cost, to Arctic shipping routes when conditions permit regular commercial shipping in the summer
- 3. Strengthening their ability as non-Arctic states to access the region's resources and fishing waters

In pursuing these goals, China, Japan, and the ROK draw on strong polar scientific capabilities, which they have acquired over the past decades during their scientific polar research activities, primarily in the Antarctic. The Arctic remains a secondary focus for all three states, though the Arctic too has received increased funding in the past few years. China and the ROK conduct regular Arctic explorations on their own scientific icebreaker. China is building a second icebreaker, with Finnish expertise.

CHINA'S INTEREST EVOKES CONCERN

China's Arctic aspirations, in particular, have evoked the same kind of concern, even anxiety, that throughout history has accompanied the rise of a large power. No one knows with certainty how China will use its power. The aggressive posture of China's representative at the Arctic Council's observers meeting in Stockholm in November 2012 only aggravated these concerns. Although Chinese officials have been cautious in their statements about the country's interests in the Arctic—especially in regard to resources—and have committed to respecting the sovereign rights of the Arctic states, they have also emphasized the need for Arctic states to respect the interests and rights of non-Arctic states.

According to the UN Convention on the Law of the Sea (UNCLOS), which the United States has not ratified, all states have the right to exploit resources in international waters. However, China is worried that the area deemed to be international waters in the Arctic will shrink considerably if all the existing and anticipated claims by Arctic states on outer continental shelf extensions are deemed legal. Moreover, Beijing stresses that Arctic matters are global, not regional, because the changes taking place, particularly the melting of the polar ice cap, have a global impact. Chinese researchers now call China a "near-Arctic state" and an "Arctic stakeholder," underscoring its view that it should participate in discussions and decisions pertaining to the future of the Arctic

Permanent observer status would, at least in the short to medium term, not empower China, Japan, or the ROK in the Arctic Council because observers do not have the right to vote. But as permanent observers they would automatically be invited to Arctic Council activities and meetings, whereas they now have to await an invitation as ad hoc observers.

In China's case, one can surmise that Beijing wants to ensure a seat, even if only in the back row, partly because of concerns that at some point in the future it may not be a desired attendee and partly because of the hope—shared by both the ROK and Japan—that observers could over time attain more influence.

IMPLICATIONS

The United States can both protect its interests in the Arctic and support permanent observer status for China, Japan, and the ROK. By backing their applications, Washington would give up little in the way of direct influence on Arctic matters, while benefiting from substantial discussions with these countries to better understand their positions and intentions. Although China and the United States began to hold an annual dialogue on the law of the sea and polar issues in 2010, as a part of the U.S.-China Strategic and Economic Dialogue, the Arctic remains a marginal issue in these discussions. Furthermore, engaging the three Northeast Asian states more deeply in Arctic Council activities will encourage them to pay serious attention to legitimate environmental concerns pertaining to shipping and resource exploration in the fragile Arctic environment. ♦

LINDA JAKOBSON is Director of the East Asia Program at the Lowy Institute for International Policy in Sydney. She is the author (with Jingchao Peng) of *China's Arctic Aspirations*, a policy paper published in November 2012 by the Stockholm International Peace Research Institute (SIPRI). She can be reached at ljakobson@lowyinstitute.org>.

The NBR Analysis Brief provides commentary on the Asia-Pacific from leading scholars and experts. The views expressed are those of the author.