



Russia's High Ambitions and Ambivalent Activities in the Arctic

Conference Paper

Pavel K. Baev

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Introduction

It may appear puzzling that the theme of "conquering the Arctic," which was so prominent in Russian official discourse in 2008-2009, has practically disappeared from the accelerating political campaigning leading to the parliamentary elections in December 2011 and the presidential elections in spring 2012. Indeed, Arctic-related issues were practically absent in the lengthy report presented by Prime Minister Vladimir Putin to the State Duma in April 2011, where a wide range of priorities was outlined, and a great many promises were given. In fact, the last time that this theme was substantially addressed was Putin's speech at the International Arctic Forum in Moscow in September 2010, while President Dmitri Medvedev has not dwelt on it for more than a year.¹

This downplaying may yet be reversed. But one plausible explanation for it is that rich political dividends can be harvested from the Arctic wastes only if the proposition of geopolitical competition centered on defending Russia's interests against hostile encroachments from the neighbors is exploited. This proposition, however, does not answer Moscow's current political goals. Russia has demonstrated exemplary behavior in the Arctic Council, and the settlement of the maritime border dispute with Norway in 2010 constitutes the tangible proof of its commitment to cooperation.² This paper examines the contradictions in the officially set course on expanding Russia's positions in the Arctic and evaluates the sustainability of this course, focusing on the probable breakdowns of the cooperative frameworks.

Hard Security Still Matters

Two most remarkable developments in Arctic security of the two post-Cold War decades have been the massive de-militarization, driven primarily by Russian unilateral reductions of every component of its arsenals; and the preservation of the super-structure of strategic confrontation, despite the blossoming of many bridge-building initiatives, such as the Barents Cooperation.³ Such developments are clearly diverging; so the notion of a "New Cold War"—eagerly recycled by the media—is nonsense from the military point of view, but makes a certain amount of sense from the geopolitical perspective.

The combat order of the Northern Fleet has shrunk by more than 80 percent in all categories of combat ships, but every monthly patrol by a couple of aging *Bears* (Tu-95M bomber) is diligently intercepted by Norwegian, British, and Canadian fighters. The Herculean task of decommissioning and disposal of nuclear reactors, warheads, and

wastes on the Kola Peninsula, which used to be the most nuclearized region in the world, has been organized through the U.S.-funded Cooperative Threat Reduction Program, known also as the Nunn-Lugar Initiative. This initiative receives not nearly the praise that it richly deserves. This joint work and shared success have not, however, generated a durable culture of trust, and the idea of withdrawing tactical nuclear weapons from the Kola storage sites has found little, if any, support in Moscow.⁴

The single most important issue for Russia's military posture in the High North is the deployment of the new *Borey*-class generation of strategic submarines, which has been delayed by the setbacks with testing the *Bulava* missile. Two tests in October 2010 were successful, but there is a delay in the schedule for final testing, while the serial production has apparently started in order to make the first submarine, *Yuri Dolgoruky*, operational by 2012.⁵ It is difficult to say whether the risks of operating a nuclear submarine too long in the construction stage and that is armed with missiles that are prone to malfunctioning are lower than those of keeping in service Delta III submarines, which should have been retired by the start of this decade.

Despite all the problems with maintaining and modernizing its troops in the Kola Peninsula (and the rest of the Russian High North is practically demilitarized), Russia still has a big military advantage over the Arctic neighbors, who happen to be NATO members. Moscow is not immune to the desire to harvest some political dividends from this rare position of power, but every attempt to instrumentalize its military assets has brought nothing but costly complications. The choice for downplaying geopolitical competition remains conditional upon extracting tangible (but, as yet, not that rich) benefits from cooperation. One definite conclusion is that Russia rejects any proposals for cooperating with NATO in the Arctic on whatever incentives might be invented for substantiating the "reset" negotiated at the December 2010 Lisbon summit.

Re-Evaluating the Cost-Efficiency of Economic Bonanza

Political passions about laying claims on the Arctic shelf have been driven primarily by the far from noble greed centered on exploiting presumably vast and newly-available natural resources—first of all, hydrocarbons. Russia in this respect is not that different from any mature capitalist "predator." But its appetite for oil and gas originated not in the needs of its own economy, but in the desire to establish control over the maximum possible share of reserves, which would consolidate its status as an "energy super-power."⁶ These ambitions were severely undercut by the economic crisis of 2008-2009, which momentarily yet severely curtailed the oil price. Its gradual recovery by mid-2011 has not restored the expectation that the demand for, and prices on, energy are set on an upward trajectory. More sober assessments help to dispel illusions about an Arctic treasure-trove, which in fact contains significant reserves of gas (oil is scarce) that require colossal investments for getting on-line. Putin, apparently, clung to such illusions until mid-2010, when he informed scientists at a research station in Yakutia that "According to rough estimates, the reserves discovered to date are worth approximately \$5 trillion, including oil, natural gas, coal, gold, and diamonds."⁷

The unexpected gas glut on the key European market has necessitated postponement of risky projects on the Arctic shelf, including the pioneer joint venture of Gazprom, Total, and Statoil for developing the giant Shtokman gas-field in the Barents Sea.⁸ Facing the prospect of declining output from its Siberian base, Gazprom has to concentrate on building infrastructure for the Bovanenkovskoe gas-field on the Yamal Peninsula, which is the single largest energy project in the Arctic region. Other potentially lucrative projects remain subject to complicated business intrigues and political maneuvering, such as the controversial alliance-building between Rosneft and BP, in which the licenses for exploring the Kara Sea are used as bargaining-chips in the quarrel with several Russian "oligarchs," who own stakes in TNK-BP.⁹

When it comes to advancing or shelving development projects, Moscow remains remarkably unconcerned about Arctic ecology and basically maintains the Soviet pattern of environment abuse. Thus, after making a short visit to Norilsk in August 2010, Putin used the threat of heavy fines for air pollution in this "ecological disaster" area as a means to resolve the business conflict between the owners of Norilsk Nickel.¹⁰

Russian scientists conduct extensive research on a broad range of environmental issues, including climate change, but every station has become a major source of pollution, not the least from thousands of empty barrels. Global warming could constitute a major problem for Russian infrastructure in the High North due to melting of permafrost. But Gazprom remains resolutely opposed to the proposition of reducing emissions by limiting consumption of hydrocarbons and coal, which is incorporated in the EU energy strategy, ambivalent as it is.

Moscow entertains plans for reviving the Northern Sea Route, which could become commercially navigable if the summer cap of Arctic ice keeps shrinking. These plans require not only huge, and most probably unaffordable, investments in service and support infrastructure, but also a sustainable re-population of many Soviet-era cities, from Vorkuta to Tiksi and Anadyr.¹¹ Such wishful planning ignores Russia's precarious demographic situation and goes against the common economic sense trend of population drift towards warmer latitudes.¹² In fact, Russia's

northern regions continue to lose population, and the attempts to build wonder-cities like Khanty-Mansiisk turn out to be harmful to local communities and involve a huge waste of resources.

Good-Neighborly Quarrels and Hard-to-Prove Claims

The tentative shift to cooperation from geopolitical competition (which appeared real in the late-2000s, but was actually rather experimental) has been driven not by Moscow's principled pro-Western choice, but rather by opportunism. It is not so much the immediate benefits from cooperation that prompted this shift, but rather the concern that a defiant stance could convince neighbors to overcome their differences and gang up against Russia. So Moscow demonstrates commitment to strengthening the Arctic Council, while at the same time indicating a preference for networking with the narrower format of the Arctic Five. Moscow also objects to engaging observers in the decision-making in these institutions, even if that means offending close partners like the EU or China.¹³

Russia's engagement in cooperative work remains uneven. Some key guidelines, such as upholding the rights of indigenous peoples remains of little interest to it, while, for example, joint efforts at upgrading search-and-rescue capabilities are seen as meaningful, but politically marginal. A major underlying assumption for building closer ties with neighbors is, however, the approval of the claim for expanding Russia's Exclusive Economic Zone (EEZ) by about 1.2 million km² beyond the shelves of the Chukotka and East Siberian seas, right up to the North Pole. Russia was the first state to submit a claim to the UN Commission on the Limits of the Continental Shelf (UN CLCS) in December 2001, and to experience a disappointment as the application was returned for re-working due to insufficient scientific evidence.¹⁴

In the aftermath of the sensational flag-planting expedition in August 2007, Putin declared that all the necessary proof was collected, so the claim was substantiated beyond a doubt. The application, nevertheless, has not been re-submitted; the deadline is now provisionally set for 2013, while the list of claims at the UN CLCS currently stands at 56 (with only 11 recommendations being adopted).¹⁵ It might appear perplexing that, after so much political boasting, Moscow is dragging its feet about pushing its claim. But there are indeed problems related to establishing the geologic nature of the Mendeleev and Lomonosov ridges, caused by the lack of data from deep-water drilling, beyond currently available technical capabilities. The UN CLCS cannot adopt a decision on disputed EEZs. So Russia seeks to coordinate positions with Denmark and Canada, so that the three claims be submitted in a perfectly coherent way.¹⁶ Moscow also expects that Norway, whose claim was largely approved by the UN CLCS in March 2009, would refrain from raising any issues. This is not only because the maritime border dispute has been amicably resolved, but also because its sovereignty over the Svalbard/Spitsbergen remains a matter of interpretation.¹⁷

The most problematic and puzzling obstacle for the revised Russian claim, from Moscow's point of view, is the position of the United States. The Russian Foreign Ministry is painfully aware that the unfavorable response to the move made in 2001 was in large measure influenced by a letter from the U.S. State Department to the UN CLCS that mercilessly revealed the shortcomings of the sloppily prepared document.¹⁸ Moscow is also aware that Washington is not planning to join the UN Convention on the Law of the SEA (UNCLOS) anytime soon.¹⁹ The reasons why the ratification of this major international treaty in the U.S. Senate is impracticable are so incomprehensible for an observer with limited exposure to the internal working of this legislature that hidden motives and evil intentions are explanations that seem more credible to Russian analysts and politicians.

The significance of the yet-to-be-submitted claim for the inaccessible Arctic shelf goes beyond its potential and (highly doubtful) economic exploitation, or its practically non-existent strategic value. In some indeterminable but irreducible way, Arctic matters pertain to Russia's identity, which remains in the limbo created by the collapse of the USSR. This connection is what determines the rather mixed feelings about the Russian-Norwegian border settlement, while the USSR-USA maritime boundary agreement (1990) is typically seen as a betrayal of national interests.²⁰ The substance of popular perceptions of the Arctic is vague, but in general terms they are much more about "conquering" and asserting sovereignty over the Arctic, rather than protecting its fragile ecology.

Conclusion

The notion of "geopolitical confrontation" in the Arctic belongs not to the realm of *Realpolitik*, where the balances of competing national interests are determined by measurable power-projecting capabilities, but to the sphere of virtual politics, with its fluid interplays of discourses and identities. Material stakes are not very high in this post-modern type of state interaction; but political passions could still run high, while popular perceptions could be exploited by current populist maneuvering. In this rich variety of perspectives one misleading proposition that lingers on, despite the established political wisdom, is that of the Arctic as a "no-man's-land" Bonanza, where no rules apply and natural resources are up for grabs.

In fact, all inter-state and non-governmental interactions in this region are sufficiently regulated by national and international laws, including the UNCLOS, and coordinated by a number of over-lapping institutions, first of all the

Arctic Council. Russia, which is often portrayed as a rogue player, partakes in the working of these institutions in exemplary fashion, is actually following every rule, forsaking unilateralism even in laying a claim for an extended EEZ. Nevertheless, beneath this cooperative course lies an underlying concern about interests of competitors, as well as about hostile intentions of the Atlantic Alliance. These suspicions are strengthened by the U.S. non-ratification of the UN CLOS. Moscow dislikes the notion of the Arctic as a "global common" and aims at dividing it between the Arctic Five while making use of several exclusive regional structures.

The inescapable problem with the desire to assert sovereignty over the largest part of the Arctic is the weakness of the Russian state, with its economic vulnerability and political backwardness. The needs of economic modernization, increasingly internalized by elites, prescribe massive investments in high-tech industries and techno-parks; these preclude a mobilization of resources and attention to developing the Arctic. A key precondition of an economic revival is modernization of the "enlightened authoritarian" political system, which has a particular interest in channeling budget funding towards Arctic programs, due to plentiful opportunities for misappropriation and graft. Russia's current trajectory of economic and political stagnation is unsustainable, and a modernization breakthrough is both necessary and feasible. But such a breakthrough would—somewhat paradoxically—cut down on ambitions for an Arctic "re-conquest."

NOTES

[1](#) An English translation of Putin's address to the Forum can be accessed [here](#); his report to the State Duma is also available at this official website. My analysis in this paper builds on Pavel Baev, "[Russia's Arctic Policy: Geopolitics, Mercantilism, and Identity-Building](#)," Briefing Paper 73, Helsinki: UPI-FIIA, December 2010.

[2](#) The deal was sensationally reached during Medvedev's visit to Norway in April 2010; the treaty was signed in September 2010 and ratified by the State Duma in April 2011. On the mixed feelings in the Russian elites and public opinion, see Aleksandr Oreshenkov, "[Arctic Square of Opportunities](#)," *Russia in Global Affairs*, December 25, 2010.

[3](#) On the political process of inventing and constructing this regions, see Olav Schram Stokke & Ola Tunander, Eds., *The Barents Region: Cooperation in Arctic Europe*. London: SAGE, 1994.

[4](#) On this blind-alley in arms control see Miles Pomper, William Potter, and Nikolai Sokov, "Reducing Tactical Nuclear Weapons in Europe," *Survival*, February-March 2010, pp. 75-96. On the Nunn-Lugar success story, see Rose Gottemoeller, "Cooperative Threat Reduction beyond Russia," *Washington Quarterly*, Vol. 28, No. 2, 2005, pp. 145-158.

[5](#) Updated and reliable data on this project can be found at the [Russian Strategic Nuclear Forces](#) blog written by Pavel Podvig.

[6](#) My examination of this self-aggrandizement is in Pavel K. Baev, *Russia's Energy Policy and Military Power*. London: Routledge, 2008.

[7](#) The transcript is available [here](#).

[8](#) Investment decision is now penciled for the end of 2011; see Dmitry Belikov, "Shtokman Is Postponed Until the Year-End," *Kommersant*, April 8, 2011.

[9](#) See Julia Werdigier and Andrew E. Kramer, "No BP Word as Deadline Slides By," *The New York Times*, May 16, 2011.

[10](#) See Grigory Krotov, "Putin Makes Sharp Statements on the Norilsk Ecological Catastrophe," *Novaya Gazeta*, September 6, 2010.

[11](#) See Aleksei Klepikov, "[Unfreezing the Arctic](#)," *Expert*, June 7, 2010. In-depth analysis Caitlyn L. Antrim: 'The Next Geographic Pivot: Russian Arctic in the Twenty-first Century,' *Naval War College Review*, Vol. 63, No. 3, Summer 2010, pp. 15-37.

[12](#) The fundamentals of this trend are carefully examined in Fiona Hill and Clifford Gaddy, *The Siberian Curse: How Communist Planners Left Russia Out in the Cold*. Washington: Brookings, 2003.

[13](#) One useful analysis of this diplomacy is Ingmar Olberg, "Soft Security in the Arctic: Russia in the Barents Euro-Arctic Council and the Arctic Council," *Occasional Papers 4*, Stockholm: UI, March 2011.

[14](#) Legal grounds of the Russian stance are presented in Alexander Oreshenkov, "[Arctic Diplomacy](#)," *Russia in*

Global Affairs, October-December 2009.

[15](#) Complete data is accessible at the [UN CLCS website](#).

[16](#) One typical example of presentation of this issue in Russian media is Natalya Vedeneeva, "Russia will win the battle for the Arctic," *Moskovsky Komsomolets*, November 29, 2010.

[17](#) The Spitsbergen Treaty of 1920 pre-dates the UN Convention on the Law of the Sea (1988); for the Russian interpretation of the discrepancies, see Aleksandr Oreshenkov, "Arctic Square of Opportunities," *Russia in Global Affairs*, November-December 2010.

[18](#) Complete letter is available [here](#).

[19](#) One recent argument in favor of accession is Thad W. Allen, Richard L. Armitage and John J. Hamre, "Odd man Out At Sea," *The New York Times*, April 24, 2011.

[20](#) One collection of angry posts in the Russian blogosphere on the ratification of the agreement with Norway in March 2011 can be found at [BestToday](#).

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