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# CANADA'S ARCTIC POLICY: PROSPECTS FOR COOPERATION IN A WARMING WORLD

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## I. THE ARCTIC: A SOURCE OF TENSION IN THE 21ST CENTURY

In 1985, Oran Young anticipated that the international community was 'entering the age of the Arctic ... in which those concerned with international peace and security will urgently need to know much more about the region and in which policy makers in the Arctic rim states will become increasingly concerned.'<sup>1</sup> Young's insights were extremely acute and much international attention is being directed to the geographic 'North,' where much resource wealth lies under a rapidly thinning layer of ice; new sea-lanes are being utilised and where porous boundaries have sparked an international race for border consolidation and the extension

of Economic Exclusive Zones (EEZs). Such competition is the direct result of climate change and over time, politicians, members of epistemic communities and international publics have grown aware of its potential devastating impacts as well as the material wealth it is producing.

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This work is not only concerned with the current status of the Arctic, it pays particular attention to one of the regions primary protagonists; Canada and argues that as climate change intensifies it is imperative for Canada to reclaim its status as an environmental leader within the international community especially regarding issues such as the exploitation of natural resources, adaptation practices of indigenous communities and the protection of the planet's biodiversity. It would be naive however for Canada to remain strategically lethargic – using its energies only in pursuit of environmental protection – while the Arctic's balance of power shifts. This work also examines Canada's strategic imperatives in the unpredictable Arctic climate.

## 2. RECOGNISING THE ARCTIC'S VALUE

There are three principal ways to determine the regional boundaries of the Arctic region: the Arctic Circle, the 10°C summer isotherm demar-

cation, and the timberline.<sup>3</sup> While the circumpolar isotherm line and the straight, upward growth of trees denoted by the timberline are two plausible demarcations, the Arctic Circle is widely accepted as setting the limits of the Arctic ecosystem. Referred to as the 'Bear's Circle'<sup>4</sup> by ancients, the Arctic Circle coincides with the 66° latitude parallel north of the Equator – on the day of the summer solstice the sun does not set and during the winter solstice it does not rise. Predominantly a frozen ocean, the Arctic is widely described as fragile. As Sale notes, 'it is such an unforgiving environment, and because its ecosystem is young, dating from the last Ice Age, it may not be as stable as older systems.'<sup>5</sup>

When it comes to climate change, the Arctic's fragility translates into greater vulnerability. One of the main impacts global warming has on the region is the thawing of permafrost, permanently frozen land. In fact, 'an increasing number of experts feel the North Pole will be ice free, during summer months, by 2030 at the latest.'<sup>6</sup> Valuable natural resources such as nickel, copper and platinum are found in abundance in the Russian Arctic and 'diamond mines are either in operation or are pending construction in Canada, Finland and Russia, with gold mines in Alaska and Canada.'<sup>7</sup> Furthermore, 'as the polar icecap melts, huge deposits of gas and oil below the seabed will become accessible for the first time.'<sup>8</sup> From the perspective of international relations, the Arctic's natural resources have sparked the interest of policy makers from several countries, namely Canada, the United States, Denmark, Russia, Iceland, Norway, Sweden and Finland; and evidence is mounting which seems to validate Young's argument. While access to such resources may provide economic advantages, these must be measured against the severe consequences likely to be produced by the thawing of permafrost areas. For instance, it is likely that as such large quantities of ice melts into the seas, global water levels will rise and may submerge parts of or entire island-states (re: the UK, the Maldives) and low-lying coastal areas (re: the Netherlands), destroying or damaging human and animal habitats, forcing relocations and putting tremendous strain on local environments, economies and social structures.

Even though extensive research has confirmed the commercial over-exploitation of marine animals such as whales, cod, tuna and seal, the polar bear remains the most vulnerable Arctic species. The melting ice dramatically alters the consumption patterns of the polar bear, as fish, seal and other aquatic mammals migrate, food becomes scarce. Politically, Canada recently signed an agreement with the local governments of Nunavut and Greenland in order to protect such animal habitats.<sup>9</sup> The director of the Arctic programme at the World Wildlife Fund Canada, Craig Stewart, welcomes the news '(t)hat shared population (between

Canada and Greenland) is probably the most endangered population of polar bears in the Arctic [. . .] This agreement would provide the structure between the two countries to collaborate on stabilizing it.<sup>10</sup>

During an expedition to the Northwest Territories, Burkeman observes how the displacement of animals, as a response to climate change, affects the fishing and hunting Inuit populations.<sup>11</sup> In *Environmental Challenges and Opportunities: Local-Global Perspectives on Canadian Issues*, Boardman explains that '(f)or members of Aboriginal communities, polar bears create modest economic opportunities, serve dietary needs, and contribute to community-building efforts and spiritual values.'<sup>12</sup> These communities express themselves through organisations such as the Inuit Circumpolar Council, established in the early 1970s as 'the need for Inuit to meet as one indivisible people became clearly evident.'<sup>13</sup> However, the political representation of indigenous populations still remains to be constituted. The Arctic's true value is thus, first and foremost, understood in terms of its precious animal habitats, indigenous communities and the richness of its natural resources. As a high-ranking EU official recently emphasised, it will be fundamental for countries penetrating the Arctic to 'keep the right balance between the priority goal of preserving the environment and the need for sustainable use of natural resources.'<sup>14</sup>

### 3. ADMINISTERING THE ARCTIC

While the question of jurisdiction is fairly recent, the need to protect the Arctic ecosystem has been on policy makers' agenda since the late 1980s. In fact, following a conference in Rovaniemi, Finland held in 1989, heads of governments from 8 northern countries (Canada, Denmark (Greenland and the Faroe Islands), Finland, Iceland, Norway, Russia, Sweden and the United States) adopted the Arctic Environmental Protection Strategy, laying the foundation for the Arctic Council.<sup>15</sup> Convened in Ottawa (1996), delegates from the eight nations confirmed their commitment to the protection and sustainable development of the Arctic ecosystem by signing the Ottawa Declaration which 'formally established the Arctic Council as a high level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities.'<sup>16</sup>

Central to the Council's operations is a multi-lateral commitment, on behalf of the 8 permanent member states, to sustainable development. In fact, 'sustainable development links the notions of economic development and environmental protection; it suggests that economic growth should be promoted in a manner that preserves and protects the environment.'<sup>17</sup> According to Daly, it is crucial to perceive the economy as 'a sub-

system of the ecosystem. When viewed as a subsystem of the ecosystem, economic growth eventually comes up against the earth's natural limits on resources and sinks.<sup>18</sup> To this effect, the permanent members of the Arctic Council, in collaboration with the Inuit Circumpolar Council, established the Sustainable Development Working Group (SDWG) in 1998 in Iqaluit, Nunavut.<sup>19</sup>

Furthermore, experts within the Arctic Council 'focus on scientific research in a number of areas, including monitoring, assessing and controlling pollution in the Arctic, climate change, biodiversity conservation and sustainable use, emergency preparedness, prevention and response, and the living conditions of Arctic residents.'<sup>20</sup> Since its conception in the late 1990s, several other working groups have also been created, namely, the Arctic Monitoring and Assessment Programme (AMAP), Conservation of Arctic Flora and Fauna (CAFF) and Arctic Climate Impact Assessment (ACIA).<sup>21</sup>

While the Arctic Council provides permanent members and observer organisations with a framework to discuss, negotiate and share valuable information on fundamental issues, various disputes over Arctic ownership claims nevertheless arise. Indeed, disputes of a territorial nature are emerging at roughly the same rate as Arctic ice is melting. To this effect, 'in 2003, Canada ratified the 1994 UN Convention on the Law of the Sea (UNCLOS), a treaty that defines the rights and responsibilities of nations in their use of the world's oceans and establishes a process to decide maritime boundaries (and the sovereignty of natural resources within those borders).'<sup>22</sup> Among the legal implications of the UNCLOS is the requirement that 'countries must establish sovereignty over disputed territories if they are to exploit their undiscovered, technologically recoverable energy reserves.'<sup>23</sup>

To make sense of the disputed Exclusive Economic Zones (EEZs), a group of British scientists recently charted the various ownership claims within international law. In this respect, Byers explains that 'the United States and Russia agreed upon their boundary in the Bering Strait and Chukchi Sea as early as 1990. Norway and Russia are presently negotiating the boundary in the Barents Sea.'<sup>24</sup> When it comes to the Arctic's oil reserves, Byers suggests that 'we are talking 90 million barrels of oil, nearly 17 hundred trillion cubic feet [...] for any state control is significant as other resources dwindle.'<sup>25</sup>

Recently, increased investments to preserve Canadian Arctic sovereignty shows the federal government will not give up its claims to controversial EEZs anytime soon.<sup>26</sup> Yet, when it comes to the Arctic, some experts believe the term sovereignty is nothing but 'an antidote against those questioning a state's absolute control of territory.'<sup>27</sup> At this stage

however, the first nation to physically lay claim to Arctic territory, following a flag-posting incident in the Siberian waters<sup>28</sup>, Russia appears to be the best equipped to benefit from the vast oil and natural gas reserves.<sup>29</sup>

The coveted Northwest Passage is at the forefront of a heated legal dispute between Canada and the US as it may one day constitute a faster and cheaper trading route than the Panama Canal. While the Northwest Passage is considered to be within Canadian territory, the US is expected to pressure the International Court of Justice (ICJ) to recognise the Arctic Archipelago as an international maritime crossing, in order to deny Canada relative economic advantage pertaining to duties and taxes imposed on incoming and outgoing ships.<sup>30</sup> Huebert argues that Canada must improve its naval monitoring system noting that the 'melting ice in the Northwest Passage is going to result in more international shipping in the Arctic. Canada needs to be prepared for when it comes, or else the world will simply ignore Canada.'<sup>31</sup>

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#### 4. THE US AND CANADIAN OIL EXPORTS

Due to the growing scarcity of easily accessible oil resources, the coming decade may very well be the last in which the world's largest economies rely solely on conventional sources of energy. But, 'competition for scarce or unevenly distributed resources is not a new phenomenon; throughout history such competition has often been the cause of conflict or war.'<sup>32</sup> Within this context, the US has been, for many years, the major recipient of Canadian oil<sup>33</sup> and this trend is set to continue as exports reached new peaks in 2009.<sup>34</sup> Nevertheless, contrary to common perceptions, no clause within the 'North American Free Trade Agreement (NAFTA) requires Canada to sell a fixed percentage of its total oil production to the United States.'<sup>35</sup>

Along with the controversial tar sands projects in Alberta, the Canadian government may also opt to refine Arctic oil supplies in Western Canada. If such an economically-profitable yet environmentally-destructive enterprise is to continue, massive investments in carbon capture and storage (CCS) technology will be required. Furthermore, given its proximity to the Arctic, through Alaska, the US might enter into direct competition with its northern economic partner. While outright military conflict between the long-time NATO allies is unlikely, the US, under President Obama, might opt to gradually reduce its reliance on foreign oil. This would force Canada to find new trading partners; the European Union being one option. However, as the EU has intensively reduced its dependence on oil in recent years, it may also be time for Canada to turn to alternative energy. Etcheverry sees great potential in hydroelectricity,

wind and solar energy projects but highlights that ‘Canada currently lacks leaders who understand the multiplicity of strategic advantages and prosperity opportunities that the sustainable energy path offers and who are willing to innovate and launch a different industrial paradigm that will employ large numbers of people in our nation.’<sup>36</sup> Thus, even though the US’s decision to reduce its dependence on Canadian oil supplies would hurt the economy in the short-term, investments in clean energy would provide greater long-term economic benefits, while preserving valuable ecosystems for generations to come.

## 5. THE ANTARCTIC TREATY SYSTEM AS A MODEL FOR REFORM

Looking at the Arctic Council’s development since its establishment in the late 1990s two elements would improve the organisation’s effectiveness, one logistical, the other legal. First and foremost, policy makers involved in the region must consider the possibility of the Arctic Council evolving into a legally-binding regime. With the Nordic region’s growing vulnerability to weather disruptions associated with climate change, it is also crucial to sharpen information-sharing synergies, while widening the participation of local communities.

In the first instance, one must note the ‘lack of a permanent and stable secretariat, and primary reliance on the goodwill of national government departments, ministries and officials that are often over-taxed with existing responsibilities, have been problematic for the Council.’<sup>37</sup> A potential solution would entail institutionalisation of the multi-lateral agreement into a legally-binding treaty. Scholars argue this would increase the Council’s overall efficiency through various political, financial and bureaucratic benefits.<sup>38</sup> In this respect, the Antarctic Treaty System (ATS) developed during the post-Cold War era is often highlighted as a model of regional environmental governance. While the ATS formalised a multi-lateral cooperation in the Antarctic, it took considerably more time in the North Pole as ‘the Arctic, in contrast, was one of the main sites of strategic confrontation between the two rival camps of the Cold War.’<sup>39</sup> Even though it may take time, and the Arctic Council could face opposition from free-riding nations, it could nevertheless develop an institutional structure in order to definitively solve the sovereignty question. Furthermore, according to Linda Nowlan, institutionalising the alliance would increase its authority, while strengthening the competences of its various working groups.<sup>40</sup> While Nowlan highlights the utility of the Arctic Council, she also points out the need for ‘appropriate institutional arrangements and substantive rules, perhaps similar to those applied in the Antarctic, to ensure that agreed obligations are respected and enforced.’<sup>41</sup>

In the second instance, the Arctic Council's permanent member states must further recognize the importance of local communities and their valuable adaptation skills. "The ability of these groups to thrive in a harsh climate depends on a detailed knowledge of their environment, its patterns and anomalies, and the characteristics of the animals and plants they use for food, clothing, and shelter."<sup>42</sup> Granting local communities participation rights has been a step in the right direction, yet politicians must understand that endowing their best institutionalised organisation (s) with decision-making power, or the right to veto decisions, would constitute a considerable move forward while benefitting all members involved in the enterprise. By the same token, it remains crucial to avoid imposing consumerist values and western ideals upon such communities since, as history shows, the slightest feeling of domination might frighten these valuable individuals to the point of rendering them uncooperative.

## 6. THE TRUE VALUE OF THE ARCTIC AND ENVIRONMENTAL GOVERNANCE:

In recent years, the thawing of permafrost in the Arctic has provided several countries, three of which – namely Canada, the United States and Russia – are G-8 economies, with vast natural resources and a potential trading route across the North Atlantic into the Pacific market, and back. Still, the Arctic remains a highly fragile ecosystem with vulnerable animal habitats and indigenous communities.

Having pursued intensive research on topics such as climate change, whaling and invasive species, Concordia University's Peter Stoett is a valued advocate of a strong eco-political governance regime compatible with the needs of local populations. According to Stoett, while it is primarily a question of political will, 'environmental policy making also incurs cultural implications many of which surface most visibly when a dysfunctional relationship exists between international institutions and the local implementation of global environmental governance.'<sup>43</sup> Hence, the urgency to enhance the representation of indigenous communities as their survival is threatened by climate change.

Experts agree that 'Canada can lead the Arctic nations on the environment through its example at home.'<sup>44</sup> However, heavily criticised for his government's poor record notably with respect to climate change, Prime Minister Stephen Harper is faced with the daunting task of convincing Canadians – and the international community – that he is committed to multilateral cooperation on environmental issues. In fact, Canada's current inaction can mainly be attributed to a dependence upon its major trading partner, the United States, a country where economic com-

petitiveness still prevails over environmental considerations. Yet, even though the federal government's history with respect to Aboriginal communities is mixed at best, current policy makers have the tools and the responsibility to play a leading role in the Arctic by striking a clear balance between imperialist exploitation and the protection of human rights. Today, Canada must encourage the establishment of a legally-binding environmental governance regime in the polar North in order to reduce tensions between those involved and thus prevent the competition over the Arctic's resources from escalating into a military conflict tomorrow.

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