Cooperation or Confrontation in the European High North?

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There is no doubt that the old adage ‘High North, Low Tension’ is becoming outdated in a region that is increasingly witnessing militarization and strategic competition. Rising levels of commercial and military activity are intersecting with geopolitical, climate, economic, and security trends, portending emerging challenges for a region that has largely experienced cooperation for decades. The George C. Marshall European Center for Security Studies recently hosted the fourth European Security Seminar – North (ESS-N) program, bringing together more than 50 speakers and participants representing 13 nations – including all eight Arctic states – for discussions around the central theme of cooperation or conflict. Throughout the week, regional security professionals, scholars, and policymakers examined the security challenges and future prospects of the region. Evaluating the potential for cooperation or conflict in the European High North, the seminar focused on geostrategic competition in the region, with a particular emphasis on the dangers of an emerging Arctic security dilemma on NATO’s Northern Flank. This year’s ESS-N offered security assessments and policy recommendations for improving regional cooperation and reducing tensions. There is no doubt that the European High North is changing and it is clear that key stakeholders in the region must act in order to ensure tensions in the region remain low.

Emerging Challenges in the European High North

The European High North is at the forefront of Arctic trends. As an Arctic sub-region, the European High North is unquestionably the most populated, developed, and militarized region of the Arctic and it is attracting global interest. The impacts of intersecting climate, economic, environmental, and security trends will be felt most dramatically in this sub-region of the Arctic. Though well below Cold War levels, there is significant military activity in the region, with the European High North being home to Russia’s strategic defense bastion, NATO’s northern flank with five NATO allies and two NATO partners, and the Greenland-Iceland-United Kingdom Gap – a strategic chokepoint controlling the entrance to the North Atlantic. But in addition to military significance, the sub-region also holds tremendous economic potential, with vast oil and gas deposits, abundant mineral resources, and substantial fishing stocks.
Climate change is having an alarming impact on the region, from thawing permafrost that impacts infrastructure, to challenges with coastal settlements and military bases. Russia has rebuilt its defenses along the country’s northern flank in anticipation of an opening Arctic. NATO allies are reinvigorating security efforts on their northern flank. China has sent both of its icebreakers through the region, collecting data that is of dual-use for commercial and military purposes. As a transit corridor, this route will see increasing traffic primarily due to the export of natural resources to market. The future opening of the trans-polar route – an unlimited draft route through the international waters of the Central Arctic Ocean – will spur increased commercial and military traffic. These trends portend a rising security dilemma.

Thus far, Arctic stakeholders have largely adhered to international laws and norms. The Arctic Council acts as a useful coordinating mechanism, though its mandate explicitly excludes security. Russia’s recent assumption of the Arctic Council Chairmanship has led many to question whether the region will see increased cooperation or confrontation. Further, the United States is renewing interest in the Arctic, with recent service strategies driving enhanced military activity in the region. The Nordic States are also evolving their strategies in the High North, with recent updates addressing climate change, economic and military security trends.

The Arctic has long been viewed as a peaceful and stable region, yet the evolving climate, economic and military security trends may impact the future security of the region. While regional militaries have historically operated in the region, particularly in the undersea and air domains, it is clear that military activity is on the rise from a relative period of peace following the end of the Cold War.

This year’s European Security Seminar – North focused on dialogue around Russia’s Arctic Council Chairmanship, Biden Administration priorities, evolving Nordic and Baltic States’ strategies, and the impact of opening a trans-polar bridge uniting the Atlantic and Pacific Oceans on the future security and stability of the region.

**Russia’s Arctic Council Chairmanship**

Often referring to themselves as the ‘Polar Great Power,’ there is no doubt that Russia has significant Arctic interests. Given the important national interests in the Russian Arctic zone – both economically and strategically – there is internal tension between economic development and protection of national strategic interests. With roughly half of the Arctic population and coastline, Russia is increasingly dependent upon their Arctic zone for economic stability. The Arctic accounts for about 10% of Russia’s GDP, 22% of its exports, and more than 10% of all investment in Russia. Approximately 75% of Russia’s oil and 95% of its natural gas reserves are located in the North. In addition to economic resources, the Arctic region – specifically the Kola Peninsula – hosts the majority of Russia’s sea-based strategic deterrence capabilities. Threats against their bastions are viewed as existential threats.

In order to protect national interests, Russia has been modernizing and upgrading its military capabilities in the region. Since 2010, they have invested more than $1 billion to refurbish
old Soviet bases, built new airfields and deep-water ports, and modernized their military forces in the region, bringing the share of modern weapons, military and special equipment in the Arctic Zone from 41% in 2014 to 59% in 2019, according to Russia’s 2020 Arctic strategy. Russia further established a Joint Arctic Strategic Command and, on January 1, 2021, upgraded the Northern Fleet to the status of a military district. The importance of protecting Russia’s SSBN bastion – which is the most survivable leg of their nuclear triad, enabling both deterrence and second-strike capability – is a critical role for the Northern Fleet.

Figure 1: “The Russian Bastion” as depicted by the Expert Commission on Norwegian Security & Defense Policy¹

Russia faces considerable challenges in the Arctic region due to climate change, which it addresses in the recent Arctic Strategy from last October. Climate change is causing significant coastal erosion and permafrost thawing, which is wreaking havoc on domestic

infrastructure. Like much of the Arctic, indigenous communities face challenges like declining population growth, healthcare inadequacies, reduced lifespan, and connectivity challenges when compared to non-Arctic populations.

Initial reports indicate that Russian leadership of the Council is thus-far aligned with the Council’s mandate, with an effort to enhance regional cooperation in specific areas of focus. Russian priorities for their Chairmanship are: Arctic peoples, environment, investment and strengthening the Arctic Council. Specifically, Russia will focus on sustainable development, regional development, regional stability, socioeconomic development and indigenous projects. All of these efforts have a consensus within the Council and are already currently in progress. Russia will likely utilize the Chair position to enhance and standardize strategic engagement in the international system based on mutually beneficial cooperation. Thus far, Russia has taken a balanced and collegial approach, but is utilizing the Chairmanship to demonstrate to the world their leadership in the Arctic.

Russian military capabilities are likely to continue to increase in the region, though they still remain far below Cold War levels. With a fraction of assets available when compared to Cold War era capabilities, Russia explains this increase in military forces as modernization and development of SAR capabilities. However, other states are taking note of the new capabilities in the region and their importance to strategic deterrence and national security.

Figure 2: Select military bases with anti-aircraft missile systems and radar installations across the Russian Arctic. Source: Malte Humpert and High North News\(^2\)

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Russia is generally testing and then basing its newest weapons systems, platforms, and capabilities in the European High North. Discussions noted that Russia views recent NATO activity in their strategic area as provocative, with the specific example of 2020 U.S. Navy activity in the Barents Sea causing Russia to exercise its own forces in the Bering Strait in August 2020, creating tensions with U.S. fishing fleets operating in the resource-rich Alaskan waters. Concerns for further provocations in the Russia’s strategic areas in the Barents Sea were noted.

A predictable environment is best for Russian strategic interests to be realized. Moscow desires low tensions in the region to ensure economic development in order to fulfill its national objectives – no one will invest or insure in a conflict zone. Russia is also split between two identities, balancing cooperation as the Chair of the Arctic Council and economic development on one hand with efforts to shore up its own strategic interests and assert itself as the most capable Arctic military.

The Russian Chairmanship of the Arctic Council will likely see the intergovernmental forum continue to be the leading forum for discussion on key Arctic issues like climate change, indigenous peoples, environmental impact, and sustainable development. Russia is likely to continue to promote stability in the region, as it is an essential element for economic development and investment. Despite initial claims by Russian Foreign Minister Lavrov – noted as a misspeak rather than a potential change to the Council’s mandate – Russia is unlikely to attempt to restructure the Ottawa Declaration to bring security matters into the Arctic Council.

**U.S. Security Strategy in the European High North**

*Figure 3. Sample of Arctic region military facilities. Source: U.S. Department of the Air Force*
The U.S. has a unique role in the Arctic as a provider of peace, architect of international agreements, and steward of the environment. While the U.S. has recently published a number of service strategies following the 2019 DoD Arctic strategy, there remain concerns for how much of a priority the region actually is given other priorities and crisis. Yet the United States is clearly looking northward and evaluating national security interests in the region, as well as the importance of the Arctic as a global common. U.S. leadership in the region is necessary to achieve regional stability and can be demonstrated through building awareness of climate change, revealing nefarious actors in the region, enhancing presence and cooperation with regional states, and strengthening the rules-based international order.

With a commitment to upholding international law and norms in the Arctic, the U.S. is developing a more coherent Arctic policy. Though a new national strategy is under revision, the existing national strategy dates to 2013. It is clear that the U.S. needs a new comprehensive strategy for the region. The forthcoming U.S. strategic guidance likely includes both a new national strategy for the Arctic as well as updating the National Security Strategy and National Defense Strategy. There is a recognition of the need for an integrated approach that is synchronized across the whole of government. Yet there remain concerns for the American commitment to resourcing and a potential mis-alignment with stated U.S. Arctic ambitions. For instance, though service strategies address the strategically important region and identify the need to improve force capabilities, the military is generally operating in the region with capabilities designed for other theaters rather than investing in Arctic-specific capabilities. This results from a prioritization challenge with the Arctic region, where its importance is recognized but other priorities and crisis come first.

The Biden Administration’s focus on strengthening alliances and partnerships is particularly valuable in the Arctic region. There is an opportunity to enhance capabilities to operate in the region, with allied geo-political and economic efforts empowering operational roles. The European High North is a vital region for NATO, since the eight Arctic states include five NATO allies and two NATO partners, and the U.S. approach there relies heavily on cooperation and coordination with allies and partners. Yet there is a danger in over-emphasizing the NATO role due to the intra-alliance dynamics and antagonistic impact on Russia. Normalizing U.S. presence in the region will also be critical to ensuring future regional stability and security.

**Strategic Perspectives of the Nordic and Baltic States**

The Nordic and Baltic states are updating their national strategies given the recent climate, economic, and military security trends in the region. These strategies generally reflect a pragmatic approach to the evolving European High North and Baltic regions. Scandinavian nations have long maintained a policy of reassurance and deterrence with Russia, which holds a potential model for other states. Recently released and forthcoming strategies reveal a greater focus on security than in the past, though there remains a consistent focus on climate change, environmental concerns, indigenous peoples, and sustainable development. These nations reiterate the need to economically engage in the Arctic region, yet in a manner that ensures they have a voice in economic and security decisions that directly impact these states. Soft security cooperation is necessary for successful EU-Nordic-Baltic cooperation, and there
is a desire to promote integrated EU-Nordic-Baltic decision-making on energy infrastructure and cooperation.

In particular, Nordic states note the linkages between security in the Arctic region and the Baltic Sea area – and the rest of Europe. Nations like Finland and Sweden are concerned about rising tensions in the Baltic Sea region and the potential for spillover into the Arctic. Finland, for example, has defense forces that participate in Arctic research cooperation, conducts military exercises in the North, and maintains high levels of expertise in Arctic operations. Yet they also look south, to the Baltic Sea region.

The Baltic states echo these concerns, demonstrating an increased role of the complexities of the security situation in national strategies. Estonia has requested observer status for the Arctic Council and has demonstrated substantial interest in the Arctic.

Nordic NATO allies and partner states are developing closer military cooperation in response to rising security tensions in the area. NATO Centers of Excellence and joint exercises provide an important focus for cooperation, cohesion, and protection against traditional and hybrid threats and grey zone activities. NATO enhance forward presence (eFP) and Baltic Air Policing missions offer a means of effective regional deterrence. Nordic states have enhanced strategic cohesion in the European High North, with an overall effect of amplifying NATO’s deterrence posture in the region. However, escalation of challenges – such as a crisis in Belarus – could become a catalyst for a spill-over conflict into the Baltic and Arctic regions.

The unique neighborhood of the Scandinavian and Baltic states yields lessons for effective dialogue with Russia. With a goal of long-term stability, frank and direct dialogue has proven to be the most effective method of communicating national interests and intentions with Russia. Importance is placed on inclusion and shared responsibilities, giving rise to effective fora such as NORDEFCO, Barents Cooperation, Northern Dimension, and the Nordic Council. The Nordic and Baltic states have a clear desire to better understand both U.S. and Russian intentions in the region. Opportunities to cooperate on the lowest levels should be sought to improve trust, build relationships, and strengthen transparency.

**Future Prospects for Stability and Security in the European High North**

Indeed, there are a number of avenues for potential cooperation, as depicted in Figure 4. Yet the effectiveness of these fora is often dependent upon geopolitical tensions being absent – and the states actually participating in dialogue.
The opening Arctic offers the potential for a Trans-Polar Bridge, connecting the Atlantic and Pacific Oceans and numerous global stakeholders. While there are few disputes regarding territorial claims—those existing reflecting disputes among Western states such as the Beaufort Sea dispute between the U.S. and Canada or the Hans Island dispute between Denmark and Canada—there is a potential for future disputes regarding overlapping claims of continental shelves. All claims have thus far been submitted in accordance with international law and the potential for conflict is low, particularly given the inhospitable weather conditions of the overlapping claims and the lack of technology to exploit resources—or even to sustain significant resource exploration. Yet the overlapping claims remain an area to observe as claims are adjudicated in accordance with international law.

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Figure 5: Maritime Jurisdiction and boundaries in the Arctic region. Source: European Environment Agency.⁴

Given the likelihood of increased activity in the region from regional and global stakeholders alike, efforts should be made now to enhance dialogue and develop enhanced security structures from a trans-polar perspective. Dialogue should occur at a variety of levels, to include Arctic CHOD and MoD meetings, Arctic Security Forces Roundtable, Arctic Coast Guard Forum, and new mechanisms such as an Arctic Ocean Naval Symposium. Multilateral approaches will be more effective than bilateral ones in ensuring regional security and stability. Failure to enact stabilization tools will be exacerbated by new security challenges in the region, to include new weapons and new state and non-state actors in the region that could serve as strategic game changers.

China is likely to be a significant factor in future European security challenges due to their investment or desired involvement in trade, research, and natural resources. This is particularly a challenge in the Arctic, which sees significant investment by China in every Arctic state. The European High North is the focal point of many of China’s investment efforts, to include academic partnerships, research efforts, transportation investment, and desire to acquire natural resources. Yet the emerging Sino-American bipolarity may divide the Arctic geopolitically into a U.S.-led Nordic and North American Arctic and a Sino-Russian Arctic, given Russia’s economic need for Chinese investment and technology to develop economic projects. Russian-Chinese cooperation in the Arctic has thus far been largely limited to LNG production and transportation, indicating a potential wariness of Russia for further cooperation.

Operational and strategic perspectives were presented on the future of cooperation in the region, noting the rising challenges due to Russia’s aggressive approach to the European High North and Arctic. It must be reiterated that current tensions in the Arctic region are low and likely to remain that way given the difficulties of operating in the harsh Arctic environments, where diminishing ice gives rise to worsening weather conditions and storms, and the ever present reality of limited daylight, navigational and communication challenges, operational risks, and extreme cold temperatures has tempered commercial and military activity alike on or above the surface.

While the prospect for confrontation remains low, enthusiasm for future cooperation is being tempered by the realities of the evolving security situation in the region. There is a definite need to improve regional dialogue and implement confidence-building measures to reduce tensions in the region. This includes the creation or resumption of multi-lateral for a such as an Arctic CHODs conference, Arctic Ocean Naval Symposium, and development of a code guiding interactions of military vessels, similar to the CUES agreement in the Pacific Ocean or the bilateral INCSEA agreements. Rising regional activity demands action now to ensure future stability and security.
Recommendations to Reduce Tensions

Top 10 Ways to Reduce Arctic Tensions

1) Enhance Constructive Dialogue
2) Utilize Clear Signaling
3) Strengthen Existing Fora
4) Normalize Presence
5) Understand the Role of Deterrence
6) Understand the Status Quo
7) Improve Maritime Domain Awareness
8) Create New Mechanisms for Dialogue
9) Understand Geopolitical Limitations
10) Cooperate Where Possible, Deter Where Necessary

While the era of ‘High North, Low tension’ may be over, it is imperative that European High North stakeholders build upon the cooperation and governance mechanisms established during the peace dividend era. A pragmatic approach to regional security necessary and there is a need to create mechanisms for dialogue to improve transparency and mutual understanding, while mitigating tensions and normalizing activity levels, particularly with military interactions.

Tensions will continue to rise in the region as climate change continues to enable increased commercial and military activity, particularly in the maritime domain. Recommendations to reduce tensions include:

- **Enhance Constructive Dialogue.** Current limitations on dialogue escalate the risks of misunderstandings and misperceptions – and could potentially result in an inadvertent conflict. Dialogue between European High North stakeholders should be restored through existing and new avenues. Trust and transparency should be improved through a whole of government approach that includes cooperation on scientific research, climate change, search and rescue (SAR), crisis response, and focus on areas of mutual benefit. Engaging in Track 1.5 and Track 2 dialogue at neutral locations – like the Marshall Center – have tremendous value in averting an
unintentional security dilemma. Constructive dialogue should be limited to the Arctic to prevent disagreements on other areas from derailing dialogue. All nations should further ensure continued dialogue in areas of current Arctic cooperation, such as the Arctic Council, Arctic Coast Guard Forum, International Maritime Organization, academics, and scientific research.

- **Strengthen Existing Fora.** The Arctic is a unique region in that it has numerous established fora to enhance communication and coordination amongst stakeholders. From the founding of the Arctic Council with the Ottawa Declaration in 1996, the Council has proven effective at facilitating dialogue and international agreements on areas of mutual benefit, such as scientific cooperation, pollution prevention, and search and rescue. Council members should continue to respect the exclusion of military security matters, as this allows productive discussions in other important areas. Academic and scientific exchange should be continued to enhance overall understanding. Military security matters should continue to be discussed in existing fora such as the Arctic Security Forces Roundtable, NATO-Russia Council, NATO Partnership for Peace, OSCE, and Arctic Coast Guard Forum. The suspended Arctic Chiefs of Defense meetings should be restarted to allow for critical dialogue at high levels, and the addition of an Arctic Ministers of Defense meeting should be considered. Doing so is critical to establishing avenues of communication to offset increased military activity in the European High North.

- **Create New Mechanisms for Dialogue.** There exists a need for dialogue at all levels between strategic competitors to prevent misunderstandings and misperceptions that could lead to unintentional consequences. The establishment of new security-focused fora would enable the improvement of transparency and understanding, while also offering a valuable opportunity for partners to learn from each other. These new fora should be both high-level – such as an Arctic Summit – and targeting security practitioners with an Arctic Ocean Naval Symposium to improve understanding at all levels. Agendas for these fora should emphasize areas of mutual benefit, such as improved communications, standards of conduct, crisis response, and even traffic separation schemes (i.e. Baltic Sea and Bering Strait). Dialogue could focus on achieving small steps towards military information sharing and the creation of an operational code of conduct.

- **Understand the Role of Deterrence.** From the Baltic region to the European High North, deterrence is the most effective way to avoid war. Successful deterrence requires a display of strength and unity critical to influencing actions of potential adversaries. Moves by individual Arctic states or the NATO alliance to reduce tensions by lessening military activity are likely to be perceived by Russia as weakness, which is why dialogue with Russia must be pursued from a position of strength. In order to achieve deterrence, states should simultaneously normalize presence, pursue dialogue, and avoid challenging strategic stability.
- **Normalize Presence.** Though Arctic states have long operated their military forces in the region – particularly in the undersea domain – the reduction of ice is driving greater surface activity. Such activity should become routine presence that does not threaten national interests. Normalizing presence requires routine military operations, effective communications, full transparency, and an understanding of all regional actors as to the intent of such operations to uphold national strategic interests and preserve international laws and norms. Care should be taken when operating in sensitive regions such as near Russia’s strategic bastion to avoid unintentional provocation.

- **Improve Maritime Domain Awareness.** There are currently gaps in regional understanding of both commercial and military activity trends. Stakeholders should work together to establish norms for operations and exercises, and especially patterns of commercial activity in order to better anticipate future trends. Improved maritime awareness will improve knowledge of nefarious state and non-state actors with malign activities in the Arctic and acceptance of non-Arctic nations and their economic interests into the region.

- **Clear Signaling.** In addition to normalizing activity, signaling should be achieved through firm adherence to established protocols like the bilateral Incidents at Sea Agreements (INCSEA). Dialogue should be frank and direct, with an emphasis on multilateral discussions over bilateral discussions. European High North stakeholders need to explicitly communicate their strategic objectives and intentions. Adherence to protocols like INCSEA and the development of new multi-lateral protocols (similar to the CUES agreement of the Western Pacific Naval Symposium) offer an opportunity to improve trust and transparency while establishing a clear code of conduct.

- **Understand Geopolitical Limitations.** Constructive dialogue with Russia remains very difficult for many European High North stakeholders. This limits the prospect for meaningful cooperation in the High North given the hesitancy of states to open dialogue. Currently there is little appetite amongst Arctic states to create new security institutions. Yet the Arctic is a unique region in that the West has not threatened core Russian interests. Thus far, cooperation at the Arctic Council remains positive and the Council’s mandate will likely be upheld during the Russian Chairmanship. Though greater cooperation will be unlikely given the impasse between the Putin and Biden administrations, it is possible to build regional transparency and understanding, while focusing on areas of mutual benefit.

- **Understand the Status Quo.** Current military tensions in the High North are likely to continue given the return of strategic competition between the major powers. The increase of militarization can trigger escalation, given the poor record of military-military/security dialogue. There is little political will for the U.S. to engage more cooperatively with Russia on security challenges in the region and little prospect of
changes in current Russian policy. A pragmatic approach to regional stability will be necessary.

- **Cooperate Where Possible, Deter Where Necessary.** States should seek areas of mutual benefit for cooperation, to include supporting non-security related cooperation measures in the region – such as the Arctic Coast Guard Forum. Areas of potential cooperation include investment in arms control diplomacy (to include nuclear and space), climate initiatives, security dialogue, and multilateral institutions.

We are entering a challenging period in the European High North. Instability caused by climate change will continue to undermine the current security situation and may worsen the security dilemma in the High North. Domestic political considerations and policy constraints will continue to hamper cooperation in the region and could instead spur increasing competition between the West and Russia.

There are undeniable challenges with enhancing future cooperation in the region, particularly given the limitations on dialogue with Russia. Yet future stability and security of the European High North relies upon regional actors taking a long view on the region and being aware of emerging challenges. From China’s relentless Arctic pursuits to the negative effects of climate change to the rising potential for illicit maritime activity, it is imperative that the Arctic states work together to ensure regional stability. This requires the development of mechanisms now to ensure continued stability as the region becomes increasingly accessible to global stakeholders.