

CLIMATE CHANGE AND NATURAL RESOURCES IN THE ARCTIC

Teemu Palosaari

There is growing interest in Arctic sea routes and in natural resources that become available as the sea ice melts. The figures are telling: the transport route Tokyo–Amsterdam is 23,000 km via Panama and 21,000 km via Suez, whereas via the Northwest Passage, along the northern coast of North America, the distance is 15,500 km, and via the Northeast Passage, following Russia’s and Norway’s northern coasts, it is 13,500 km. This means significant savings in time, fuel and transit fees. But perhaps the most important numbers concern oil and gas: the Arctic accounts for about 13% of the world’s undiscovered and technically recoverable oil, and 30% of gas. As a result, climate change and natural resources are the current buzzwords in Arctic politics. The Arctic has become a new “hotspot” in international politics.

Despite the vast untapped oil and gas reserves in its seabed, the Arctic has remained peaceful. The notions of “race to resources”, “cold rush” and

“new Cold War” make catchy headlines. Yet, within the academic community of Arctic scholars, the mainstream view has been that international cooperation is working well, and that the Arctic is likely to remain a stable region. This trusting consensus on the peaceful management of Arctic matters is remarkable, especially given the mix of severe climate change effects on the region, and increasing global demand for natural resources.

Indeed, the Arctic can be presented as a prime example of a region where international legislation appears to be effectively working. The coastal states of the Arctic Ocean – Canada, Iceland, Norway, Russia, the United States and Denmark/Greenland – have jointly declared that they will follow the UN Convention on the Law of the Sea, and have been mapping their seabed to provide scientific evidence of their territorial claims to the United Nations. The UN Commission on the Limits on the Continental Shelf (CLCS) will then give recommendations regarding the maritime boundaries of each state. Questions of ownership of tunderwater minerals, oil, and gas will also be solved on international law.

tnote

TORINO
WORLD
AFFAIRS
INSTITUTE

Cooperative Arctic governance in practice: Canadian and US icebreakers Louis S. St. Laurent and Healy track the Arctic Ocean.



Why have the Arctic states agreed to do this, instead of engaging in land-grabbing activities? An explanation comes from looking at the world map and locating traditional areas of oil production: it is not exceptional for political, socio-economic tensions, and even violence to arise in such places. By contrast, the Arctic is a stable, peaceful region. From the viewpoint of energy production and oil and gas exploration, it is in the national interest of coastal states, and in the economic interest of national and multinational energy companies, to keep it that way. The oil and gas companies have in fact put pressure on the governments concerned to agree to the maritime boundaries and follow international conventions so that the companies can predict operating and investment conditions – so that they know, for instance, who to apply to for test-drilling permissions and where to direct safety and rescue questions. In the United States, companies such as Exxon Mobil, Chevron and ConocoPhillips have lobbied for the ratification of the United Nations Convention on the Law of the Sea, a treaty defining ocean boundaries and establishing guidelines for the management of marine natural resources.

There is also a rather advanced system of Arctic governance already in place. Since the end of the Cold War, all the eight Arctic states – the coastal states plus Finland and Sweden – have built a multi-layered web of cross-border cooperation in the fields of science, economy, culture, environmental protection and tourism. This includes grassroots and intergovernmental cooperation between municipalities, research institutes, indigenous peoples, and national governments.

Consequently, in light of research conducted on issues pertaining to natural resource extraction, climate change, and conflict, the Arctic case appears to support the argument whereby the abundance of natural resources in a given region, along with the opportunities for research extraction brought about by climate change, do not automatically lead to the outbreak of conflict. On the contrary, there are many elements that point toward the maintenance of negative peace – lack of open violence – in the Arctic.

Yet climate change is hitting the Arctic hard. With that, inevitably, come human security issues. What happens, for instance, to the traditional livelihoods of the Inuits when Arctic ice melts? Should they participate in Arctic oil and gas development, notwithstanding the environmental risks? Would these initiatives affect the indigenous relationship between land, nature and man? Furthermore, do local populations have a say in Arctic issues?

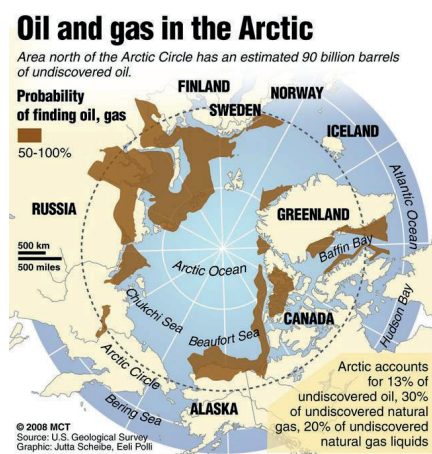
So far, environmental NGOs' calls for a drilling ban on Arctic oil and gas have been rejected based on the argument that Arctic peoples have the right to extract natural resources to ensure their own economic development. In such context, the

environmental concerns of the EU have been perceived as a form of neo-colonialism: the developed world has long exploited oil resources, but when oil is found on the territories of indigenous peoples, they are not to be allowed to benefit from it.


Consequently, such issues raise new ethical questions that relate to the exploitation of Arctic oil and gas. They concern a so-called 'Arctic Paradox': the faster we use fossil fuels, the sooner we get access to new oil and gas resources. Fossil fuel use contributes to climate warming, which in turn makes the Arctic sea ice melt, so that new oil and gas resources become available. Using those resources then further accelerates climate warming. The question thus becomes: is it acceptable to explore and exploit new oil and gas in the Arctic, at a time when mankind needs to reduce its carbon emissions?

Key questions of the global climate change ethics debate have thus found their way into Arctic politics. There are conflicting views, which range from supporting unlimited oil and gas development, to proposing a drilling ban. The Arctic Economic

Council and the indigenous peoples' organizations, for instance, stress economic growth and the right of local populations to benefit from natural resources, whereas many environmental NGOs such as WWF and Greenpeace highlight the environmental risks of mining and the fossil fuel industries. There are also varying views regarding the extent to which Arctic states, companies, and peoples have the responsibility to work toward mitigating the effects of climate change.



Global attention toward the Arctic is growing, especially as it affects the rise of sea levels worldwide. In Bangladesh, for instance, rising sea levels (combined with the melting of Himalayan glaciers) are causing erosion, flooding, and saltwater intrusion into freshwater habitats. In search for new arable land, local populations are recurrently forced to move into the natural habitat of Bengal tigers, threatening to alter their ecosystem. It is thus likely that in the future, non-Arctic states will too question the sustainability and ethics of Arctic oil and gas exploration. Overall, the way in which climate change threatens both Arctic polar bears and Bengal tigers is indicative of the global implications of current Arctic issues.

 **Teemu Palosaari** is a researcher at Tampere Peace Research Institute (TAPRI), Finland, working on conflicts and climate change, especially in the Arctic.



An off-shoot of the Human Security quarterly, published in Italian by T.wai, the T.note HS Series focuses on non-traditional security and conflict transformation.