Projecting Power In The Arctic: The Russian Scramble for Energy, Power, and Prestige In The High North

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Abstract
In the last decade, Arctic climate change has jumbled previously staid geopolitical dynamics with substantial implications for global sea trade, energy, and security. The Arctic is currently the setting for a high stakes power play between the liberal, Western order and a revisionist Russia. Nationalism, a deteriorating demographic profile, and severe economic challenges have pushed Moscow’s leaders to undertake drastic measures to reverse these trends. Russia’s pursuit of great power has led it to claim nearly half the Arctic in an attempt to garner prestige and establish itself as an energy superpower. This article explores the structural and political factors that have prompted Russia’s expansionary foreign policy and US responses to it.

Introduction
Once largely cut off from human activity and consciousness, the Arctic is beginning to open. In recent years, climate change has transformed the region presenting an array of opportunities and challenges. Ice in the Arctic Circle has receded to its farthest extent since satellite surveys began in 1979 and now covers half the area it did in 1999 (Arnsdorf, 2014, para. 1). Ice volume has decreased even faster, now just 70% of what it was when measurements began (Humpert and Raspotnik, 2012, 283). The thaw makes way for new sea routes, expansive, untouched fishing grounds, and provides unprecedented access to deposits of oil, gas, and minerals—most of which are concentrated within US and Russian territory (Circum, 2008). But perhaps the most substantial change is of a geopolitical nature.

The Arctic is currently the setting for a high stakes power play between the liberal, Western order and a revisionist Russian state, that desperately seeks great power, claiming nearly half the Arctic in a ploy for energy, power, and ultimately prestige. Mounting belligerence is rooted in a volatile set of structural factors, political dynamics, and insufficient U.S. policy. Russia has rationally sought strategic depth to mitigate its vulnerable geographic position. Its poor and dwindling population has demanded a restoration of the greatness of the Soviet era (though not the failed aspects of its communist system). Nationalist sentiment has been compounded as recent economic challenges have triggered fears of a repetition of the deprivation of the 1990s. Russian leaders have responded by demonstrating the state’s emergence from its period of weakness following the collapse of the Soviet Union and have undertaken an unprecedented program of energy extraction to swell social spending. Meanwhile, geography has outpaced US policy in the Arctic, undercutting deterrence, with serious security consequences from the Arctic Ocean to the Black Sea.

The tempo of aggressive action on the part of Russia seems to be accelerating. The North Atlantic Treaty Organization (NATO) conducted over 100 intercepts of Russian aircraft in 2014—three times more than were conducted in 2013 (NATO, 2014). A report by the European Leadership Network described nearly 40 incidences of Russian action that required a NATO security response between March and November 2014 (Frear, Kulesa, and Kearns, 2014, 1-18). Three of these events were judged to have posed a “high probability of causing casualties or a direct military confrontation” and included “a narrowly avoided collision between a civilian airliner and Russian surveillance plane, abduction of an Estonian intelligence officer, and a large-scale Swedish submarine hunt.” Additionally, instances were dubbed “unusually provocative”, “bringing a higher level of escalation” (Frear et al., 2014, 1). In March 2014,
Russia annexed Crimea—something it was unwilling or unable to do in Odessa or South Ossetia during the Georgian conflict of 2008. In June 2014, NATO warned that Russia was providing Ukrainian separatists surface-to-air missile training (Martinez, 2014). The next month, Malaysia Airlines Flight 17 was shot down, with 298 people aboard, by an anti-aircraft system of Soviet manufacture—the Buk SA-11. Evidence appears to suggest that the system was provided to militants by Russia (Wendle, 2014). In August 2014, Russia announced that its most sophisticated fighter-bomber, the Su-34, had conducted a training mission to the North Pole and back (Cenciotti, 2014). Similar Arctic exercises with MiG-31 aircraft followed shortly after. In October 2014, Lt. Gen. Mikhail Mizintsev, head of the National Defense Management Center, announced a major expansion in Russian military capability in the Arctic region, “We are planning to build 13 airfields, an air-ground firing range, as well as ten radar and vectoring posts” (Nilsen, 2014).

The flurry of provocative actions left many asking why. A report from the European Leadership Network concluded:

At the military level, it [Russia] may be initiating and using such incidents to observe patterns of response and test the preparedness of specific elements of national and allied defense systems, as well as levels of cooperation between NATO Allies and partners. Perhaps equally important, Russian actions may serve propaganda-related and political aims. They serve as a demonstration of Russia’s capability to effectively use force for intimidation and coercion, particularly against its immediate neighbors. With regard to non-NATO Finland and Sweden, they may bring home the message that further integration or membership in NATO would cause further Russian harassment (Frear et al, 2014, 9-10).

Deborah Welch Larson and Alexei Shevchenko explain, “[T]he U.S. decision not to accord Russia greater recognition and respect provoked anger and an assertive reaction” that included “resorting to time-honored military demonstrations…long-range strategic bomber flights, renewed annual military parades through Red Square, plant[ing] the Russian tricolor flag on the Arctic seabed, station[ing] Russian nuclear submarines off the U.S. coast, and conduct[ing] multiple tests of new missiles” (Larson and Shevchenko, 2010, 90).

Nationalism Stoked by Political and Economic Decline
Russia’s leaders refuse to embrace reforms that would address mounting domestic problems, instead blaming the U.S., its Western allies, and the “unipolar international system” for the state’s woes (Stent, 2014). And the woes are legion. Distant are the heady days of high oil prices and affectionate references to Russia as a member of “BRIC” (Brazil, Russia, India, and China), those emerging economies that were set to seize the commanding heights of the global economy. Indeed, Jim O’Neill, the Goldman Sachs economist who coined the term, has recently indicated, based on the flagging performance of Brazil and Russia, that it would be more appropriate to “call it just ‘IC” (Hamlin, 2015). The Kremlin’s long-range economic strategy, released in 2008, anticipated economic growth hovering around 6.6% annually until 2020. But GDP has increased by only 1.8% on average annually from 2009 to 2013 and is projected to

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1 In 2012, Russia was rated 79 out of 82 countries for ease of foreign investment and 120 out of 183 countries for simplicity of business regulation (Stent, 2014, 179).
grow by only 0.5% in 2014 and a similarly lackluster rate of 0.5% in 2015 (Ostroukh, October 2014). In 2013 (the most recent data available), Russian GDP per capita lagged behind Botswana and was 47% less than the European Union (World Bank, 2014). The Ruble has also hit a record low (Ostroukh, September 2014). Spiraling oil prices too have battered Russia’s woefully under-diversified economy and altered its fiscal outlook. Oil and gas currently make up 70% of exports and state energy revenues underwrite more than half of the federal budget (U.S. Energy Information Administration, 2013). Simultaneously, Russia has become more illiberal. Nearly 90% of all media outlets are now state controlled (Josephson, 2014). In 2014, Transparency International ranked Russia 136 out of 175 countries—in the bottom quarter of its Corruption Perceptions Index, among the most corrupt countries on earth (Transparency International, 2014). The Heritage Foundation’s Index of Economic Freedom ranks Russia 143 out of 178, below the regional and world average due to corruption, extensive nationalization, and weak rule of law (Miller et al, 2014).

Such is the milieu that Russia’s teetering authoritarian leader maneuvers, frantically trying to uphold his side of the social contract—economic prosperity and improving standards of living. President Vladimir Putin’s bellicose foreign policy and hyper-nationalist rhetoric is intended to reassure a domestic audience of the state’s performance legitimacy and underscore his commitment to restoring Russia’s great power status. Perceived vulnerability, a tepid economic outlook, and a national narrative of exploitation by the West have primed the public to be overwhelmingly receptive to Putin’s message. President Putin’s forceful disposition of late has earned him a 20 point increase in his approval ratings compared to the 2013 average (Levada, 2015).

It is in the High North that Putin hopes to affect a phoenix-like revitalization of Russia’s prestige after the humiliating decade of the 1990s. Paul Josephson in The Conquest of the Russian Arctic, describes it as an “intense interest of the government” to secure “the Arctic militarily and economically as a symbol of the nation’s recovery from the embarrassment of the Yeltsin years” (Josephson, 2014, 340). The steep economic decline of that period has scarred popular memory. From 1990-2000, Russian GDP per capita contracted by 49%. Between 1992 and 1999, Russia’s economy contracted at an average annual rate of -5.1%. Military power declined correspondingly. The nation, which prided itself on a rich Arctic heritage stretching back to Peter the Great, watched as the pride of the Soviet Navy, the gleaming Northern Fleet morphed into rotting hulks, still moored at the docks of the Arctic port at Murmansk (Anderson, 2009, 14). The Russian defense budget declined sharply from $133.7 billion to just $7.5 billion (Le Miere and Mazo, 2013, 83). Christian Miere and Jeffrey Mazo (2013), experts at the International Institute for Strategic Studies, note that “the number of patrols by Northern Fleet nuclear-powered submarines…fell from 80 per year in 1985 to 18 in 1995, and the number of total submarine patrols from 230 in 1984 to fewer than ten in the early 2000s. In 2002, no ballistic-missile submarine patrols occurred at all” (Le Miere and Mazo, 2013, 84). Troop levels

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2 “The implicit bargain that Putin had established was that Russians would accept a much stronger and more assertive state in return for the government providing greater prosperity” (Stent, 2014, 183).

3 “The restoration of great power status remains the principal objective of Moscow’s foreign policy, a goal that many Russian citizens support based on growing nostalgia for past influence following years of perceived decline” (Roi, 2010, 558-559).

have never recovered, now at just 700,000 from a 1986 high of 4.3 million (Nichol, 2014). Once a feared superpower on par with the US, Russia found itself the heir to a collapsed empire bereft of nearly a quarter of its territory (not counting Warsaw Pact members—East Germany, Poland, Romania, Bulgaria, Hungary, Czechoslovakia) (Refuto, 2011, 365). The quick introduction of free market economic reforms, encouraged by the US and since derided as “shock therapy,” ushered in a period of chaos, weakness, and fear. Russia was forced to grovel for food and security aid from its former foe while its interests and sphere of influence were trampled on. Russia found itself powerless to stop NATO action in the Balkans and unable to prevent the 1999 expansion of the military alliance to Poland, Hungary, and the Czech Republic. Once the focus of US foreign policy, Russia became an afterthought as its economy went into free fall and its military crumbled.

In 2005, President Vladimir Putin (2005) addressed the Russian Federal Assembly declaring, “The collapse of the Soviet Union was the greatest geopolitical catastrophe of the century.” Much has been made of this statement, but an equitable interpretation reveals pining for a return to the great power of the USSR, not a return to Communism or totalitarianism (Laruelle, 2014, 9). The nationalist leaders that took power following the turbulent 1990s—Putin and Dmitry Medvedev—viewed collapse and subsequent “weakness” as a brief and avoidable aberration in a long history of internationally recognized derzhavnost or “great powerness” stretching back to the eighteenth century. Under their leadership, Russia would set out to regain its rightful place.

Perceptions of Vulnerability

Russian leaders today feel a mounting sense of vulnerability. Robert Kaplan (2012) in The Revenge of Geography called “insecurity” the “quintessential Russian national emotion” (159). Potential threats seem to loom large from every direction. Thomas Graham (2010), longtime Russia analyst and former advisor to President George Bush, notes, “for the first time in the modern era, Russia is now totally surrounded (beyond the former Soviet space) by countries and regions that are more dynamic—politically, economically and demographically—than it is” (62). China’s economy, which was in parity with Russia’s as recently as 1993, now is 4.4 times its size. Although Russian military spending has increased 851% since Putin came to power in 2000, Russia still spends less than half what China does on military expenditures (Stockholm, 2014). Russia fears that a militarily and economically ascendant China may covet the sparsely populated and resource rich region of Eastern Russia. China has already begun to degrade Russia’s energy monopoly through engagement in the Caspian region. To the west, Europe is well along in its project of integrating into a single, powerful economic and foreign policy block that, like China, outclasses Russia economically and militarily. Lured by economic opportunity, former Soviet satellite states are continuing to spin out of Russia’s orbit. Their departure is only hastened by clumsy attempts to coerce allegiance. To the south, Islamic ferment is roiling through the Middle East and penetrating into Central Asia and the Caucasus. While Russia’s overall population has dwindled at an average annual rate of -0.12% in the decade between 2003 and 2013, Russia's Muslim populations have surged. Stratfor (2013) reveals that, “since the fall

The size of the able-bodied population will shrink by ten million people over the next ten years, from 87 million people to 77 million persons in 2023, posing an acute challenge to both economic growth and defense (Hedenskog and Pallin, 2013, 105).
of the Soviet Union” there has been a “69 percent increase in Dagestanis, a 50 percent increase in Chechens and a 100 percent increase in Ingush.” Between 2020 and 2030 Muslims will exceed one-seventh of the population—a problematic and potentially destabilizing prospect for a state known for its xenophobia and a history of troubled relations with the Muslim community (Stratfor 2013).

Russian strategic culture is preoccupied by the concept of strategic depth. After all, it was the impossibly long supply lines over thousands of miles that betrayed both Napoleon and Hitler to “General Winter” come the change of season—consuming La Grande Armee in 1812 and the Wehrmacht in 1943. The size of Russia, with its nearly 14,000 mile-long borders, and relatively small population ironically influence its leaders to seek further expansion of the borders to provide a buffer (World Factbook, 2014). Paul Dibb, Emeritus Professor of Strategic and Defense Studies at The Australian National University explains:

Russia’s vast geography left it open to waves of invasion, from the Mongols in the 12th century to the Nazis in the 20th. Russia’s perduring vulnerability—it has no obvious or clear-cut topographical borders save for the Arctic and Pacific Oceans—accounts for the deep-seated militarization of its society and its endless search for security through the creation of a land-based empire (Dibb, 2006).

Based on the experiences of 1917 and 1991, fear of collapse is not a paranoid abstraction, but a permeating reality based on recent history. Russian political and military elites have seized on the concept of strategic depth to prevent such an outcome. Russian action in the Arctic thus must be understood in the context of the wider pursuit of strategic depth—a rational response to structural realities that have been present for centuries.

Alfred Thayer Mahan (1900) envisioned Russia as a land power that was locked in competition with seafaring colonial and trading nations that had interests in the periphery of the Asian continent. Halford Mackinder (1919) saw the landmass of central Eurasia as the geographical pivot of the “world island,” that in turn decided the fate of the globe. Western strategists accepted these concepts and strove to balance against and check Russian power. Containment guided the West for decades, focused on “three walls” to the west, south, and east, while geography and climate closed Russia off to the north. But the geography, upon which Mahan and Mackinder based their theories, has transformed, jumbling previously staid geopolitical dynamics. Caitlyn Antrim (2010), an expert at the Stimson Center, contends that climate changes in the Arctic present a major opportunity for Russia:

The geopolitics of the twenty-first century will be different from the days of empire and conflict of the nineteenth and twentieth. The increased accessibility of the Arctic, with its energy and mineral resources, new fisheries, shortened sea routes, and access to rivers flowing north to the Arctic, is pushing Russia to become a maritime state. As it progresses, Russia will no longer be susceptible to geographic isolation or encirclement. At the same time, these changes will require Russia to become more closely integrated into global commercial and

During the first 15 years of the post-Soviet period, the Russian population decreased by 770,000 annually. The year 2007 seemed to be a turning point, where annual declines turned to (meager) population growth. (Laruelle, 2014, 53).
PROJECTING POWER IN THE ARTIC

financial networks, to welcome international business involvement, and to participate in international bodies that harmonize international shipping, safety, security, and environmental regulations (15-16).

Although Russia’s Arctic ambitions are tempered by its four circumpolar (and all NATO member) neighbors, it enjoys a clear comparative advantage in the region with the greatest share of the Arctic economy, half its population, and greatest naval presence. Russia is an Arctic state in ways Canada and the US are not. Russia’s Arctic border spans 4,000 miles, or almost twice the distance between New York and San Francisco (Anderson, 2009, 13). During the Soviet period the Russian Arctic population was 2.5 times denser than Alaska and 50 times more than the Canadian Arctic (Josephson, 2014, 336). The region makes up 12 to 15% of Russia’s GDP (Stent, 2014, 205).

In the Arctic, Russia’s new nationalist leaders have reached for great power status. In 2001, Russia submitted a claim for nearly half the Arctic to the UN Commission on the Limits of the Continental Shelf (CLCS), under the auspices of the UN Convention of The Law of The Sea (UNCLOS). The claim was based on the Lomonosov Ridge, which Russia argued was an extension of the continental shelf. Such a designation would extend Russia’s exclusive economic zone beyond the standard entitlement of 200 nautical miles—considerably expanding the natural resources available for exploitation by the state. In 2002, the CLCS failed to accept the submission and Russia set out to enhance its case. In 2007, the Russian government funded an expedition by parliament-member and explorer Artur Chilingarov to place a flag on the ocean floor at the North Pole. Paul Josephson (2014) in *The Conquest of the Russian Arctic* called the expedition, which was led by a nuclear icebreaker and accomplished by a submarine to great national fanfare, emblematic of “Russia’s quest for strategic advantage, economic growth, and superpower symbolism” (331). In 2008, then-President Dmitry Medvedev (2008) spoke publicly at the Kremlin where he dubbed the Arctic as “a region of strategic importance” and a region that should become “Russia’s resource base for the twenty-first century.”

Indeed, the Arctic is strategic, serving “as a gateway for projection of Russian maritime power…as a protective zone for its strategic submarines and as a barrier against enemy seaborne threats against the homeland” (Archer, 1988, 21). The institutional ideology of strategic depth applies especially to the Arctic, the most likely terrain ballistic missiles would overfly in a nuclear exchange. Two additional aspects of the Arctic are also of great importance to Russia’s leaders: the Northern Sea Route (NSR) and natural resources (Stent, 2014, 205). The NSR has the potential to maximize Russian maritime power and economic vigor. Just as the Panama Canal allows the US to have “two navies for the price of one,” the NSR has strategic military value as an outlet to both the Atlantic and Pacific Oceans. Should it become a major international trade route, Russia could enjoy considerable economic benefits and political leverage from control of key choke points (Perry et Anderson, 2012, 50). Natural resources too play an important role. State-owned energy companies are set to tap massive reserves in the Arctic allowing Russia’s new oligarchs (security services elites appointed by Putin) to consolidate their power by forestalling economic and political liberalization.

**Sea Routes**
Approximately 90% of world trade is seaborne (International Chamber of Shipping, 2014). The rapidly changing climate of the Arctic holds hope for the prospect of shorter routes between
major ports, decreased shipping costs, and in turn, cheaper products. There are three key sea routes that cross the Arctic: the Transpolar Sea Route (TSR), passing over the North Pole; the Northwest Passage (NWP) situated along the northern border of Canada; and the Northern Sea Route (NSR), which winds its way along Russia’s long Arctic coast.

The TSR, although the most direct route for trans-Arctic shipment, has failed to become a viable option due to lingering multi-year ice that necessitates icebreaker escort and exorbitant insurance costs (Humpert and Raspotnik, 2012, 283). Indeed, while the NSR was 86% accessible on average in the period from 2000-2014, the TSR was only 64% accessible during the same period (Humpert and Raspotnik, 2012, 288). But continued warming trends may vitalize the TSR. Malte Humpert and Andreas Raspotnik (2012) of the Arctic Institute anticipate the route to be 100% ice-free beyond 2045 and highlight the attractiveness of the route’s shorter length, “a ship going from Tokyo to Rotterdam can reduce its speed by 40 percent and still arrive in Japan at the same time as a ship sailing at full speed traveling through the Suez Canal” (292).

The NWP, a short cut from Europe to the Orient through the North American continent, has been sought by explorers since the sixteenth century. Only in recent years has the once almost mythical NWP been at long last realized. But the route’s long awaited opening would likely underwhelm the explorers of yesteryear. The NWP is composed of a northern and southern route. The northern route is shorter but more prone to ice blockage (O’Rourke, 2014, 19). The southern route is circuitous and contains narrow channels and shallow areas that limit some shipping (O’Rourke, 2014, 19). There is little shipping infrastructure along the route, swaths of which are limited to summer use only. As of 2013, only one bulk carrier had transited its length (O’Rourke, 2014, 19). Apathetic commercial reaction is largely due to the high quality of shipping substitutes, namely the newly expanded Panama Canal and established trans-continental rail lines crisscrossing North America.

The NSR, straddling Russia’s northern coast, was first developed in 1932 and enjoyed significant investment during the Soviet period. During World War II the NSR served as a vital artery of Allied war material that supported the Soviet war effort on the Eastern Front. Allied Arctic convoys shipped 22.7% of the total military aid provided under the Lend-Lease program to the Soviet Union using the NSR (Axelrod, 2007, 69). Over $10 billion of military aid was provided, equal to 7% of the USSR’s total output at the time (Roberts, 2011, 551). Aid included over 5,000 aircraft; 7,000 tanks; thousands of trucks; 15 million pairs of boots; large quantities of food; supplies; arms; and ammunition (Roberts, 2011, 551). Beginning in 1978, the route opened year-round. In 1987, the NSR facilitated 1,306 trans-Arctic voyages, a figure unmatched since (Anderson, 2009, 217). By comparison, there were only 71 voyages in 2013 (Transits, 2014). In 1991, the NSR was opened to international traffic. Like the TSR and NWP, the NSR superficially offers significant cost and distance savings. The NSR cuts the distance from Europe to China by 40% compared to the standard route via the Suez Canal (Humpert and Raspotnik, 2012, 13-14). Similarly, the distance between Vancouver, Canada and Rotterdam, Netherlands (Europe’s busiest port) is cut by 27% compared to the route via the Panama Canal (Anderson, 2009, 217). A 2007 study estimated that a New Panamax class ship (capacity of approximately 5,000 twenty-foot equivalent units) could traverse the NSR from Iceland to the Aleutian Islands 20 times in a year (Anderson, 2009, 218). Each container could be shuttled at a cost of just $354 to $526 (depending on ice conditions as pushing through ice consumes more fuel), compared to $1,500 via the Suez (from Japan to Europe) (Anderson, 2009, 218). However, high “fairway” fees of around $1,000 per container make the prospect of the NSR less economical (Anderson, 2009, 218). Despite this, the NSR still remains the most practicable of the three Arctic routes.
Whether Arctic shipping will mature and compel the same security presence as the Straits of Malacca or the Persian Gulf is a matter of debate among experts. David Fairhall, author of *Cold Front: Conflict Ahead In Arctic Waters*, argues the distinctive advantages of the Arctic routes will lead to their growing popularity:

A big vessel may burn as much as 200 tons of heavy fuel oil a day, so at several hundred U.S. dollars a ton, there is a great deal to be saved even if the gain in time is not in itself critical (2010, 167).

By shipping at super-slow speeds, commercial fleets can potentially realize a doubling of fuel efficiency, cutting costs while maintaining comparable delivery times to ships at normal speed making use of conventional routes (Humpert an Raspotnik, 2012, 293). Ships may also opt to sail at full speed and realize cost savings through fewer days at sea. Furthermore, Fairhall notes the Arctic is relatively safe in comparison to other routes.

Security has become a major concern of global shipping companies. Piracy has required shipping companies to increase expenditures on private security, defensive measures, crew training, insurance, and in some cases costly ransoms. There has been only one instance of piracy in the Arctic while the Suez Canal lets out to the piracy-ridden Gulf of Aden that experienced 237 pirate attacks and 28 hijackings in 2011 (the most recent year available) (Piracy, 2014). As of November 2014, there are 12 ships and 170 seamen held hostage by Somali pirates for ransom.

Leading Arctic analyst Alun Anderson (2009) is more skeptical concluding “a big boom is unlikely” (219). Humpert and Raspotnik (2012) seem to concur with Anderson when they innumerate the challenges that remain, “[G]lobal shipping operations are dependent on three key factors: predictability, punctuality, and economy of scale” which “are currently limited in Arctic shipping” (293). Commercial shipping depends on “predictable year-round operations” to be profitable—a condition current Arctic climate trends cannot guarantee (Humpert and Raspotnik, 2012, 293). Without the assistance of icebreakers (which increase shipping costs), Arctic routes are only seasonally accessible. Insurance rates are prohibitive for vessels traversing the Arctic, and navigation is problematic due to the unique magnetic and solar conditions of the region. All but the NSR lack the infrastructure necessary to serve as a major sea-lane. Cooperative structures that could respond to emergencies in the international waters of the Arctic are still being developed and territorial claims further complicate governance.

The NSR has been central to the Medvedev and Putin Arctic development plans. State investment in the NSR, the nuclear ice-breaker fleet, the Navy, and domestic heavy industry (energy extraction technology and defense manufacturing) have been driven by what Josephson describes as “selective nostalgia for Soviet achievements” (Josephson, 2014, 346). In their quest to retake great power, Russia’s leaders frequently hearken back to the milestones of Soviet greatness (many of which occurred in the Arctic) to justify contemporary state endeavors. Revitalization of key activities the USSR once undertook gives evidence of Russia’s ascension to a domestic audience.
Natural Resources
Vast swaths of ice are disappearing, allowing unprecedented access to a wealth of natural resources. Spanning just 6% of the Earth’s surface, the Arctic contains 22% of the world’s undiscovered conventional oil and natural gas resources (Budzik, 2009). The most definitive survey of Arctic hydrocarbon resources concluded, “The extensive Arctic continental shelves may constitute the geographically largest unexplored prospective area for petroleum remaining on Earth” (Circum, 2008, 1). In the medium-term, “large” oil and natural gas fields, or “those that exceed 500 million barrels of oil equivalent of recoverable oil and natural gas,” will be most economically viable due to the exorbitant cost of infrastructure in the Arctic. With 43 of the 61 large fields located in the Russian Arctic, Russia is positioned to reap considerable economic benefits (Budzik, 2009). The high concentration of natural resources makes the Arctic integral to Putin’s grand strategy that aims to accomplish economic prosperity and power parity with the US largely through making Russia an energy superpower. Josephson (2014) explains:

Russia’s industrial policy of pushing economic growth on the basis of extraction of raw material was a central aspect of Vladimir Putin’s worldview. He has long believed the development of natural resources was the key to Russia’s economic future and rediscovery of its status as a superpower (340).

And Putin, who witnessed the disastrous effects of oligarchs who plundered state resources at the expense of an impoverished population in the 1990s, fundamentally believes energy should be controlled by the state. To achieve this end, state-owned companies—Gazprom and Rosneft—have been granted a monopoly on energy extraction in the region, a policy that has proven to slow rather than spur development as the more agile and experienced private sector firms are locked out (Klimenko, 2014, 5-6).

In her book, The Limits of Partnership, Angela Stent (2014) explains, “Russia’s international energy policy has two main objectives: influence and profit” (190). Russia hopes to augment both by tapping Arctic resources. Russia’s energy wealth has already granted it significant leverage over Europe. Russia provides the 28 member-state EU with about one-quarter of its gas supplies, a similar proportion of its coal imports, around 30% of its oil supplies, 30% of its uranium imports, and is the third largest supplier of its electricity imports (Ratner et al., 2013, 6-9). European gas imports from Russia are projected to double by 2030 (Fairhall, 2010). A recent Congressional Research Service report warned, “Natural gas, unlike oil, which is a global commodity, is a regional commodity with regional buyers and sellers exerting more influence” (Ratner et al., 2013,1). And Russia has exerted its influence, most notably through major supply disruptions to Europe in 2006 and 2009. Fairhall (2010) writes, “These exports…give the Kremlin a powerful lever in dealing with European neighbors who depend on them. Being well placed to exploit new arctic reserves…simply increases that leverage” (24).

Conclusion
Kenneth Waltz (1979), in the Theory of International Politics—the definitive tome of Neo-Realist Theory—argues that in an anarchic international system, rational state actors will pursue their interests as capabilities and structural constraints allow. Russia has strained to bolster its capabilities through defense investment, amplified energy exploitation, and forceful foreign policy in its traditional sphere of influence. But for all these efforts Russia’s relative power has been blunted by structural constraints, often imposed by the US. During the Cold War, the US
pursued a “three walls” containment strategy wherein tactical defense resources were concentrated in the west, south, and east. The Soviet Union’s northern flank was allotted less tactical emphasis due to the inherent military constraints the inclement Arctic region posed. Current US defense posture has inherited this legacy in a world that is geographically different following the Arctic’s climate transformation. Simultaneously security challenges on Russia’s periphery to the west, south, and east have funneled it north.

Although policymakers have made intimations that they realize the centrality of the Arctic to twenty-first century geopolitics, facts on the ground tell a different story. In 2009, the Bush Administration released the National Security Presidential Directive (NSPD) 66/ Homeland Security Presidential Directive (HSPD 25): Arctic Region Policy highlighting key US interests in the Arctic: missile defense and early warning, deployment of sea and air systems for strategic sealift, strategic deterrence, maritime presence, maritime security operations, and ensuring freedom of the seas (The White House, 2009). In 2011, the US Combatant Command structure was consolidated for the Arctic, reflecting the region’s increased geostrategic significance to the US (Garamone, 2011). In 2013, the Obama Administration released the National Strategy for the Arctic Region which called for “federal capability to conduct maritime operation in ice-impacted waters” (O’Rourke, 2014, 9). Concurrently, the US took a very firm position on freedom of the seas, including the “strategic waterways” of the Arctic (Arctic, 2013, 3). The US contends that the NWP and NSR are international straits, not internal waters, and promotes free navigation of these waterways, to the frustration of both Canada and Russia (The White House, 2009). Yet, to date the US has no ability to project power by means of surface vessels, relying heavily on (largely unseen) submarine and long-range bomber patrols. Presently, US capabilities do not match stated objectives. The Congressional Research Service (2013) reports, “USNORTHCOM has identified deficiencies in all-domain awareness, communications, infrastructure (including a deep-water port), mobility (including an adequate national icebreaking capability), search and rescue enabling capabilities, Arctic Ocean charting, and the ability to observe and forecast Arctic environmental change” (46). Of the 10 most powerful icebreakers in the world, eight are operated by the Russian Federation and two are in the possession of the US (Arctic Council, 2009, 156). Of the two heavy icebreakers in the US inventory, only one, the Polar Star is currently in operation by the Coast Guard, but already well beyond its intended service life (O’Rourke, 2014, 2-5). The other heavy icebreaker, the Polar Sea, fell into disrepair and has been taken off active service. The US Navy has no icebreakers.

Thus, the answer to why Russia has become more assertive, why it has claimed half the Arctic, probed NATO defenses, and consumed part of Eastern Europe does not lie in the person of Vladimir Putin. Although Western laments often seem to focus on individuals who are portrayed as “evil” or despotic, neorealists recognize even a more liberal leader would likely take similar steps to address Russia’s structural challenges—its vulnerability and economic weakness. Rather, renewed Russian assertiveness is largely due to a lack of sufficient deterrent constraint, especially in the Arctic, and a national narrative of collective grievances culminating in a call to return to great power. Pavel Baev (2010), Research Professor at the Peace Research Institute, Oslo, concluded that Russia’s Arctic ambitions:

cannot be rationalized in terms of cost-efficiency or strategic interests, but makes good sense in the context of… ‘intangibles’. Russia’s state identity remains shaky twenty years into its post-Soviet history, and the loudly proclaimed intention to expand its Northern borders by securing control over a
million square kilometers of the Arctic shelf is best understood as an attempt to consolidate it (6).

This much is clear: Russia’s leaders sense their nation is vulnerable, maligned as a second-rate power, and its interests trampled by the West. Thucydides posited that conflict is motivated by “fear, honor, and self-interest”—a conclusion that in the context of contemporary Russia should give policymakers pause. Only adequate deterrence and a concerted effort to dispel the false narrative of Western culpability for Russia’s central challenges can assure future peace.
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References


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