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Mr. Chairman:

Thank you for the opportunity to participate in this roundtable discussion on "The Global Implications of a Warming Arctic" with members of the Senate Foreign Relations Committee. The order of my opening remarks will first be about the climate change driving the Arctic's transformation; then I will paint a quick future of the current state of international relations in the Arctic as I see it; and I will end with specific policy recommendations the U.S. should take to advance its interests in this strategic region.

1) U.S. policy has not kept pace with climate change. Ice in the Arctic Ocean is melting much more quickly than most people appreciate and U.S. policymaking is lagging far behind environmental realities. The Arctic is the fastest warming region on earth and is on pace to be ice free in the summer by 2013. The past few years have witnessed extraordinary melting and last summer the two fabled Arctic passages over Eurasia and North America opened together for the first time in history. Recent satellite images of the Chuchki and Beaufort Seas show dramatically less ice than what is historically normal for this time of year. By every measure, from huge ice shelves breaking free to complex environmental dynamics that scientists do not fully understand, the polar ice cap is disappearing and all indicators point to another record sea ice minimum this coming summer. We may be approaching a tipping point past which the melting sea ice cannot recover.

2) This dramatic and unprecedented climatic change is affecting the geopolitics of the region. The Arctic is home to an estimated twenty-two percent of the world's remaining undiscovered hydrocarbon reserves as well as access to the fabled shipping routes over Eurasia and North America, both of which have led to balance-of-power struggles in the region. The next few years will be critical in determining whether the Arctic's long-term future will be one of international harmony and the rule of law, or of a Hobbesian free-for-all with dangerous potential for conflict. This is a story still being written with a plot full of characters who speak of multilateral cooperation but pursue their own self-interest. There is, however, reason for optimism, as governments in Washington, Moscow, Ottawa, Oslo and Copenhagen have issued public commitments to behave peacefully in the Arctic region, in addition to the general

¹ These views are my own and not those of the Council on Foreign Relations, which takes no institutional position on matters of public policy.

goodwill that has developed during the ongoing International Polar Year. Several Arctic states are closely collaborating on mapping the seafloor, with scientists from one country sailing aboard icebreakers of another. On the face of it, everyone seems to be getting along swimmingly.

But there is reason to worry, especially considering Russia's increasingly assertive behavior in regards to military and economic expansion in the region. Russia has resumed long-range bomber flights and naval patrols in the Arctic and has assumed a more belligerent foreign policy overall that should give the other four Arctic coastal states pause. They are beginning to notice. Canadian Prime Minister Stephen Harper held a cabinet meeting last August in the Arctic town of Inuvik, more than 2,500 miles north of Ottawa, where he pledged to defend Canadian Arctic sovereignty. In 2008, Canada conducted its largest military exercise ever in the region and blocked the sale of Canadian radar technology to a U.S. buyer on national security grounds. Meanwhile, Greenland passed a home-rule referendum in November that will eventually lead to independence from Denmark; the European Union has a new Arctic policy and has announced plans for building its own icebreaker; and at the end of January, NATO held a conference in Iceland about its future mission in the Arctic.

Even Asian countries with no Arctic coastlines are getting into the game. The Chinese sent its icebreaker, the Snow Dragon, on its third Arctic expedition last summer. Beijing successfully earned observer status to the Arctic Council and also plans to install its first long-term deep-sea monitoring system in the Arctic to keep an eye on long-term marine changes and the impacts of global warming on China's climate. South Korean and Singaporean shipyards are building new icebreakers and ice-strengthened tankers to navigate new Arctic routes. Japan is closely watching the shorter shipping routes opening up in the region, which will benefit Japanese businesses due to the country's northern latitude.

When taking a pan-Arctic view there are also a number of nagging sovereignty disputes. Every single bilateral relationship where Arctic countries share a physical border, except one, Norway and Denmark, has at least one significant point of disagreement. Like previous assumptions that the icecap is melting more slowly than it actually is, it would be a mistake to assume that all these potential flashpoints will remain sleeping dogs. The combination of new shipping routes, trillions of dollars in possible oil and gas resources, and a poorly defined picture of state ownership makes for potentially an unstable geopolitical situation.

3) The U.S. should approach the Arctic with enthusiastic diplomacy and in a spirit of cooperation, while hedging in order to protect its interests. While the U.S. has a critical leadership role to play in helping the Arctic develop peacefully, responsible statecraft requires immediate corrective action to address strategic vulnerabilities as a result of the sea change on America's fifth coast.

Specifically, the U.S. should:

- a. Strengthen the Arctic policy released in the last week of the Bush administration in three key areas. First, the policy did not specifically outline funding for new icebreakers. The Coast Guard needs at least two new ships to replace the geriatric Polar Sea and mothballed Polar Star. The country finds itself in a dire predicament considering the cost of more than one billion dollars per acquisition, and that each ship will take a decade to build given the egregious inefficiencies imposed by the Jones Act. Even if Congress appropriated the money today, this would mean the U.S. would be launching its first new ship five years after the Arctic was already seasonally ice free. This is unacceptable, especially in light of the fact Moscow has pledged to build at least three new nuclear ships to join what is already the world's largest icebreaker fleet. A little known and embarrassing fact is that the U.S. is now forced to outsource U.S. sovereignty by contracting some of its polar missions to foreign operators. Although the need to build new icebreakers may seem counter-intuitive because there is less ice, the Arctic remains a hazardous environment and icebreakers are still needed to project sovereignty, conduct science and manage new maritime activities. Second, the recent Arctic NSPD/HSPD did not prioritize policy interests, leaving various government agencies to sort that out amongst themselves. Lastly, the policy failed to recognize the special relationship the U.S. enjoys with Canada and potential areas where the two countries might collaborate.
- b. Formally join the Law of the Sea. There are numerous strategic imperatives for why the U.S. should immediately accede to the convention. In the Arctic, more specifically, the convention provides solid legal bedrock on which to build elegant governance structures. The Law of the Sea also includes provisions for extending U.S. sovereignty over its extended continental shelf in the Beaufort and Chuchki Seas; defending the U.S. position that the Northwest Passage is an international strait and not Canadian internal waters; allowing stricter environmental standards over Arctic shipping; establishing rules for managing the Bering Strait which will become a key shipping choke point; and protecting the mobility of U.S. flagged vessels and those of our allies in new Arctic transit routes, to name but a few.

The Law of the Sea and the 1994 agreement on its implementation have been signed and ratified by 156 countries and the European Community. Although the United States treats most parts of the convention as customary international law, it remains among only a handful of countries — and one of an even smaller number with coastlines, including Syria, North Korea, and Iran — to have yet to join the convention. The convention actually enjoys broad bipartisan support in Congress; has been endorsed by both the Clinton and George W. Bush administrations as well as the National Governor's Association; is championed by the Joints Chiefs of Staff; and has been recommended by a wide array of interest groups in the United States, including the foremost national security, commercial, and environmental organizations. It's past time we formally became a state party to the overarching governance framework for nearly three-quarters of the earth's surface and what lies above and beneath it.

c. <u>Develop a national climate change adaptation strategy</u>. This should be done in tandem with ongoing mitigation efforts and include planning for a host of other emerging challenges such as rising sea levels, droughts and fresh water shortages.

- d. <u>Invest in our special relationship with Canada</u>. Ottawa would be receptive to a collaborative partnership on Arctic issues, which should include deepening and widening the 1988 Agreement to Disagree on the status of the Northwest Passage and building an Arctic Navigation Commission modeled on the St. Lawrence Seaway. It would be a mistake to under appreciate how important the Arctic is to Canada, our largest trading partner and strategic ally. The U.S. should elevate the Arctic in bilateral discussions and work actively to create a unified North American bloc on emerging Arctic issues.
- e. <u>Champion Arctic diplomatic initiatives</u>. Arctic countries, and the world as a whole, are desperate for the return of a U.S. voice interested in multilateralism. The U.S. should get the ball rolling on creating a internationally protected marine preserve at the North Pole for peaceful scientific research, institutional reform to empower the Arctic Council to address security issues, and other joint efforts like sharing weather information and pooling search and rescue resources. These actions, combined with finally joining the Law of the Sea, would send a clear message that American diplomacy is back and as a nation we are attuned to the climate crisis.
- f. Partner with indigenous communities. The Barrow Arctic Science Consortium (BASC) and the First Alaskans Institute offer terrific models on which to emulate. BASC, a regional support organization built from 125 years of experience supporting western science and millennia of traditional knowledge, facilitates over 100 research projects each year from around the globe. With congressional support, BASC facilitated construction of the new Barrow Arctic Research Center. BASC's funding is in jeopardy and needs to be protected in order to maintain America's one-stop-shop for scientific logistics support in the American Arctic as well as a vital link to North Slope indigenous communities. These Americans are experiencing the Arctic's transformation firsthand and are ready and willing to answer the call of duty for their nation.

There are a host of other issues I did not cover in this statement including the fact that the Arctic is currently divided among three combatant commanders, the lack of mandatory shipping safety regulatory codes, our inability to respond to oil spills in such an extreme geography, fisheries management or the fast growing tourism industry. There is also an interesting discussion to be had about how the Arctic figures into the broader milieu of American foreign policy and bilateral relationships.

Thank you and I look forward to answering your questions and expanding on any of these points during the roundtable discussion.
