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## China-Russian Cooperation, American Hegemony, and Great Power Competition in the Arctic: Positioning Canada as an Arctic Power in an Uncertain Age<sup>1</sup>

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### Summary

The Arctic is an emerging area of cooperation between China and Russia, raising concerns among some quarters in the Western Arctic States<sup>3</sup> that these two powers, with their anti-Western geopolitical orientations, will increasingly build a coordinated revisionist strategy against them in the region. Enhanced monitoring of this relationship is necessary, but the Western Arctic States should avoid viewing these powers as 'on the same side' given long-standing tensions precluding movement towards deep alignment. Instead, these powers should continue to be treated as distinct regional challenges needing specific, individual strategies. Such efforts require greater collaboration and cooperation among the Western Arctic States, with the United States (US) playing a critical role. However, growing American emphasis on Great Power Competition (GPC)<sup>4</sup> as an organizing principle of their national security strategy may augment pressures on smaller Arctic allies and

partners to conform to their preferences. Given the limitations that a strategy solely based on exclusion and confrontation against rivals imposes on addressing pressing regional challenges, coupled with uncertainty about the nature and future of American hegemony in general, the smaller Arctic states should take steps to preserve their autonomy as regional actors while strengthening their collective solidarity. Regionally, Canada must continue to develop its own capabilities, become more forward leaning in addressing security and economic matters, and increase collaboration with other smaller Arctic states to ensure that GPC does not entirely dominate the ongoing structuring of regional politics.

### Background

The last three decades have witnessed a dramatic increase in cooperation between China and Russia across several realms. Examples include coordination of votes on the United Nations Security Council; exercises and patrols between their

militaries; and exploring ways to connect their flagship foreign economic projects together, the Belt and Road Initiative (BRI) and the Eurasian Economic Union (EAEU). More than just a collection of overlapping but unconnected tactical interests, these efforts are in part underpinned by a mutual strategic interest in undermining Western dominated international structures, liberal values, and regional balances of powers to reconstitute more favourable external environments.

The Arctic region is becoming a new area of Sino-Russian cooperation. This is most evident in the economic realm, with China becoming a major customer and investment partner of Russian Arctic oil and gas projects and the Northern Sea Route (NSR). Regional military and political cooperation between the two remain limited, but some commentators suggest that it will only be a matter of time before these become more robust, including joint military activities and possibly opposition to existing regional institutions. Consequently, there is concern in some security and political quarters of the Western Arctic States that these two powers will continue to ‘team up’ in an increasingly assertive, well-coordinated, revisionist pact, threatening their security interests and regional stability.<sup>5</sup>

## Assessment

Defining the exact nature of the China-Russia relationship, and projecting its future trajectory, is difficult. Nevertheless, it is not—nor is it likely to become—a formalized political-military pact or alliance. At this juncture it is best characterized as an *entente*, defined by agreement to regularly cooperate, consult, and in some cases coordinate activities across multiple domains due to mutual but not perfectly aligned or comprehensive strategic interests while remaining autonomous and equal actors with limited hard commitments between

them. There are several issues which are and will continue to preclude the development of a relationship based on a shared strategic vision of global/regional ordering and commitments to defend each other’s interests.

First, Russia and China are motivated by the world that *they want to move away from*, namely a world that is less American/Western centric, and not by a shared interest in a world *they want to move towards*. Despite mutual rhetorical support for a ‘multipolar’ world, the expansiveness and intrusiveness of China’s BRI into various sub-regions of Eurasia contrasts with Russia’s attempt to have a Sphere of Influence around its ‘near abroad’ respected by other powers. Second, despite the public displays of warm relations between Putin and Xi, wariness and mistrust of one another persist throughout their regimes, including in defence and business communities that have been forced to work together because of high-level political direction rather than mutual interests. Third, these tensions are most apparent in Central Asia and the Arctic region. In the Arctic case, Chinese moves to promote efforts to ‘internationalize’ Arctic governance and practices contrast with Russia’s emphasis of the Arctic remaining predominately a nationalized space where regional states are the predominant actors.

It is expected that the Arctic will remain a secondary issue, to be carefully managed, rather than an emerging frontier spearheading further China-Russia alignment across the board against the West. With this in mind, Russia and China are and should continue to be viewed and treated as distinct regional (and global) challenges requiring distinct relationships and approaches.

Russia constitutes a regional military challenge to the Western Arctic States, many of which are North

Atlantic Treaty Organization (NATO) members or close defence partners with the US and the West. The Arctic, though, is not the main axis of confrontation between Russia and NATO, which is Eastern Europe, but there are regional political and security spillover risks and implications which need to be managed. As well, Russian military developments in the European Arctic are part of larger efforts to reconstitute their northern forces and strategies to protect its submarine deterrent and enable access into the Atlantic. This requires greater monitoring and efforts to shore up the northern flank of NATO, specifically around Norway. Russia, though, is focused on developing its northern region and the NSR as an international shipping route which requires in part a stable regional environment. Moscow, as well, shares similar concerns with other Arctic States pertaining to actions and political roles of non-Arctic powers in regional governance. Russia is not a revisionist actor in the Arctic, either in terms of seeking territorial gains or obstructionism against the existing regional order.

China constitutes a regional geo-economic challenge to the Western Arctic States. At this juncture China is not a military concern in the Arctic, but their official silence on regional security matters should be seen as an intentional omission rather than a signal of disinterest. Given growing balancing moves against them in Asia, it is expected China's military focus will remain predominately within its home region and not the Arctic. Nevertheless, there are uncertainties about the strategic rationale and implications of Chinese investments in critical infrastructure, natural resources, and scientific activities throughout the Arctic. This includes the possibility of making local populations dependent on Chinese financing, which could be leveraged to serve other Chinese interests within and beyond the region. Part of this concern is based on its

exploitative practices in other states and regions as part of the BRI. There are indications that China seeks a greater role in regional governance matters, based on its 'near-Arctic state' self-designation, but they remain an involved partner which is not forcefully advocating alternative arrangements at this stage.

The Western Arctic States, which already are close regional and global partners with one another, should increasingly collaborate to developing specific measures, and an overall orientation, towards each of these powers. Given the US' power preponderance and hegemonic standing, that country will play a major and leading role in these efforts. After decades of relative disinterest, the US has become a re-invigorated regional actor. This has largely been driven by seeing the region as a new arena of its GPC against both China and Russia. The other Western Arctic States share similar concerns about the challenges posed by these powers domestically, in the region, and beyond; but there are two major considerations which caution against assuming that the Western Arctic states are increasingly deferential to the US and prepared to have the US assume full leadership responsibilities over these efforts. First, the current American regional strategy is largely focused on exclusion of, and confrontation against, China and Russia. This does not directly address nor offer solutions towards other major regional issues, including those resulting from climate change. The US also risks unnecessarily raising tensions in its attempts to regain regional 'dominance' and could transform the logic of its relationships with Arctic allies and partners from one of consensus and interest convergence to one of pressure to unilaterally conform to American strategic preferences across the board. Second, in the decades ahead, it remains highly uncertain what type of power the US will be in general given ongoing polarization in domestic

politics and elite fracturing over commitment to its global hegemonic project.<sup>6</sup> This includes the possibility of the US becoming a more transactionally-oriented power, treating its allies and close partners as it would any other state, which would threaten the close working relations, common values, and burden-sharing that currently underpins their economic and security arrangements and commitments.

## Recommendations

Canada took advantage of the favourable strategic environment caused by the ending of the Cold War to become an institutional entrepreneur in the Arctic, working with other, smaller regional actors in creating a web of institutions and practices to promote areas of cooperation and securing a central position in regional ordering. Today, GPC is a prominent feature of the global landscape that affects the Arctic. The risks of war and overall destabilization, however, remain low in the region. The more pressing challenge is the possible erosion of the smaller Arctic States' autonomy as regional powers, as great powers engage within one another as part of their larger rivalries.

There are three lines of effort that Canada should pursue to preserve their regional positionality and, in general, to prepare for a more uncertain strategic environment:

- 1) Continue to augment regional military, constabulary, and research capabilities and capacities to operate independently and with others. Building a menu of assets will signal solidarity with regional allies but allow Canada to opt out of certain pursuits which conflict with other interests (such as

conducting Freedom of Navigation Operations), set the terms for future engagements (such as training NATO partners in the North American Arctic), and allowing for independent freedom of action when warranted. These efforts face an environment of greater integration pressures from NATO and specifically the US (regarding North American defence) in creating a 'system of systems' in terms of surveillance, detection, and interception capabilities. Determining where and how to 'plug and play' into these processes and where to maintain independent capabilities and roles will remain a challenge.

- 2) Become more forward leaning in creating and advocating for new and revised institutional approaches to strategically sensitive issues. This includes more permanent Arctic-specific institutions to discuss military issues (which would include Russia) as well as exploring economic ones (such as establishing an Arctic Development Bank) to create common standards and accountability mechanisms for foreign direct investment flows. At the very least, there needs to be more formal channels between the smaller Arctic States, who are all seeking additional capital to develop their northern territories, and to share information about foreign investment patterns and partners.
- 3) Ensure all the smaller Arctic states are included in regional institutions as equal members and primary decision makers. Doing so will reinforce norms and practices of equality of membership for Arctic states, regardless of their size. This will help prevent regional governance from fragmenting into a

series of disconnected organizations of different memberships; expansion of membership in existing institutions marginalizing smaller regional states; and/or outsized roles assumed by extra-regional organizations in regional matters.

The fundamental issue confronting Canada in a more competitive Arctic is balancing the need to strengthen solidarity with traditional allies (most

importantly the US) against challenges posed by Russia and China. This balance must be struck while retaining an appropriate degree of autonomy to pursue meaningful security and diplomatic efforts and to preserve a favourable regional environment amidst concerns about current American approaches to GPC and that country's future as a reliable security partner and hegemonic leader of the West.

## Notes

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<sup>1</sup> This is a summary of a larger article written by the author entitled "China-Russian Cooperation in the Arctic: A Cause for Concern for the Western Arctic States?" *Canadian Foreign Policy Journal* 27.2 (2021): 194-210.

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<sup>3</sup> The Western Arctic States are Canada, Denmark (via Greenland), Finland, Iceland, Norway, Sweden, and the United States, who comprise seven of the eight (the other is Russia) regional states which have territory above the Arctic Circle and are mutually acknowledged and accepted as equal members in regional forums.

<sup>4</sup> The exact meaning of GPC, and indeed its usefulness as a national security strategy, is unclear. An important characteristic is that the US views the tensions in its relations with both Russia and China as not just tactical/issue specific in nature but rather strategic in that these regimes are comprehensively opposed to American power, leadership, and the 'Rules-Based International Order' (itself an unclear term). As a result, a more expansive strategy of competition is warranted across many domains, not just military. While the Biden Administration appears to be gravitating towards the term 'Strategic Competition' as opposed to GPC (which was employed by the Trump Administration), the general emphasis on confrontation and exclusion against these powers as the central anchor in American national security appears to be solidifying as a long-term trend.

<sup>5</sup> For example, see: Spohr, K. (2018, March 12). The race to conquer the Arctic – The world's final frontier. *New Statesman*; Cammarata, S. (2020, June 06). Russia and China should be viewed as 'one alliance' in the Arctic, U.K. defense official warns. *Politico*.

<sup>6</sup> There are three related but distinct unknowns in this regard. These are: will the US remain 1) a *superpower* (having unparalleled material capabilities, specifically military and technological); 2) a *hegemonic power* (being a leader, specifically of the Western world, working with willing followers to protect one another and construct solutions to address mutual challenges; and 3) a *liberal power* (the retention of an open society and democratic political nature domestically).