



# Arctic Policy

# New Direction



Founded by Margaret Thatcher in 2009 as the intellectual hub of European Conservatism, New Direction has established academic networks across Europe and research partnerships throughout the world.



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**New Directions first Foreign Policy Council convened in Reykjavik, Iceland, to discuss Arctic Policy – focusing on the security situation in the region. The Arctic is an important strategic region for the European Union and for the Collective West – marking the Northern most frontier of both NATO and the EU. Discussions focused on three main topics: Security and Defence, Economic Resilience, and Environmental and Resource Security.**

## KEY CONCLUSIONS

- Arctic Policy needs to be treated as a whole, rather than broken into different areas of interest. Security policy, economic policy, and climate policy are all intertwined.
- Local Communities and Indigenous Peoples must be at the heart of decision making.
- Community Ownership of resources should be a tool for economic development – giving decision making power to those that live in the region.
- Extraction of energy resources in the Arctic could help guarantee European energy independence.
- Greater Western involvement is needed to counter growth of Chinese influence.
- Arctic Nations should commit to the expansion of defence in line with NATO. In particular an expansion of naval capabilities.

## A WHOLISTIC APPROACH TO POLICY

One thing that has become clear is that there must be a wholistic approach to Arctic policy. Every issue that faces the region is deeply interconnected and intertwined making a pigeonholed approach to policy unfeasible. The Foreign Policy Council discussed the need to ensure that Economic, Climate, and Security issues must be addressed in a coherent way, recognising the difficulty in separating the topics.

## THE ROLE OF OUTSIDE ACTORS

An area of increased importance is the role of outside actors in the region. China is asserting itself as a geopolitical player in the region, stepping in to fill the shortfall in investment in the region. The Foreign Policy Council addressed with concern the role that China has come to play in the development of the Arctic region, with specific reference to investments made in Greenland and Iceland. China has in recent years become an observer member of the Arctic Council despite not being in the geographically close to the region.

The Foreign Policy Council also addressed Russia's presence in the region. The council discussed with concern the activity of Russian submarines in Arctic waters, and the expansion of their military role in the region. Reference was made to the posturing of the Russian federation against Finland and Sweden, both of whom have applied to join the NATO Alliance.

## REPAIRING STRATEGIC VULNERABILITIES

The Foreign Policy Council reiterated the importance of NATO, and in particular the United States and Canada, to the region. It was suggested that it was regrettable that the US Military chose to withdraw from Iceland in 2006 as it widened the strategic vulnerability of the region.

Particular attention was paid to two areas of security vulnerability. The first being the maritime gap between Iceland, the Faroes, and the UK. The second being the thawing of the North-eastern Passage over the top of Russia.

In the first instance it was stated that the gap spanning from Iceland to the United Kingdom was vulnerable to allowing Russia and China access to the North Atlantic. Posing a potential threat to unregulated fisheries in international waters.

In the second instance, the Foreign Policy Council discussed with concern the monopoly on the North-eastern Passage being set up by Russia and China. There is a need to put pressure on Russia to keep the trade route open, as it cuts the time from Europe to Asia.

Emphasis was put on the issue of military preparedness in the Arctic – in particular the need to enhance intelligence sharing within the region. Additionally, there was discussion about the importance of the sharing of best practices, and providing adequate Arctic training possibilities.

The Foreign Policy Council reiterated the need to build in economic resilience, as well as defence preparedness, by supporting local communities financially, to avoid them building dependence on hostile third powers. The importance of economic factors in hybrid warfare was raised.

## “NOT A MUSEUM”

Decision makers working on Arctic policy need to take into consideration the concerns of the indigenous people. A key point raised multiple times during the Foreign Policy Council was the concern that too often legislators and international bodies treated the Arctic region as a ‘museum’, and hesitated when building key economic, political, and security infrastructure in the region – at times holding back development.

The Arctic needs more than tourism as a means to develop as a region. There are untapped natural resources that should be exploited.

There is a need to adequately involve the inhabitants of the region in decision making. A common suggestion was to grant stewardship of natural resources in the region to indigenous and local people. An example cited was that of fisheries management in Iceland, that has seen local communities given control of fish stocks as a means of managing resources, with the whole community benefiting from the profits of their extraction.

One proposal was to expand such an ownership model beyond fisheries to natural resources such as natural gas, rare earth minerals, and other strategic materials. Such a model of community involvement in the collection of resources would provide for both development, and environmental protection.

## AN IMPORTANT TRADE ROUTE

The Foreign Policy Council discussed the importance of the Arctic as a trade route. In particular they focused on the opening of new Arctic based shipping routes and the importance of developing the faster route from Asia to Europe.

Investment in maritime search and rescue cooperation was underlined as an important aspect in this. The Foreign Policy Council discussed with concern the safety of ships travelling through the North-eastern passage given the breakdown in cooperation with Russian search and rescue organisations.

Enormous economic opportunities arise for local communities with the growth of these new, secure, trade routes.





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