2013
North Pacific Arctic Conference Proceedings

The Arctic in World Affairs

A North Pacific Dialogue on the Future of the Arctic

Edited by

Oran R. Young
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KMI KOREA MARITIME INSTITUTE

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The Arctic in World Affairs: A North Pacific Dialogue on the Future of the Arctic addresses future developments in five areas: Arctic maritime shipping, Arctic oil and gas development, potential Arctic fisheries, the resilience of Arctic communities, and Arctic Ocean governance. Bringing together prominent experts from the three North Pacific Arctic coastal states (Canada, Russia, and the United States) and three leading North Pacific non-Arctic states (China, Japan, and Korea), the book goes beyond generalities; it addresses the details of major concerns in an effort to identify practical solutions to Arctic maritime issues and move them from paper to practice.

Regarding shipping, the book addresses the logistical challenges of using Arctic shipping routes, paying particular attention to factors affecting the prospects for both destinational and transit shipping in the Northern Sea Route. It also explores the central challenges for the Arctic states and the global maritime community regarding international cooperation needed to address issues of safety and environmental protection associated with Arctic shipping.

On the future of Arctic oil and gas development, the book focuses on the international dimensions of seven key concerns: global energy markets; the impact of the shale gas revolution on the competitiveness of Arctic hydrocarbons; relevant technological developments; the effects of public policies in the Arctic states; environmental issues associated with the extraction of Arctic oil and gas; the impacts of such development on Arctic coastal communities, and the long-term energy needs of China, Japan, and Korea.

In the case of potential Arctic fisheries, the book provides a scientific examination of factors and conditions relevant to the migration of various species into the central Arctic Ocean and the prospects for future commercial fisheries there. Turning to issues of management, contributors ask whether it would be timely to create a regional fisheries management organization for the Arctic Ocean proper to prepare for the prospect of commercial fishing in the future.

On building resilient communities in the Arctic, the book considers the changing circumstances of the human communities of the Arctic. It explores their role in the development of the region's resources as well as the determinants of resilience in these communities.

Regarding Arctic Ocean governance, the book addresses the broad topic of how governance of the Arctic Ocean has evolved to date and possible future directions for the management of human activities that impact the Arctic marine environment.

Taken together, the contributions fill gaps in knowledge regarding the maritime Arctic, identify remaining uncertainties, and point to policy innovations that can promote peaceful and sustainable uses of Arctic resources in the future.

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The KMI/EWC series *The Arctic in World Affairs* publishes work from the North Pacific Arctic Conference, which aims to provide a forum in which key individuals from relevant countries and major stakeholder groups are able to develop relations of trust that allow them to discuss complex and sometimes difficult issues pertaining to the maritime Arctic in a spirit of problem solving rather than advocacy.

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The second volume, *A North Pacific Dialogue on Arctic Marine Issues*, from the 2012 conference, was edited by Oran R. Young, Jong Deog Kim, and Yoon Hyung Kim.

This volume, *A North Pacific Dialogue on the Future of the Arctic*, from the 2013 conference, was edited by Oran R. Young, Jong Deog Kim, and Yoon Hyung Kim.

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A North Pacific Dialogue on the Future of the Arctic

2013 North Pacific Arctic Conference Proceedings

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Preface

Climate change is occurring more rapidly in the Arctic than in any other part of the planet. Reductions in sea ice in the Arctic Ocean are increasing access to the region's natural resources and opening new shipping routes. The global demand for natural resources makes these opportunities attractive. But Arctic resources are expensive to produce, and the economics of Arctic shipping are by no means clear-cut. Moreover, the growing exploitation of Arctic resources raises issues relating to pollution control, maintenance of biological diversity, the protection of indigenous rights, and governance more generally that can only be addressed through international cooperation. The challenge is to find a way forward that respects the rights of Arctic stakeholders and protects the natural environment, while allowing the development of Arctic resources to proceed on a sustainable basis.

Commercial shipping in the Arctic is now technologically feasible. But there is a lack of both the hard and soft infrastructure needed to make this option commercially attractive. Not only are aids to navigation, port facilities, and emergency services underdeveloped, but also more-developed administrative arrangements are needed to deal with traffic management, along with fee structures, insurance, liability systems, and procedures for avoiding sensitive areas. Similarly, the Arctic contains globally significant reserves of oil and gas. But Arctic hydrocarbons are expensive both to produce and to deliver to urban markets. Oil spills under Arctic conditions pose severe threats to biophysical and socioeconomic systems. Economic forces, such as the shale gas revolution, which is affecting world market prices, together with public policies designed to minimize environmental impacts and protect the well-being of coastal communities will determine the prospects for hydrocarbon development in the Arctic. The calculations of global companies (e.g., Shell, ExxonMobil) and the fate of efforts to reach international agreements on reductions of greenhouse gas emissions will also affect the pace of oil and gas development in the Arctic. Little is known about the impact of climate change on living resources in the central Arctic Ocean and its marginal seas. We need to learn more about the dynamics of fish stocks in the Arctic Ocean, scenarios dealing with future developments regarding these stocks, and the implications of these developments for management.

Turning to questions of governance, what strategies are available to

Arctic communities that seek to benefit from economic opportunities but also to protect traditional lifestyles and avoid shocks caused by the actions of remote decision makers? How can the Arctic Council play an effective and constructive role in meeting the challenges of the maritime Arctic? Now that China, India, Japan, Singapore, and South Korea are officially council observer states, are there roles for non-Arctic states, operating singly or in combination, which will contribute to sustainable development in the maritime Arctic?

The 2013 North Pacific Arctic Conference (NPAC), organized by the East-West Center and the Korea Maritime Institute and held in Honolulu, Hawaii, sought answers to these questions. This volume, entitled A North Pacific Dialogue on the Future of the Arctic, contains the proceedings of NPAC 2013. The chapters and commentaries included in the book are based on the presentations of the authors at the conference. In the opening chapter, the editors seek to capture the main themes and to set the entire discussion in a broader context. Substantial chapters by Bjørn Gunnarsson and Lawson Brigham review the future of Arctic maritime shipping. Oran Young's chapter addresses the evolution of Arctic Ocean governance. The volume also includes international and interdisciplinary perspectives on key Arctic issues relating to oil and gas development, potential Arctic fisheries, and resilient communities.

An especially important feature of this volume is the inclusion of a range of commentaries on the papers presented at the conference. Read together with the papers themselves, the commentaries provide a unique window into the different ways in which those coming from a number of countries and various walks of life approach the same issues. This is not a matter of searching for the correct approach to any given issue. Rather, it reminds us of the multiplicity of ways in which it is possible to frame important issues and of the challenge this poses for those seeking common ground as a basis for moving forward cooperatively and avoiding potential conflicts that can he headed off by those who are willing to make the effort to understand the roots of each other's views.

Along with the formal presentations, the North Pacific Arctic Conferences are notable for the opportunities they afford for informal dialogue in a relaxed setting that fosters frank discussion, in contrast to the articulation of negotiating positions on key issues. Dialogue of this sort cannot substitute for the policy debates and institutional bargaining that take place in more formal settings. Yet there is no doubt that nurturing a

community of individuals drawn from Arctic and key non-Arctic states who can communicate easily with one another, who are able to look at emerging issues from a number of perspectives, and who are in a position to share their views with members of the policy community in their own countries can make a positive contribution to ensuring that the Arctic remains a zone of peace and sustainable development during the coming decades. NPAC will continue to play this role in the coming years. NPAC 2014 will focus squarely on identifying and exploring opportunities for international cooperation in a changing Arctic.

We want to take this opportunity to thank Dr. Oran R. Young, research professor at the University of California, Santa Barbara, Dr. Jong Deog Kim, research fellow at the Korea Maritime Institute, and Dr. Yoon Hyung Kim, emeritus professor at the Hankuk University of Foreign Studies and senior fellow at the East-West Center for coordinating the conference and preparing this volume for publication. We are grateful to Dr. Nancy Lewis at the East-West Center for her support of the NPAC program. We also wish to thank the paper writers, commentators, and others involved in contributing to the success of this conference. Our sincere gratitude goes to Eugene Alexander of the East-West Center for his expert management of the conference logistics.

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