China's Engagement with the Arctic Council - Seeking Natural Resources and International Status

Master Thesis in Development and International Relations

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Abstract

China's expanding economy has set new standards of the natural resources it needs to maintain its economic growth and since China is no longer self-reliant in regards of natural resources, Beijing has already been seeking oil and other energy and natural resources in Africa, the Middle East, Latin America, Central Asia, the South Pacific and South-east Asia.

China has a long history of climate and scientific research in the Arctic region and in 2013 China was granted the status as a permanent observer within the Arctic Council. Beijing has stated that its main interest in the Arctic region is to continue its research, but since Beijing has not yet published any official Arctic policy, there is uncertainty about China's true objectives in the Arctic. This research investigates whether or not China holds genuine interests of climate and scientific research or whether its Arctic interests are merely based on the potential of extracting natural resources.

Keywords: *China, Arctic Council, Diplomacy, International Relations, National Interests, Foreign Policy*

1.0 Introduction

Under Xi Jinping, the current Chinese government has made great progress in expanding the country's foreign policy interests well beyond Asia, but already under the previous government of Hu Jintao (2002-2012) China's international relations began to develop from a strong focus on the Asia-Pacific region and the United States towards incorporating many other parts of the world, including an increased focus on the Arctic region. Since President Xi assumed office in late 2012, there has been a much stronger focus on 'cross-regional' diplomacy. (Lanteigne: 5) Within the international system, Beijing is becoming more at ease with the status of 'great power' and as a result it is beginning to develop global strategies that are less in line with Western norms. Although China remains an enthusiastic joiner and participant in international organizations, including those developed and backed by the United States and its allies, the country is increasingly seeking its own foreign policy identity. (Lanteigne: 5)

China, even though lacking legal basis to articulate claims over sea zones in the Artic region, has nonetheless been increasingly present on the diplomatic and economic scenes within the region (Huang 2015: 59-60). Beijing has, among others, succeeded in setting up a vast scientific Arctic research program in the fields of climatology, geology and biology and has moreover mobilized considerable efforts toward building political and economic ties with smaller Arctic countries such as Norway and Iceland, and has further brought Arctic-related questions to its diplomatic agenda with Russia and Canada (Huang 2015: 60). In May 2013 it was granted permanent observer status within the Arctic Council, formalizing its intent to participate in discussions about Arctic issues (Strambo 2015). For China's energy import-dependent economy, Arctic resources and sea-lanes, due to climate change and melting ice-cover, present a welcome strategic remedy. In light of the nation's growing Arctic interests, Chinese leaders have begun to promulgate the notion that China is a "near- Arctic state" and a "stakeholder" in Arctic affairs. (Rainwater 2013: 63)

The purpose of this thesis is to investigate China's engagement with the Arctic Council with a special focus on China's diplomacy towards the Arctic Ocean costal states.

Located north of the polar circle, the Arctic includes eight countries and is centered on the Arctic Ocean. Five of the Arctic countries are bordering the Arctic Ocean, which will be the focus of this thesis – Canada, Russia, the United States, Norway, Iceland and Greenland/Denmark. (Huang 2015: 59) As Peng states, China's global influence and power is rising which makes its diplomacy more active. China's Arctic diplomacy is in this aspect an interesting empirical case to investigate, as the region is a rather new interest to the People's Republic of China. (Peng 2015: 233).

1.1 Problem Formulation

Does China hold genuine interests of climate and scientific research when it comes to its position as an observer within the Arctic Council, or is its interests merely based on its own Arctic interests and own needs of natural resources?

1.2 Research Questions

- How has China obtained observer status within the Arctic Council? Given the fact that both Russia and Canada were skeptical toward granting China permanent observer status in the Council, how did China still become an observer in the Arctic Council?
- What are the motivations of China's engagement with the Arctic Council? Why has China been actively engaged with the Arctic Council?

2.0 Methodology

The purpose of the following paragraph is to present the methodological choices and tools applied in this paper in order to answer the problem statement and the sub-questions.

2.1 Literature Review

The purpose of this paragraph is to shed light on the already existing literature dealing with China and the Artic Council, China's role in the Arctic Council, China's bilateral relations to the chosen Arctic states and China's Arctic interests. Since this thesis is dealing with a rather new topic it has been difficult finding diverse literature, which means that much of the existing literature is stating somewhat the same concerning Beijing's Arctic interests. Within some topics, e.g. how exactly China gained the permanent observer status within the Arctic Council and why some of the Arctic nations has been more skeptical towards granting China the seat, it has been rather difficult to find existing and concrete literature. Overall the articles claim that the main purpose of Beijing's interests in the Arctic is based on scientific and research development, though at the same time they outline the potential of extracting natural resources. A number of the articles question what China's true intentions of joining the Arctic Council is, this is seen in the article written by Jingchao Peng and Njord Wegge "China's bilateral diplomacy in the Arctic", "*However, at the same time, China's proactive play in the Arctic has raised voices among the Arctic states questioning China's true intentions in the North.*" (Peng 2015: 234) Though none of them seem to reach the concrete answers. The articles cover the main topics of this thesis such as: China's bilateral diplomacy with the Arctic nations, China's developing Arctic strategy (if there is any) and policies and China's interests in the Arctic.

2.2 Scientific Approach

The purpose of this thesis is to research China's interests in the Arctic region, how China became a permanent observer within the Arctic Council and why China is actively engaged with the Arctic Council. In order to answer these questions the theories of realism and social constructivism will be applied. Realism will help to create a better understanding of China's behavior in terms of how it approaches the Arctic Council together with the bilateral diplomatic approaches to the chosen Arctic nation states. Social constructivism will help to create an understanding of or verify whether China is seeking international status by becoming a member of the Arctic Council.

Since this paper is dealing with China's approach to a single organization, the Arctic Council, the research will be categorized as a case study. "*With a case study, the case is an object of interest in its own right, and the researcher aims to provide an in-depth elucidation of it.*" (Bryman 2014: 69) The purpose of a case study is to understand this object as a whole; the object can be e.g. an organization or a community (Bryman 2014: 67). In this paper the case is China's engagement with the Arctic Council and since the aim is to create an understanding of China's interests in the Arctic Council and the Arctic region it is a case study.

2.3 Selection of Data

Since China and the Arctic Council is a rather new topic/interest, the data within the study field of this thesis to some extent is limited. However, the data chosen for this paper mainly consist of reports and articles. As stated in 2.2 the thesis is a case study where the focus will be on the Arctic Council, China's interests in the Arctic and China's diplomacy with the chosen six Arctic nations. In order to make sure the selected data is valid, only data written by scholars within the field of Arctic research and China has been chosen. Furthermore, it has been an aim to only use the latest and updated data available.

2.4 Structure of the Analysis

The analysis will start with a brief historical overview with focus on 'the reform and opening up' in order to put China's economic growth into perspective and in order to create a better understanding of China's Arctic interests, followed by China's history of foreign policy and diplomacy and then finished off with China's need of energy and natural resources.
Hereafter an analysis of the data will be conducted.

2.5 Structure of the Discussion

In this paragraph the results from the analysis will be discussed in accordance to the order of the sub-questions and the actual problem statement at last in order to create a better coherence between the results and the conclusion.

2.6 Structure of the Conclusion

In this paragraph the conclusion of the results found in the analysis and discussion will be concluded and presented. The conclusion will begin by answering the sub-questions in numerical order and thereafter answer the actual problem statement.

2.7 Limitations

Since China and the Arctic Council is a very broad topic, the focus of this thesis will be on China and the six Arctic nations of Russia, the United States, Denmark/Greenland, Norway and Iceland. The five first mentioned are the five Arctic coastal states bordering the Arctic Ocean, Iceland has been chosen due to the fact that it was/is the Arctic state which has been most enthusiastic about China joining the Arctic Council and because the circumstances of the relation between Iceland and China is different than from the other chosen nations.
The fact that it has not been possible to use Chinese articles written in Chinese might have resulted in important aspects of China's relation and interests to and in the Arctic not being included. Therefore, if it had been possible to include articles written in Chinese the outcome of the thesis might have been different. Furthermore, the fact that the selected topic is of rather new interests the data is somewhat limited.

Furthermore, the fact that thesis has been written in Mainland China and not in Denmark, has to some extent limited the access to articles and data.

3.0 Contextual Background

The purpose of the following paragraph is to provide general background knowledge of the Arctic Council itself and China's interests in the Arctic and in the Arctic Council, as well as its diplomatic relations to the selected Arctic costal nations.

3.1 Arctic Council

In September 1989, the government of Finland took the initiative to invite the officials from the eight Artic countries to Rovaniemi, Finland, in order to meet and discuss cooperative measures to protect the Arctic environment. The meeting resulted in several technical and scientific reports being prepared, which later culminated in the Arctic Environmental Protection Strategy (June 1991) – a declaration with the purpose of protecting the Arctic environment. Through this cooperation, the Arctic Council formed with the signing of the Ottawa Declaration on September 19, 1996 in Ottawa, Canada. (Frequently Asked Questions)

The Arctic Council describes itself as being, *" (...) the leading intergovernmental forum promoting cooperation, coordination and interaction among Arctic states, Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular on issues of sustainable development and environmental protection in the Arctic."* (The Arctic Council: A Backgrounder).

The Ottawa Declaration lists Canada, the Kingdom of Denmark, Finland, Iceland, Norway, the Russian Federation, Sweden and the United States as members of the Arctic Council. Furthermore, the category of Permanent Participant has been created in order to provide for active participation and full consultation with the Arctic Indigenous peoples within the Council. Six organizations representing Arctic Indigenous peoples have status as Permanent Participants: the Aleut International Association, the Arctic Athabaskan Council, Gwich'in Council International, the Inuit Circumpolar Council, the Russian Association of Indigenous Peoples of the North and the Saami Council. (The Arctic Council: A Backgrounder)

Non-Arctic states, along with intergovernmental, inter-parliamentary, global, regional and non-governmental organizations, that the Council determines can contribute to its work, can be granted Observer status within the Council. Arctic Council Observers primarily contribute through their engagement in the Council at the level of Working Groups. The standing Arctic Council Secretariat formally became operational in 2013 in Tromsø, Norway. It was established to provide

administrative capacity, institutional memory, enhanced communication and outreach and general support to the activities of the Arctic Council. (The Arctic Council: A Backgrounder)

Six Working Groups primarily carry out the work of the Council (The Arctic Council: A Backgrounder):

- The Arctic Contaminants Action Program (ACAP) acts as a strengthening and supporting mechanism to encourage national actions to reduce emissions and other releases of pollutants.
- The Arctic Monitoring and Assessment Programme (AMAP) monitors the Arctic environment, ecosystems and human populations, and provides scientific advice to support governments as they tackle pollution and adverse effects of climate change.
- The Conservation of Arctic Flora and Fauna Working Group (CAFF) addresses the conservation of Arctic biodiversity, working to ensure the sustainability of the Arctic's living resources.
- The Emergency Prevention, Preparedness and Response Working Group (EPPR) works to protect the Arctic environment from the threat or impact of an accidental release of pollutants or radionuclides.
- The Protection of the Arctic Marine Environment (PAME) Working Group is the focal point of the Arctic Council's activities related to the protection and sustainable use of the Arctic marine environment.
- The Sustainable Development Working Group (SDWG) works to advance sustainable development in the Arctic and to improve the conditions of Arctic communities as a whole.

The Council may also establish Task Forces or expert groups to carry out specific work. The Task Forces operating during the United States' Chairmanship (2015-2017) are (The Arctic Council: A Backgrounder):

- Task Force on Arctic Marine Cooperation (TFAMC)
- Task Force on Telecommunications Infrastructure in the Arctic (TFTIA)
- Task Force for Enhancing Scientific Cooperation in the Arctic (SCTF)

The Arctic Council regularly produces comprehensive, cutting-edge environmental, ecological and social assessments through its working groups. Furthermore, the Council has provided a forum for the negotiation of two important legally binding agreements among the eight Arctic states. The first, the Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic, was signed in Nuuk, Greenland, at the 2011 Ministerial Meeting. The second, the Agreement on Cooperation on Marine Oil Pollution Preparedness and Response in the Arctic, was signed in Kiruna,

Sweden, at the 2013 Ministerial Meeting. Just to mention some of its accomplishments. (The Arctic Council: A Backgrounder).

The Council works as stated, *"Arctic Council assessments and recommendations are the result of analysis and efforts undertaken by the Working Groups. Decisions of the Arctic Council are taken by consensus among the eight Arctic Council states, with full consultation and involvement of the Permanent Participants."* (The Arctic Council: A Backgrounder). The Chairmanship of the Arctic Council rotates every two years among the Arctic states. The first country to chair the Arctic Council was Canada (1996-1998), followed by the United States, Finland, Iceland, Russia, Norway, Denmark and Sweden. The second cycle began in 2013, as Canada assumed the Chairmanship for the second time. On 24 April 2015, the second Canadian Chairmanship concluded, and the second Chairmanship of the United States (2015-2017) began. The next country to assume the Chairmanship will be Finland (2017-2019). (The Arctic Council: A Backgrounder)

The Arctic Council is a forum; it has no programming budget. All projects or initiatives are sponsored by one or more Arctic states. Some projects also receive support from other entities. The Arctic Council does not and cannot implement or enforce its guidelines, assessments or recommendations. That responsibility belongs to each individual Arctic state. The Arctic Council's mandate, as articulated in the Ottawa Declaration, explicitly excludes military security. (The Arctic Council: A Backgrounder)

3.2 China's Observer Status in the Arctic Council

As described in the previous paragraph, the Arctic Council is a high-level intergovernmental forum promoting cooperation, coordination and interaction amongst Arctic states. China has since 2007 participated as an ad hoc observer at the Council's meetings, which allowed it to gain an insight in and understanding of how the Council works and of the Council's work itself. Seeking and ultimately gaining the status as permanent observer was by China seen as an important step in securing that it would be involved in determining the course of the future of the Arctic region, which it believes has an effect on its economic interests, and global and national environmental concerns (Hong 2014: 272). In 2008, China began to officially express its intentions to become a permanent observer within the Council and at this point the public and academic discussion on how China should approach the Arctic governance was initiated (Hong 2014: 273). Before being granted the status as permanent observer in 2013, China experienced two failed attempts in gaining the seat and now, being a permanent observer, China automatically receives invitations to attend all the Arctic Council meetings. The Council considers participation of the permanent observer states as *"a valuable feature (...)"* (Hong 2014: 272).

Although Chinese policymakers have openly stated that they consider the Arctic Council the most influential international institution for developing Arctic governance and cooperation (Jakobson 2012: 11), the six nations I have chosen to focus on in this thesis had different stances of opinions and perspectives on whether to grant China the status of permanent observer within the Arctic Council. Both Russia and Canada were more skeptical toward granting China the seat, while Iceland, Denmark and Norway were more positive and supportive, whereas the United States was more neutral.

Prior to being granted the permanent observer status within the Arctic Council, China stated that it had the right to explore the area of the Arctic Ocean since it is in international waters, based on the UN Convention on the Law of Sea, to which China is a signatory (Jakobson 2012: 13).

In 2010, Former Assistant Foreign Minister Liu Zhenmin, of the Ministry of Foreign Affairs of the People's Republic of China, explained China's expectations to the Arctic Council, *"The Arctic Council [has] continued to pay attention to the livelihood, culture and health of the Arctic residents and other issues concerning sustainable development"* (Jakobson 2012: 13) and further stated that *"the issue for Arctic Council members now is how to involve non-Arctic states in relevant research endeavours and discussions at an early stage and in depth"* (Jakobson 2012: 13). The Foreign Ministry representatives from Denmark, Iceland and Norway (together with Sweden and Finland) expressed support for China's application for the permanent observer status, while officials from Canada, Russia and the United States remained silent on the matter. (Jakobson 2012: 13)

How to include new permanent observers was a hurdle to overcome for the Arctic Council members and at two consecutive ministerial meetings in 2009 and 2011, all pending applications were postponed due to unanimity among the member states. Later in 2011 at the Nuuk ministerial meeting, the criteria for new permanent observers were promulgated. (Jakobson 2012: 14) Some of the criteria, not publicly but privately, caused discontentment among Chinese officials, criteria such as *"the stipulations that an applicant must have demonstrated the 'political willingness and financial ability to contribute to the work of the Permanent Participants' and 'recognize Arctic states' sovereignty, sovereign rights and jurisdiction in the Arctic'"* (Jakobson 2012: 14). In contrast, Chinese scholars publicly expressed their dissatisfaction (Jakobson 2012: 14), Cheng Baozhi of Shanghai Institute of International Studies claimed that the member states had *"raised the political threshold in order to stop non-Arctic states interfering in Arctic [affairs]"* and Guo Peiqing claimed that *"Arctic states are announcing to the world: the Arctic belongs to the Arctic states. They reject the idea that the Arctic is a treasure of human kind"* (Jakobson 2012: 14).

Earlier in 2010, retired Rear Admiral Yin Zhou created a stir by stating that, *"the North Pole and the sea area around the North Pole belong to all the people of the world'. Yin also said that 'China must play an indispensable role in Arctic exploration as we have one-fifth of the world's population"* (Jakobson 2012: 15). The strong rhetoric by the Chinese researchers and the People's Liberation

Army officers was interpreted by especially the Arctic states and non-Chinese observers as a sign that China was ready to flex muscles in the Arctic, even though it has no sovereign rights there. Following the Arctic Council's second postponement of decisions on permanent observer applications in late 2011, the Chinese scholars became more subdued in public. The Chinese officials were and are well aware of the suspicions China's interests in the Arctic evokes and of the sensitivities of Arctic politics, especially in the realm of resources and sovereignty. (Jakobson 2012: 15)

The concern that overly proactive statements offend the Arctic states, and as a consequence undermine China's position in the Arctic, shapes the public face of China's Arctic discourse (Jakobson 2012: 16). Yet China still claims to be a 'near Arctic state' and 'an Arctic stakeholder (Jakobson 2012: 9). Professor Lu Junyuan of Jiangnan Social University stated that China should avoid sensitive issues such as resource exploration and further pointed out that the Arctic countries are likely to use environmental protection as a pretext to restrain outsiders from participating in the development of Arctic resources – the most feasible way for China to strengthen its place in the Arctic is for it to take part in international cooperation, especially when it comes to issues that require global collaboration. (Jakobson 2012: 16)

The number of Chinese scholars who recommended that climate change was prioritized in China's Arctic agenda in order to avoid controversy increased from 2011, reflecting a new kind of narrative. *"By advocating a focus on climate change, Chinese scholars strive to circumvent the sensitivity of Arctic resources and sovereignty issues, and to calm outsiders' jitters about China as a rising power. Climate change cooperation provides China with opportunities to partner with other states on the Arctic agenda."* (Jakobson 2012: 16)

The fact that China had stated that the Arctic belonged to nobody made it more difficult for China to approach the Arctic and made the Arctic states insecure about China's objectives, the rhetorical shift and approach to the Arctic later helped China gain the seat as a permanent observer.

3.3 China's Arctic Strategy and Arctic Interests

The Chinese government has continuously stated that it has no official strategy or any specific agenda in the Arctic region, and until now China has not published any official Arctic strategy. The fact that China has refrained from specifying the Chinese objectives in the Arctic, has helped fuel fear among Western and Russian analysts. (Huang 2015: 62) Beijing has adopted a very careful approach toward the Arctic and has strongly denied having any aggressive ambition and strategic objectives regarding shipping or natural resource opportunities (Huang 2015: 62).

However, since 2007 the Chinese government has aimed at protecting what it perceives as its key

interests in the Arctic. According to Jakobsen and Peng, these interests are, first to strengthen its capacity to respond appropriately to the effects that the climate change in the Arctic will have on food production and extreme weather in China; second, to secure access, at reasonable cost, to Arctic shipping routes; and third, to strengthen China's ability as a non-Arctic state to access Arctic resources and fishing waters. (Jakobson 2012: 1)

In 2012, Campbell clarified the Chinese government's policy development and stated that the current proliferation of voices and opinions on Chinese interests and objectives in the Arctic suggest that academics, political commentators, the military and other interest groups are all looking to inform and influence the Chinese policymakers in regard for China to obtain an official Arctic policy (Campbell 2012: 4). She stated that, *"Typically, the first stages of policy development in China involve a period of public debate over a particular issue. Following this, Beijing will bring the debate behind closed doors, thereby ending public discussion. After a period of internal policy wrangling, an official policy line will be announced. Given that (1) there have been no high-level policy pronouncements from Beijing regarding the Arctic, and (2) there currently is an ongoing, public debate over what China's Arctic policies should look like, it is likely that China's leaders still are in the early stages of developing an official policy toward the region",* these policy formation patterns suggest that Beijing has not fully developed an all-embracing strategy for the region. (Campbell 2012: 4)

Since the 1990s, China has made considerable investments in polar research and has undertaken four research expeditions, has an Arctic research station in Norway's Svalbard archipelago and has a number of elite academic institutes committed to Arctic research (Campbell 2012: 4). As the sea ice melts, the unexploited resources in the Arctic will become more accessible and in 2008 it was estimated by the U.S. Geological Survey, that the Arctic contains up to 30 percent of the world's undiscovered gas and 13 percent of the world's undiscovered oil resources (Campbell 2012: 5). Furthermore, according to the U.S. Geological Survey, most of the potential oil and gas resources in the region are located within the territorial jurisdiction of the Arctic states, and will thereby be subject to the management and legal oversight of those countries. Campbell states that according to several analysts, China's territorial disadvantage, combined with its lack of cold-water drilling expertise, will prevent any substantive acquisitions by China in the Arctic. Though, there will still be attractive opportunities for Chinese energy investments in the region. (Campbell 2012: 5) The Chinese Assistant Minister of Foreign Affairs, Hu, expressed at a 2009 Arctic forum in Norway, that China respects the territorial rights of Arctic countries, but also underlined that *"Arctic countries should protect the balance between the interests of states with shorelines in the Arctic Ocean and the shared interests of the international community"* in settling territorial claims (Campbell 2012: 4). According to some Western analysts, this comment reflects China's concerns about being denied

access to Arctic waterways by the Arctic countries. This is additionally reflected in a 2010 article published by China's State Oceanic Administration, which concludes that the Arctic is the *"inherited wealth of all humankind…The Arctic Ocean is not the backyard of any country and is not the 'private property' of the Arctic Ocean littoral states. As with Europe's other oceans, under the framework of international law, every country in the world has an equal right to exploit the Arctic Ocean."* (Campbell 2012: 4) In 2012, at a meeting between the Swedish Chairmanship of the Arctic Council and Observers, Ambassador Lan Lijun stated, *"Arctic issues are trans-regional, such as climate change and international shipping, which involve the interests of non-Arctic states. Arctic states and non-Arctic states share common interests in addressing trans-regional issues and should further their communication and cooperation."* (Hong 2014: 273) This statement reasserted China's view on the importance of involving non-Arctic states in the Arctic Council, and further recognized that the *"participation of observers in the work of the Council is based on the recognition of Arctic States' sovereignty, sovereign rights and jurisdiction in the Arctic as well as their decision-making power in the Council."* (Hong 2014: 273)

According to Huang, Lasserre and Alexeeva, China's Arctic interests are merely based on research on climate changes, as the air streams in the Arctic region seem to be a major reason for some of the extreme weather conditions in China, an observation which is supported in Campbell's report. Consequently, the Arctic region therefore adversely affects China's economic development, social development and security directly (Huang 2015: 62). They further state that location and scientific research come before economic interests like Arctic shipping and energy issues, which thereby are considered as third-order factors in China's Arctic interests (Huang 2015: 62); the shipping potential has, up until 2010, mostly been Western speculations, as there was no official Chinese declaration about the interest of Arctic routes, but there was on natural resources (Huang 2015: 63). Xu Shijie, director of the Chinese Arctic and Antarctic Administration Policy division, stated, *"Since there is no proven data on oil and gas deposits in the Arctic, China is only interested in climate change in this region. Before formulating a policy on this topic, we first need to gather information on mineral and hydrocarbon potential"*, this statement fueled the uncertainty about China's objectives regarding natural resources and Arctic countries' claims in the region (Huang 2015: 62). The director of the Chinese Arctic and Antarctic Administration, Qu Tanzhou, has stated that *"China did not prospect for oil and gas resources in the Arctic area nor has the capability or capacity to mine oil and gas there"*. (Huang 2015: 62)

The Chinese icebreaker vessel, 雪龙 (Xuelong - Snow dragon), is essential to the Chinese polar research activities and is the largest of its kind in the world. Furthermore, China's 2011-2015 Five-Year Plan called for strengthened polar and oceanic scientific research and active 'integrated marine

management', which implied China's interest and investment in polar research would continue to increase. (Campbell 2012: 4) Furthermore, China has had a role in numerous regional research projects and has been invited to participate in a number of international polar research organizations, including the International Polar Year Program, the Ny-Ålesund Science Managers Committee and the International Arctic Science Committee (Campbell 2012: 4).

In 2013, China was granted the status of permanent observer within the Arctic Council and has since then gained additional success toward the Arctic, it has bolstered its bilateral relations with the Arctic states and has further participated in the development of resources in the region (Hong 2014: 271). Nonetheless, as Campbell stated, China's Arctic strategy is just in the early stage of establishment and it does face some challenges, including disputes over territorial sovereignty, vigilance among certain countries, constraints from the United Nations Convention on the Law of Sea, the natural environment in the Arctic region and China's technological constraints (Hong 2014: 271).
Guo Peiqing, a law professor from China's Ocean University, holds that China has great strategic interest in the Arctic, but rather than adopting a 'neutral' position as an outsider, it should push for the internationalization of the region instead. Some other scholars believe Guo's proposal of internationalizing the Arctic might risk damaging China's image in the international community. (Hong 2014: 273)

In order to underline the importance of respecting the Arctic nations' sovereign rights, Norwegian Foreign Minister Espen Barth Eide has been quoted for stating, *"There is no such thing as a free lunch. By becoming an observer you're also signing up to the principles embodied by this organization"* (Hong 2014: 273)

3.4 China's Diplomacy with the Arctic Costal Nations

In general when looking back in history, China has preferred to promote bilateral relations rather than multilateral relations. According to Professor Guo Peiqing, China should approach the Arctic states individually and thereby reject a one-to-many negotiation model, since different states have different interests. This will grant China much more freedom to aim for strategic operations. (Hong 2014: 274) China is making two separate but simultaneous efforts in order to advance bilateral diplomacy in the Arctic region. First, China is focusing on resource acquisition in the Arctic region through resources-oriented diplomacy. Second, China is trying to expand its influence by bolstering relations with five countries in Northern Europe. (Hong 2014: 274)

The extent and intensity of China's Arctic diplomacy are prominently displayed through its relationships with the Nordic countries. In general, China's relationship to the Nordic counterparts involves establishing a sense of mutual benefits, evoking an image as a 'student of Arctic expertise'

where it is possible for China to contribute to the common good of the region. (Peng 2015: 242) Cooperation with these countries is not only intended to acquire resources, but also to expand China's influence in the Arctic region. As Zhang Shengjun and Li Xing have pointed out, "*North European states are not strong enough to compete with Russia and their ally – the United States – is one of the state parties in the Arctic region, so these states are willing to turn to China for help*." (Hong 2014: 274) As long as China can establish a long-term strategic cooperation mechanism on Arctic affairs with Northern European states, it can gain a bigger say in Arctic affairs. (Hong 2014: 274)

It is for such interests that China is making vigorous efforts to strengthen its relations with Iceland, Denmark, Norway, Sweden and Finland. The new Chinese embassy in Reykjavik, Iceland will be the largest embassy in the capital. Iceland is also the first European state to sign a free trade agreement with China in Europe. (Hong 2014: 275) In 2012, the then Chinese Premier Wen Jiabao visited Iceland and Sweden. Shortly afterwards, the Chinese icebreaker 雪龙（Xue Long) docked in the Port of Akureyri in Iceland. In the same year, then Chinese President Hu Jintao also paid a visit to Denmark, the first Chinese president to visit Denmark in 62 years since the establishment of diplomatic relations between the two countries. In 2013, during his first foreign visit as the Chairman of the National Committee of Chinese People's Political Consultative Conference, Mr. Yu Zhengsheng visited Finland, Sweden and Denmark, which showed the importance China attaches to Northern European states. (Hong 2014: 275)

3.4.1 China's Arctic Diplomacy

According to Peng and Wegge, China's desire to advance both its strategic interests and its trade interests has driven its diplomacy in the Arctic (Peng 2015: 237), while Rainwater argues that the Chinese diplomacy in the Arctic is merely based on resource diplomacy, since Chinese security analysts and policy makers express tremendous concern over the fact that the vast majority of the 'excessive' dependence on foreign energy relies on seaborne transportation. (Rainwater 2013: 65) Nonetheless and more importantly, what is less clear is how China's Arctic diplomacy is formulated, directed and redefined within the Chinese government, and what kind of diplomatic outcome it seeks. (Peng 2015: 237) Furthermore, Peng and Wegge state that China's interests in the Arctic do not seem to add support to the idea that purely materialistic pursuits determine the shape of its bilateral diplomacy. Beijing's bilateral relationship with the Arctic states, in the past few years, has shown that self-image, ideology and geopolitical posture are no less important for Beijing in bilateral diplomacy than economic interests. (Peng 2015: 237) Yet, there are two concerns to be aware of regarding the non-economic factors driving China's bilateral diplomacy. First of all, there is a lack of information for researchers to unravel the policy sphere of China's Arctic venture. The Chinese government has released no more than a few restrained statements on Arctic affairs. It clearly seems like Beijing is trying to maintain a low-key profile in the Arctic region, and under a political system

like China's, this means that businesses and academia must not go against such a profile. Second of all, China's decision-making process in diplomacy is a blurry matter. It seems that the more pressing the issue involves national interests, the more centralized the decision-making process on that issue appears to be. In this case, the Arctic remains an unfamiliar frontier that China's policy-makers have yet to comprehend substantially. (Peng 2015: 237-238) According to Peng and Wegge, there is no solid proof to suggest that Beijing has a master plan for its Arctic interests, so far. In fact, they state that it seems more likely that Beijing is going through a process of assessment and research on what the Arctic implies for China as a growing world power. (Peng 2015: 238)

Besides partaking in multilateral mechanisms, China is also active promoting bilateral relations with Arctic states for strategic purposes. Professor Guo Peiqing suggests that China deals with the Arctic states on an individual basis, since each state has different interests, hereby he is rejecting a one-to-many negotiation model – in this way, China will have much more leeway for strategic operations. (Hong 2014: 273) As previous mentioned, according to Hong, China is making two separate but simultaneous efforts to advance its bilateral diplomacy in the region. First of all, China is focusing on resource acquisition through resource-oriented diplomacy. Second of all, China is trying to expand its influence by bolstering relations with five countries in Northern Europe. (Hong 2014: 274)
The following paragraphs will provide a brief introduction to China's bilateral diplomacy with the Arctic states of Canada, Russia, the United States, Norway, Iceland and Greenland/Denmark.

3.4.2 Sino-Russian Diplomacy

According to Peng and Wegge, Russia is seeking a leading role when it comes to Arctic governance due to the fact that the nation has the largest Arctic territory, Exclusive Economic Zone and continental shelf. Further, Russian President Vladimir Putin has verbalized this aim: *"(...) we must take additional measures not to fall behind our partners, to keep our influence in the region and in some aspects be ahead of our partners"* (Peng 2015: 238). For Russia to attain such an aim, the 2013 Russian Strategy of the Development of the Arctic Zone and Provision of National Security until 2020, attaches great importance to the development of energy bases, infrastructure and a Northern Sea Route in the Arctic territory (Peng 2015: 238).
Cooperation on oil matters has apparently been the central area of focus in present Sino-Russia relations, since Russia's energy potential in the Arctic offers the perfect conditions for an oil partnership, according to Chinese policy-makers and investors. (Peng 2015: 238) Among other agreements signed in 2014, China and Russia signed a joint agreement (worth mentioning, in addition to the ground-breaking $400 billion natural gas deal), by which the Kremlin vowed to provide Chinese ships with logistic assistance for navigation through the Northern Sea Route. Thus, none of these deals have materialized on the ground and neither were they able to suppress Russia's highly skeptical attitude toward opening its Arctic resources to non-Arctic states. The two

postponements of permanent observer decisions were allegedly due to oppositions by both Russia and Canada. Russia's hesitation on this matter set off obvious distrust and uncertainty among Chinese Arctic observers, who publicly spoke about Moscow's ambition to 'carve most of the Arctic for its own', hinting Russian regulations over the Northern Sea Route are not in compliance with the UN Convention on the Law of Sea. (Peng 2015: 238-239)

Since Russia's economy continues to be weakened by Western sanctions due to the Crimean crisis, the Sino-Russian relations regarding the Arctic may accelerate. The fact that Chinese Vice Premier Zhang Gaoli and Russian Deputy Prime Minister Igor Shuvalov met in St. Petersburg, Russia in 2015 could be a sign of this new tendency that the China-Russia Investment Cooperation Committee is becoming a more practical forum. Obviously, such cooperation carries a great deal of political ramifications. (Peng 2015: 239)
Kremlin and Beijing, together, have great opportunities in settling the power balance in Eurasia and in checking so-called 'hostility from Western liberal democracies', who controls significant parts of the world's energy hubs. For the security of energy supplies, Russia's hydrocarbon reserves are critical for aiding Beijing's import diversification strategy, which by the Chinese government is considered an imperative task in order to reduce its great dependence on the Strait of Malacca for transporting oil. Correspondingly, Russia needs to revitalize its stagnant output by tapping into the underdeveloped Asian markets, especially since its long-term European consumers have been shifting their energy dependence away from Russia because of the Ukraine crisis. (Peng 2015: 239)

China's Arctic diplomacy with Russia, on this background, has been portrayed as one that 'treads the water very carefully'. On one hand, China stands ready to cooperate with and invest in Russia, in exchange for Moscow's political support. On the other hand, China remains cautious towards the diplomatic outcome with Russia and stands ready to mobilize its diplomatic resources elsewhere in order to pursue its Arctic interests. This policy stance is consistent with one of China's traditional foreign policy doctrines, that is, to prioritize economic development over strategic maneuvering – motivating China to stay pragmatic and cautious. (Peng 2015: 239)

Even though the prospects of cooperating with Russia seem to be profitable business and beneficial to China's strategic interests, past empirical experiences have proven to Chinese policymakers and businessmen that cooperating with Russia, based on its strategic assets, is always strenuous and risky. Despite this fact, China's search for an ally in the areas of energy and politics in the Arctic may force Beijing to accept the role as a junior partner in this key bilateral relationship. (Peng 2015: 239) Furthermore, an enhanced focus on scientific research and climate change, as well as an investigation into how changes in Arctic ice extent might impact the weather in Mainland China, have also diminished the focus on potential economic gains in collaborating with Russia. (Peng 2015: 239)

With respect to the shipping opportunity through the Northern Sea Route, one should also note that the 'promise' of future Arctic trade routes has often been misunderstood by Chinese diplomats, leaders and even shipping executives. While the potential of the Northern Sea Route, when comparing the distance from China to Europe with the Suez Chanel, might seem great, the new Arctic routes are understood by most experts to be seasonal at best. Similarly are few experts suggesting that the Arctic routes will revolutionize the open ocean global trade routes of today, an impression the 'media hype' sometimes might leave. (Peng 2015: 239)

China's territorial disadvantage, combined with its lack of cold-water drilling expertise, will preclude any substantive energy acquisitions by China in the Arctic, according to several analysts. (Campbell 2012: 5)

Still, there will be attractive opportunities for Chinese energy investments in the region. A promising destination for these investments is Russia. China and Russia already have extensive energy ties and could cooperate on Arctic energy as well. Speaking at the 2010 Shanghai Expo, the governor of the Yamalo-Nenets Autonomous region in Russia - a coastal region which accounts for over 90 percent of Russian natural gas production - welcomed resource cooperation with China, saying "*We are ready to act as intermediaries between an investor country and the oil and gas sector and create a good investment climate.*" (Campbell 2012: 5)

3.4.3 Sino-US Diplomacy

The Arctic issue remains a marginal one in the overall complex Sino-US relation. Certainly, the United States holds a central role in Beijing's changing foreign policy calculations, however, when it comes to the Arctic, the bilateral relationship to the United States has not played a major role in China's Arctic diplomacy. Nor does China consider the United States a key partner when promoting Chinese interests. (Peng 2015: 240) One reason could be that the Chinese policymakers do not consider the United States an opponent to China's Arctic interests. Nevertheless, when the United States took over the chairman seat of the Arctic Council in April 2015, renewed Chinese interests have been put on the United States' role in Arctic governance, promoting science and international research in the region. (Peng 2015: 240)

China may have felt it has little to fear from the United States in its campaign to enhance its Arctic presence and relevance, as the publications of the US National Strategy for the Arctic Region in May 2013 and the Executive Order: Enhancing Coordination of National Efforts in the Arctic in January 2015, declare that Washington seeks to work with other states and entities to advance common objectives in the Arctic Region. (Peng 2015: 240)

Though, there could be other explanations for the obvious lack of particular Sino-US diplomatic exchanges on Arctic issues. The Arctic matters might have been deprioritized by the two nations due to more pressing topics in bilateral negotiations, such as trade frictions, China's increasing maritime

assertiveness and military buildup, and increasingly strong-willed military posturing in the Asia-Pacific. .*"* (Peng 2015: 240-241) *"The Arctic has been included in the annual US-Sino Strategic and Economic Dialogue since 2011, but it appears as a topic that merely deserved an exchange of opinions."* (Peng 2015: 240-241)

Due to the state of Alaska being situated partly to the north of the Arctic Circle, the United States is an Arctic state. Regarding the Arctic waterways and since the United States is not a party of the UN Convention on the Law of Sea, it holds that 'freedom of navigation' should be applied according to the law of the sea, which is understood as customary international law. (Peng 2015: 241) *"According to the Law of the Sea Convention, freedom of passage in Exclusive Economic Zones and high seas should be granted to ships of all nations. The 2013 White House National Strategy for the Arctic Region also announces that the US 'has a national interest in preserving all of the rights, freedoms, and uses of the sea and airspace recognized under international law'."* (Peng 2015: 241) Chinese officials and Arctic specialists are reticent about responding to these advantageous policy principles. Beijing's reluctance to engage more positively with the United States in the Arctic might be a reflection of the Chinese leadership's deep-rooted suspicion of American ocean domination. Such caution is even more palpable among academics. (Peng 2015: 241) Thus, if China expresses too much support for the United States on this topic, it might risk alienating Russia and thereby, potentially, undermine the Sino-Russian relationship. Moreover, if China was to publicly embrace the American concept of 'freedom of navigation', it might put more pressure on China itself to relax its restrictive 'freedom of navigation' policies it has enforced on its home seas. On this basis, China might have to confront the fact that its assertion of rights in utilizing Arctic-shipping routes are inconsistent with Beijing's marine policies in its regional waters. (Peng 2015: 241)

"Although the US maintains a positive attitude towards Chinese participation in Arctic affairs, Beijing would be reluctant to engage further with the US in order to prevent itself from becoming the target of debate whenever the concept of 'freedom of navigation' is evoked in Arctic governance." (Peng 2015: 241)

China's Arctic diplomacy with the United States contains an unspoken impasse, however, during the ongoing US Arctic Council Chairmanship, the first China-US Arctic Policy Workshop was held in Shanghai in 2015 (among academics and government ministerial experts at Tongji University), moreover annual meetings between the two nations have been planned, indicating that the Sino-US relation might improve. (Peng 2015: 241)

3.4.4 Sino-Denmark/Greenland Diplomacy

China is also paying attention to Greenland, which is breaking away from Denmark and marching towards independence. Greenland is rich in iron ore, oil, natural gas, uranium, rare earth and other minerals. (Hong 2014: 274) "*As Denmark is about to end its subsidy to Greenland's national budget,*

Greenland has begun to turn its eye towards China, offering an opportunity for China to find its way into Greenland's mining industry." (Hong 2014: 274) Thereby, in many ways, Greenland represents a showcase of China's resource diplomacy since China's interests are mainly in Greenland's abundant mineral resources. In 2011, the Chinese state-owned Sichuan Xinye Mining Investment Co. was reported to have signed a deal with London Mining Inc., which owns exploration rights over Greenland's Isua iron ore field. (Peng 2015: 242) Moreover in 2011, a subsidiary of China Nonferrous Metal Mining Group, Foreign Engineering and Construction Co., signed a non-binding agreement with Australian miner Ironbark Zink to extract zinc near Greenland's Citronen Fjord field. (Peng 2015: 242) Media exposure has though put both projects in impasse and China's strategy has since been to adopt a 'wait and see' attitude, instead of pushing forward what by the Arctic states and international community might be considered controversial projects. (Peng 2015: 242) Chinese experts are sensitive to declining global mineral prices and credit conditions, as well as uncertainty over Greenland's employment and environmental regulations. These factors are all stalling its development. (Peng 2015: 242) Nevertheless, the business dynamics between Chinese firms and the Greenlandic Ministry of Industry & Mineral Resources remain strong and Greenlandic officials frequent invite China to discuss business possibilities. China applauses this welcoming attitude and often honors its relationship to Greenland with prospects of attractive business deals. (Peng 2015: 242) From an outsider's perspective, it could appear as if the Chinese government has aimed to win political support from the Greenlandic government in a quiet fashion, using its economic power, patience and long-term perspectives as a major leverage. (Peng 2015: 242) China having deliberately enhanced its focus on scientific research instead of purely economic gains might result in a softened attitude from the Greenlandic natives towards the increased Chinese engagement. Lastly, Beijing has adopted a mild tone even when some deals get stalled and waits patiently for new opportunities to break the ice. (Peng 2015: 242) Such combined strategy will help China to partake in the economic development of the region and maintain a presence there, with which one must presume Beijing is satisfied. Numerous joint research projects in the Arctic have in this respect been established between Denmark and China, these research projects' main focus is on natural science topics, including Arctic geology – this sort of collaboration might create a good foundation, which can be extended into other areas. (Peng 2015: 243)

After China's diplomatic fallout with Norway, Beijing focused its attention on Denmark and due to this cordial relationship, strengthened Denmark's Arctic profile in the region as well. (Peng 2015: 243)

3.4.5 Sino-Canadian Diplomacy

China's cooperation objectives with Canada is in terms of resources-oriented diplomacy (Hong 2014: 274) and China's Arctic cooperation with Canada does not carry much geopolitical significance; the

Sino-Canadian cooperation in the Arctic is rather centered on economic and commercial developments, while scientific cooperation also might be on the rise, which is indicating that China is trying to combine science and research with business interests. Beijing is reported to be looking at the opportunities to establish a research outpost in Northern Canada to support studies on the Northern Sea Route and future energy development. (Peng 2015: 239-240)

From a Chinese perspective, Canada is considered a key exporter of energy and mineral products (Peng 2015: 240) and is therefore a potential partner for China's Arctic energy ambitions (Campbell 2012: 5). China has become Canada's second largest trading partner and its seventh largest source of foreign investment, and accounts for half of Canada's mineral exports (Hong 2014: 274). Statistics from China's Ministry of Commerce indicates that roughly 25% of Canadian exports to China are from the energy and mineral sectors (Peng 2015: 240). In recent years, Chinese energy investments have grown significantly in Canada, with Chinese state-owned companies purchasing minority and controlling stakes in Canadian oil and gas projects (Campbell 2012: 5). *"Between 2007 and 2013, the major Chinese state-owned oil firms, China Petroleum & Chemical Corporation (Sinopec) and China National Offshore Oil Corporation (CNOOC) have poured more than 199 billion US dollars into Canadian energy sectors."* (Peng 2015: 240).

When it comes to shipping, it seems like China has not prioritized the Northwest Passage of its Arctic agenda with Canada. According to Peng and Wegge, the reason might be because some scholars have stated that the Northwest Passage does not yet offer the best conditions for commercial usage, partly due to Canada's strict environmental regulations. (Peng 2015: 240)
A Foreign Investment Promotion and Protection Agreement between the two nations was signed in 2012, subsequently Beijing and Ottawa were reported to be working on a free trade agreement (Peng 2015: 240). It is unlikely that China's investment enthusiasm will decrease, but China's growing presence in Canada has raised local concerns, especially when it comes to the murky linkage between the government and business. (Peng 2015: 240) Some Canadians are concerned that accepting Chinese investments comes with a high cost – *"will Canada's open policy toward Chinese capital lead to Canada diminishing its control over its natural resources to the benefit of the Chinese state-owned enterprises in the long term?"* (Peng 2015: 240). Another concern in regard to the Chinese state-owned enterprises is that they are the government's tools or 'puppets, which it can exploit for its own geopolitical interests when necessary; a particular sensitive issue in Canada's large, sparsely populated Arctic territories. (Peng 2015: 240)

3.4.6 Sino-Norwegian Diplomacy

China has a sound history of cooperation with Norway on Arctic environmental and scientific research. Since 2004, the Chinese research station, Arctic Yellow River Station, has been operating

in Svalbard. Moreover, since 2009 the two countries have conducted formal Chinese-Norwegian Bilateral Dialogue on Arctic Issues, which has identified climate and environmental issues together with polar research as areas of common interests. (Campbell 2012: 4) Though, China is also pursuing cooperation with Norway on the development of energy and resources as part of the Bilateral Dialogue on Arctic Issues. (Hong 2014: 274) *"Norway is another likely partner on energy. During meetings of the Bilateral Dialogue on Arctic Issues between China and Norway, discussions have been held on energy and resource issues. Norway's cold-water drilling expertise will likely be targeted by Chinese energy firms looking to gain know-how and investment."* (Campbell 2012: 5).

Rhetorically, Beijing claims that it is a peaceful and cooperative partner in Arctic affairs. However, in the past few years Norway's diplomatic discourse with China has illustrated and reminded others of the Chinese leadership's ability and willingness to adopt a tough stance when what it regards as its core interests are threatened. (Peng 2015: 243) When Norway awarded the Nobel Peace Prize to the imprisoned Chinese human rights activist Liu Xiaobo, in 2010, China ceased all political exchanges as punishment and the relationship hit a low. The sanctions are ongoing and might in several aspects be as strict as ever due to Norway's continued refusal to apologize for the awarding of the price. (Peng 2015: 243) *"The Liu Xiaobo incident offers a glimpse into China' s punitive countenance in foreign policy. When countries offend China with acts interpreted as an intention to meddle with its 'internal affairs', the Chinese government does not hesitate to respond with punitive measures, mainly in the form of cutting off economic and political exchanges."* (Peng 2015: 243).
With its offshore petroleum technology, large/vast natural resources and favorable geography, Norway, prior to the Nobel Prize, was probably China's ideal Arctic partner among the Nordic countries and China had actively strengthened its bilateral ties with Norway. (Peng 2015: 243) A Chinese-Norwegian free trade agreement had almost been concluded around the time of the Nobel award and after the incident both nations seemed willing to repair the strained political ties but made little progress – in this context it is important to note that Norway actively supported China in becoming a permanent observer within the Arctic Council. (Peng 2015: 243) *"(...) even though Chinese diplomats have asserted the need to rebuild the ruined political trust between the two nations through 'joint efforts', they have made it clear that reconciliation should be based on a Norwegian apology with a guarantee that a similar incident will not take place again in the future. This is not a condition the Norwegian government can accept, thus no viable solution seems to exist mid-2015 to end the political impasse."* (Peng 2015: 243).

Evaluating the impact of this frozen bilateral relationship on practical cooperation in Arctic affairs, most research cooperation in e.g. Svalbard or between national research agencies seems to continue more or less unaffected. Moreover, many aspects of bilateral Sino-Norwegian trade have continued to increase, overall trade has risen sharply since 2011. (Peng 2015: 244) However, Chinese

researchers who seek to cooperate with Norwegian counterparts have to maintain a more discreet approach due to the fact that research-leaves to Norwegian institutions or conferences are harder than previous to obtain from the 'political personnel' safeguarding China's political policies at the most prominent Chinese universities and research institutes (Peng 2015: 244).

Lastly, while Chinese research on Arctic marine issues, atmospheric phenomena (such as the aurora borealis) or cryosphere research in Svalbard has been uncontroversial, recent planned expansions have been declined by the Norwegian government (Peng 2015: 244).

3.4.7 Sino-Iceland Diplomacy

Iceland has been the most enthusiastic country of all the Arctic countries to embark extensive partnership with China. (Peng 2015: 242) The Chinese investors made a way into the Icelandic economy when it experienced a downturn in 2008. China engaged in a 500 million US dollars currency swap in 2010, and in 2012 former Premier Wen Jiabao visited Iceland and signed several bilateral deals, including a framework accord on Arctic cooperation. Iceland enthusiastically offered China support for its permanent observer application on the Arctic Council during the bilateral-meetings. (Peng 2015: 242)

China National Offshore Oil Corporation paired with Iceland's Eykon Energy in early 2014 and acquired an exploration license in the sea area south of Jan Mayen Island. In addition, Beijing established a brand new embassy, a joint Arctic research center (fully financed by China) and demonstrated its intentions in investing in new port facilities. (Peng 2015: 242) Iceland repaid with offering China political support for an expanded role in the Arctic. China obviously expects Iceland to play a key role in its future as a shipping hub and as a logistical center for its Arctic activities, which include scientific research on e.g. climate change. (Peng 2015: 242) *"Chinese involvement might also include the development of infrastructure that can support Chinese mineral activities in East-Greenland, given its proximity to Northwest Iceland and the lack of infrastructure on the East Greenland coast."* (Peng 2015: 242)

In 2013, China established The China-Nordic Arctic Research Center in Shanghai between four Chinese and six Nordic research institutions. Iceland achieved an important linking-role, even though the country is the smallest among the Nordic Arctic countries. The China-Nordic Arctic Research Center cooperation demonstrates the importance the Chinese government gives to the Nordic states in the Arctic, especially with respect to stimulate the development of multilateral cooperation between Chinese and Nordic institutions within natural science. (Peng 2015: 242)

4.0 Theories

In the following paragraph the chosen theories will be described and the reason for choosing these will further be elaborated. I have chosen Realism and Social Constructivism, as these are both theories of international relations and world politics. Firstly, I will present Realism, which is then followed by Social Constructivism.

4.1 Realism

In order to answer the problem statement and the sub-questions of the thesis, Realism has been chosen as theory since it is the dominant theory of international relations (Dunne 2014: 99). Realism varies in different aspects and perspectives, but since the purpose of this thesis is to research China's interests within the Arctic Council and the Arctic Region, the focus will be on statism, survival and self-help, thereby undertaking a general theoretical approach.

In the repercussion of the First World War, 'idealists' were much focused on understanding the cause of war in order to find a remedy for its existence, this approach was challenged by 'realists' stating that "*they ignored the role of power, overestimated the degree to which nation-states shared a set of common interests, and were overly optimistic that humankind could overcome the scourge of war*" (Dunne 2014: 100). In 1939, the outbreak of the Second World War proved the realist perspective as an approach of studying international politics right, and since then many theorists and policy-makers have continued to view the world through the realist lenses (Dunne 2014: 100).

As mentioned, Realism is the dominant theory of international relations and "*has taught foreign policy officials to focus on interest rather than on ideology, to seek peace through strength, and to recognize that great powers can coexist even if they have antithetical values and beliefs*" (Dunne 2014: 100). As realism propose somewhat similar to a manual for maximizing the state's interests in a hostile environment, partly explains why it remains the dominant tradition in the study of world politics (Dunne 2014: 100).

Realists are skeptical of the idea that universal moral principals exist, and therefore warn state leaders against sacrificing their own self-interests in order to adhere to some indeterminate notion of 'ethical' conduct, and even further argue that the need for survival requires state leaders to distance themselves from traditional notions of morality. (Dunne 2014: 100)

Realism is based upon three key points: Statism, survival and self-help - the sovereign state being the main actor.

Statism: According to realists, the state is the main actor and sovereignty is its distinguishing trait (Dunne 2014: 107). The state is the pre-eminent actor in world politics and state sovereignty is tantamount to the existence of an independent political community, which has juridical authority over its territory (Dunne 2014: 110). The meaning of the sovereign state is inseparably correlated

with the use of force. Realists agree with Max Weber's famous definition of the state as the "*monopoly of the legitimate use of physical force within a given territory*" (Dunne 2014: 107), meaning that the state is the main, and at times the only, unit worth considering – the world is anarchic above the state and below the state there are no groups with power to rival that of the state. The basic structure of international politics is by realists considered as one of anarchy, as they argue that each of the sovereign states consider itself to be its own highest authority and does not recognize a higher power; internationally, the first priority for state leaders is to ensure the survival of their state – all states aim to perpetuate their existence. (Dunne 2014: 101)

Realists argue that in anarchy states compete with other states for power and security. Hans Morgenthau defines the term power as "*man's control over the minds and actions of other men*". (Dunne 2014: 107) Regarding power, realists pinpoint two important points. Firstly, power is a relational concept: one does not exercise power in a vacuum, but in relation to another entity. Secondly, power is a relative concept: calculations need to be made not only about one's own power capabilities, but about the power that other state actors possess. (Dunne 2014: 107)

Survival: Intuitively, states with more power stand a better chance of surviving than states with less power and according to realists the core national interest of all states must be survival to which all political leaders must pay attention (Dunne 2014: 101 and 110).

Self-help: Each state actor is responsible for ensuring its own well-being and survival, and thereby self-help is the principle of action in an anarchical system (Dunne 2014: 101). Realists do not believe it is sensible for a state to entrust its safety and survival to another actor or international institution such as e.g. the United Nation. If a state feels threatened it should seek to expand its own power by increasing its military capabilities - which may be difficult for a small state feeling threatened by a much larger state. This leads to one of the crucial mechanisms that realists consider essential to preserving the liberty of states – the balance of power. (Dunne 2014: 101) Kenneth Waltz argues that balances of power result irrespective of the intentions of any particular state. In an anarchic system populated by states that seek to perpetuate themselves, alliances will be formed seeking to balance the power against threatening states. (Dunne 2014: 109)

Given the fact that realism provides a general idea of how states interact with each other, using this theory makes it possible to answer the problem statement and the sub-questions of this thesis by clarifying China's Arctic interests and its bilateral relations to the chosen Arctic nation states. At the same time aiming to explain how power and national security/survival of the state influence China's decision-making and behavior.

4.2 Social Constructivism

Social Constructivism is applied to the thesis as the second theory. "*Constructivism explores how the world is made and re-made through action, how the structures of world politics do not merely constrain but also constitute the identities, interests and practices of actors of world politics, how these actors unwittingly or purposefully reproduce these structures, and how human action is responsible for both stability and change in world affairs*" (Barnett 2014: 155).

Going back just 25 years, constructivism did not exist although today it has become one of the leading theoretical perspectives in international relations, being widely recognized for its ability to capture important features of global politics (Barnett 2014: 156). Constructivism recognizes the importance of international norms and conceptualizes international politics not as a system but as a society (Barnett 2014: 156). In 1989 Nicholas Onuf wrote the book 'World of Our Making', which challenged the materialism and individualism found within the theories of neo-realism and neo-liberal institutionalism, which dominated international relation theory in the 1980s. In the 1990s the book gained great attention due to two principal factors. (Barnett 2014: 157) Firstly, "*(...) it demonstrated that the notion of a world without norms and ideas was not only nonsensical, but also that their inclusion was important for understanding the behavior of states and non-state actors, and why they saw the world and themselves as they did.*" (Barnett 2014: 157) The second factor was the end of the cold war, since only few scholars had predicted it did not end in war. Both neo-realists and neo-liberalists had difficulties explaining this outcome and further did not give any insight into what might come next – would the United States become a global hegemon or work through multilateral institutions, whereas constructivism offered a comprehension of the dissolution of who are 'we' and where do 'we' belong thereby creating new regional and international orders. (Barnett 2014: 157) Constructivism demonstrated how "*identity and norms shape state interests and must be incorporated to generate superior explanations.*" (Barnett 2014: 157).

Social constructivism is generally concerned with how to conceptualize the relationship between agents and structures, and is therefore a social theory and not a substantive theory of international politics. It has been put in relations to the theory of rational choice, which is a social theory providing a framework for understanding how actors operate with fixed preferences that they try to maximize under a set of constraints – rational choice offers no claims about actual patterns of world politics. (Barnett 2014: 157)

Constructivism varies in different perspectives, but they all have one thing in common - "*Constructivism is about human consciousness and its role in international life*" (Barnett 2014: 158). According to Alexander Wendt the core of constructivism is found in the emphasis on human consciousness suggesting a commitment to idealism and holism. Idealism stresses the importance of taking the role of ideas in world politics seriously; the world is defined by material and ideational forces, these ideas are social and not reside inside our head. "*Our mental maps are shaped by*

collectively held ideas such as knowledge, symbols, language, and rules." (Barnett 2014: 158) Meaning that social constructivism is socially constructed. Material reality is not rejected by idealism; it rather observes the meaning and construction of material reality as being dependent on ideas and interpretation. Furthermore, the balance power does not objectively exist out there, waiting to be discovered "*states debate what is the balance of power, what is its meaning, and how they should respond.*" (Barnett 2014: 158) According to constructivism, "*the world is irreducibly social and cannot be decomposed into properties of already existing actors*" (Barnett 2014: 158), holism allows for agency, identifying that agents have some autonomy and their interactions help construct, reproduce and transform structures – making it possible to analyze states and already existing world structures (Barnett 2014: 158). Thereby, according to social constructivism, core elements of international relations are socially constructed and created by a constant development of interactions and social practice.

Another important element is social construction of reality, which has its emphasis on the socially constructed nature of actors and their identities and interests. Stating "*Actors are not born outside of and prior to society (...). Instead, actors are produced and created by their cultural environment: nurture, not nature.*" (Barnett 2014: 158) pointing to the importance of identity and the social construction of interests. Furthermore, knowledge as in symbols, rules, concepts and categories, create the foundation of how individuals construct and interpret their world. Reality is not floating somewhere waiting to be discovered, rather historically produced and culturally bound knowledge allows individuals to construct and give meaning to reality. (Barnett 2014: 158) Often this constructed reality appears as an objective reality, relating to the concept of social facts. "*There are those things whose existence is dependent on human agreement, and those things whose existence are not.*" (Barnett 2014: 158) The moon will always exist independently of human agreement, whereas money as a social fact only exists due to human agreement/recognition.

Social constructivism also has its focus on norms and rules. Norms come in two basic variations, regulative rules and constitutive rules. Regulative rules regulate already existing activities – e.g. rules for the road determine how to drive. Constitutive rules create the opportunity for these activities – the rules of sovereignty not only regulate state practices but also make the idea of a sovereign state possible. (Barnett 2014: 158)

Social constructivism will be applied in order to understand China's international relations and its interests in the Arctic Council and the Arctic region. Both China and the Arctic Council are international actors influencing already existing world structures and thereby reproduce these structures.

5.0 Analysis

This paragraph aims at answering the problem statement on the background of the sub-questions, "Does China hold genuine interests of climate and scientific research when it comes to its position as an observer within the Arctic Council, or is its interests merely based on its own Arctic interests and own needs of natural resources?" and the sub-questions:

i. *How has China obtained observer status within the Arctic Council? Given the fact that both Russia and Canada were skeptical toward granting China permanent observer status in the Council, how did China still become an observer in the Arctic Council?*
ii. *What are the motivations of China's engagement with the Arctic Council? Why has China been actively engaged with the Arctic Council?*

China opened up to the outside world in 1978 when Deng Xiaoping implemented the market reforms of "Reform and Opening up" and has since then engaged in economic collaboration across the world. Deng's policy decisions, both for domestic economic and political reforms as well as for China's foreign policies, still form the foundation of Chinese policies today (Zhu 2013: iiiv). Going from a centrally planned economy to a market oriented economy, China experienced an economic boom and has since been able to sustain striking 8-10 percent gross-domestic product growth rates (Rainwater 2013: 64). Economic growth has made its way to the core of China's national interests and is shaping China's foreign policy, thereby having shifted China's focus of its core national interests to not only include "state sovereignty" and "territorial integrity".

Diplomacy is a key activity of states in international relations, and can be considered a tool that enables states to achieve specific goals (Peng 2015: 233). From a realist perspective, this means that a state can use diplomacy as a tool to secure its interests internationally and to secure its sovereignty in order to 'survive'. Beijing has since 1996 forged a diplomatic strategy with broad aims of maintaining a peaceful international environment, which is considered essential for China's economic development and modernization (Guo 2006: 185). Having opened up to the outside world can be considered a doubled-edge sword for China – while it enhances its economic leverages, it also brings new challenges deepening its dependence on the outside world, making Beijing highly aware of its international position (Guo 2006: 185). According to social constructivism and realism, China has to reproduce its existing structures and put them in relation to the already existing structures within world politics, while still maintaining and keeping a focus on/securing its own interests. Whereas China's main focus and efforts over the past 30 plus years have been on domestic economic reform and reconstruction, China's diplomacy has played a crucially important role in creating and maintaining a peaceful international environment, and in creating and maintaining China's constructive relations with other countries as well as its position in the international order, considered most suitable for achieving its policy priorities. From a global and realist perspective, China's desire

for world peace is a way to achieve its objective of economic development and peaceful rise. Without a generally peaceful and stable international order, China's economic development would have been out of the question. (Zhu 2013: iiiv) In order to maximize interests, realism suggest states *"(...) to seek peace through strength, and to recognize that great powers can coexist even if they have antithetical values and beliefs*" (Dunne 2014: 100). It has been pointed out that as the Chinese involvement in the world economy has increased, Chinese leaders have sought to maintain a careful balance between the benefits offered by economic integration and the vulnerabilities it creates – generating the basic framework for Chinese international behavior in the era of globalization (Guo 2006: 185). China's diplomacy and domestic economic reconstruction are therefore considered very much intertwined with each other. In a sense, China's diplomacy is mandated to serve its overall economic development, and its growing economic ability has enabled China to become a more active and constructive participant in international diplomacy. In other words, China's diplomacy is centered around the survival of the state and maintaining a focus on the interests securing the survival of the state. Furthermore, since many hot issues in China have an important international dimension, the interrelations between major Chinese domestic affairs and China's diplomacy cannot be overemphasized. (Zhu 2013: iiiv) China's approach to balance the benefits and vulnerabilities economic integration creates can be explained by social constructivism and rational choice, where actors attempt to maximize their interests while selecting the most efficient means to achieve those interests (Dunne 2014: 166).

In the first three decades of the People's Republic of China's history (1949-1979), energy concerns were only a minor factor in Beijing's national security and strategic assessment, since China's own oil fields produced enough oil to keep it self-reliant. After the reform and opening up and the implementation of economic reform policies, China's expanding economy set new standards of the resources needed to maintain the economic growth. Even within its own borders China has been forced to reproduce and transform the already existing 'interest' structures, in order to adapt to the new demands required to maintain the economic growth and the survival of the state. An expansion as rapid as China's requires enormous amounts of energy and raw materials, and since the mid-1990s China has been seeking oil and other energy and natural resources in Africa, the Middle East, Latin America, Central Asia, the South Pacific, South-east Asia and else where. This new 'energy diplomacy' has become a key component of Chinese foreign policy in the new century, since energy security has become essential for China to achieve its strategic goal of quadrupling its gross domestic product from 2000 to 2020. (Zhu 2013: 2) It is important to keep in mind that China was an oil exporter up until 1993 when it permanently became a net oil importer. Although China's demand for energy was slowed down by the global economic crisis, the Chinese economy, helped by government stimulus packages to expand domestic consumption, showed signs of recovery by early 2009, thereby making expectations of China's energy needs to increase in the years ahead. According to the

international energy agency, oil accounts for just about 19 percent of China's energy needs, hence China's oil demand is predicted to more than double by 2030 to more than 16 million barrels a day. (Zhu 2013: 3) Has this 'energy diplomacy' made China seek North toward the Arctic region? China's presence in the Arctic is after all not unnoticeable.

The fact that Beijing has not yet published any official Arctic Strategy, a White Paper, makes it difficult to grasp China's actual emerging interests in the region. Furthermore, the lack of information and the fact that scholars have to follow the strict lines of China's policy development process makes it even more difficult to grasp its emerging interests. It has been stated several times that China has no official Arctic policy, but China's presence and efforts in creating diplomatic ties to the Arctic nations indicates that China has a clear agenda. Beijing's policy development process could further indicate that an official policy/strategy is in the making. China's Arctic presence and role has somehow been put in relation "*to the growing perception that Beijing should act as a global 'responsible great power', which should use its status to play a more active role in promoting peace and stability as well as the role of law in regions beyond the Asia-Pacific*" (Lanteigne: 34) When seeing this from both a realist and social constructivist perspective, this might explain China's rhetorical shift and acceptance of the Arctic states' sovereignty and territorial rights, stressed by the fact that Beijing several times has stated that it has no objectives of challenging norms and rules in the region – China is a responsible growing world power. There is no doubt that, if China did not acknowledge the sovereignty and territorial rights of the Arctic nations, it would have been more difficult for China to create diplomatic ties to these states – and this would put Beijing's future influence within the Arctic region at risk. One might be able to say that it was a rational choice to accept the already created structures and policies. "*In his speech at Svalbard, Hu acknowledged that the Arctic is mainly a regional issue but said that it is also an inter-regional issue due to climate change and international shipping. Hu did not mention energy and other natural resources. Unsurprisingly, China would like to see the Arctic states recognize the interests of non-Arctic states.*" (Hong 2014: 273) Beijing has continuously sustained that the Arctic should be treated as an international concern, due to the amount of countries affected by the Arctic regarding environmental, political and economic changes, including the potential for the opening of local trade routes and expanded resource development (Lanteigne: 35). Lanteigne agrees in the fact that Beijing desires to engage in the Arctic Council, not only because of the concern regarding Western strategic 'encirclement', but because it fears being shut out of regimes and organizations that could have current or future significant strategic or economic value to China (Lanteigne: 35). From a realist standpoint, it is all about China's survival and about the fact that no other state or institution can be relied on in order to secure the survival of the state. China is a growing world power, and in order to survive and have as much influence as possible in future international decision-makings and processes, China has had no other option than to be submissive to the already existing structures.

The fact that China to some extent has been focusing on its Nordic relations within the Arctic region can be considered an attempt to balance the power in regards to Russia and the United States (and maybe partly Canada). It might even be beneficial for the 'smaller' Nordic countries to establish solid ties with China, since they together will stand stronger against the three bigger nations. Since Beijing is not, as previous mentioned, trying to change the already existing structures of juridical authority, territorial rights and sovereignty within the Arctic region, its approach towards the Nordic countries has to be considered an attempt to secure its own influence and survival within the Arctic Council and the region. If Beijing took the stance of not wanting to be in a 'neutral' position and pushed for an internationalization of the Arctic region, as professor Guo Peiqing suggested, it would, according to some scholars, go against the principle of 'non-interference' Beijing has tried to maintain. Whether or not Beijing has sustained this principle is another discussion.

When looking at the selected Arctic nations in this thesis, China considers Russia, Canada and Norway to be key partners while the United States, Greenland and Iceland are not considered key partners. Both Russia and Canada were skeptical of China becoming a permanent observer at the Arctic Council whereas Norway actively supported China gaining the status. The United States, Greenland and Iceland were all to some extent positive towards China gaining permanent observer status – some more than others. China's approach to the nations all seem to have the same in common, apart from the United States; from the outside the main purpose of China's wish to cooperate seems to be for research and scientific reasons, but when looking closer they all have aspects of future potential energy cooperation. Beijing's relationship to the United States regarding the Arctic is somewhat special, it seems that the Arctic diplomatic exchanges purposely has been deprioritized due to other political and more pressing topics. *"The Arctic has been included in the annual US-Sino Strategic and Economic Dialogue since 2011, but it appears as a topic that merely deserved an exchange of opinions."* (Peng 2015: 240-241) At the same time, if Beijing creates too close ties to the United States it might alienate its relationship to Russia, which it considers a key partner within the Arctic. Moreover, Beijing's reluctance to engage more positively with the United States in the Arctic might be a reflection of the Chinese leadership's deep-rooted suspicion of American ocean domination (Peng 2015: 241), by choosing to further its cooperation with China the United States could demand Beijing to relax its restrictive 'freedom of navigation' policies enforced in the Chinese regional waters. All though, the United States has maintained a positive attitude towards China in the Arctic Council.

When looking at China's Arctic diplomacy from an overall theoretical perspective, I believe, Beijing's purpose has been to stand strong in order to secure its international position – the aim has been to balance power and secure the future of the state together with the interests of the state, while making sure not to be excluded from future decision-making processes and cooperation whilst still having a responsible and conscious international profile. The fact that Beijing insists on creating bilateral relations rather than multilateral relations, in this case, appears to have been beneficial.

Beijing can approach each state on the basis of its own interests adapted to the interests and policies of the specific state in question. Regarding the United States and Russia, Beijing has been able to balance the power within the Arctic Council between the two superpowers, but still have to be very aware of the steps and approaches it takes towards both nations.

According to many of the scholars, scientific and climate research in the Arctic comes before energy and economic interests. Since the 1990s, as earlier mentioned, China has invested heavily in polar research and has undertaken four research expeditions, has an Arctic research station in Norway's Svalbard archipelago and has a number of elite academic institutes committed to Arctic research (Campbell 2012: 4), furthermore the air streams in the Arctic region seems to be a major reason for some of the extreme weather conditions in China (Huang 2015: 62). From both a realist and social constructivist perspective, Beijing is trying to secure the survival of the state while showing responsibility and social/environmental consciousness in regards to the world's climate change, in order to overcome and possibly prevent future extreme weather conditions. China has for years been accused for its heavy pollution of the environment, the fact that Beijing invests heavily in polar research confirms that it is aware of the damage and is willing to contribute and put efforts into creating a better global environment. China's environmental consciousness and responsibility is further reflected in The Five-Year-Plan (2011-2015), which called for strengthened polar and oceanic scientific research and active 'integrated marine management', further implying that China's interest and investment in polar research will continue to increase. (Campbell 2012: 4)
When it comes to natural resources in the Arctic, it has been stated, *"Since there is no proven data on oil and gas deposits in the Arctic, China is only interested in climate change in this region. Before formulating a policy on this topic, we first need to gather information on mineral and hydrocarbon potential"*(Huang 2015: 62), further it has been stated, *"China did not prospect for oil and gas resources in the Arctic area nor has the capability or capacity to mine oil and gas there"*. (Huang 2015: 62) Since it appears to create insecurity and uncertainty towards China's objectives in the Arctic region, Beijing seems to have made efforts in toning down its resource-diplomacy and its interests of extracting natural resources in the region. According to realism, the play down of the interests in natural resources is a way of securing China's role within the Arctic region and the Arctic Council; it is a way of making sure not to be excluded. Yet, China considers itself a 'student of Arctic expertise' since it e.g. has no experience with cold-water drilling and at the same time wants to contribute to the common good of the region (Peng 2015: 242). Again, China is showing responsibility and consciousness. However, when the opportunity of a joint venture of exploiting and extracting valuable metals, minerals and gemstones, including copper, gold, iron, nickel, platinum, titanium and zinc, along with diamonds and rubies in Greenland was presented, China did not hesitate to partake. The venture did not become a great success and the project was later cancelled, "*Beijing's involvement has, however, received by far the majority of attention from Denmark, the Eu-*

ropean Union, and the international community due to awareness of China's ongoing economic rise and resource diplomacy. The spectre of overt competition between China and the West over Greenland's resources has dominated the debate over the island's potential mining boom." (Lanteigne: 23) According to Lanteigne, it is unlikely that the Arctic will be at the forefront of China's resource diplomacy in the near future, as there are other parts of the world, most notably Africa, Eurasia and Latin America, which have assumed a higher priority in China's economic thinking. Any extensive resource development in the Arctic will require great amounts of start-up capital and materiel, external labor, and a willingness to conduct such projects in isolated and hyperborean regions. (Lanteigne: 26) I argue that China's inexperience combined with the international attention must be considered the reason for Beijing's down play of resource diplomacy in the Arctic region "*both the United States and Russia are highly sceptical of Chinese attempts at securing control over the region's resources.*" (Lanteigne: 25) The United States and Russia are two of the big powers within the Arctic region, but also within international world politics. China's down play can therefore be considered a balance of power and a maneuver in order to survive – China is not yet a world power and a struggle for power might damage other aspects of its international image. That said, the Arctic region has the advantage of being politically, economically and strategically stable, and at present Beijing is one of the few governments with both the financial resources and the potential labor force to engage in Far North joint ventures. (Lanteigne: 26)

A famous Chinese proverb says, 'Crossing the river by touching the stones.' which seems to be exactly what China is doing within the Arctic region.

6.0 Discussion

In order to better understand China as a nation and why it is approaching the Arctic region and the Arctic Council, a brief historical overview was found necessary to include. China's economic growth has created a need of natural resources of which China is no longer self-reliant. This need and aim to sustain the economic growth has formed China's foreign policy and international diplomacy of today.

China was granted the permanent observer status within the Arctic Council in 2013. Beijing had to apply several times before it was granted the seat since not all of the member states were too thrilled about the idea of China being a permanent observer. China's persistent diplomatic efforts combined with the decision of approaching the Nordic and smaller nations first seem to be what made the outcome a success. The fact that China has insisted on creating bilateral relations rather than multilateral relations is another reason for its success. China has been able to target each nation state on the basis of Beijing's own interests adapted to the interests and policies of the specific state in question. It is always easier to reach agreements one-on-one than one-on-more, Beijing has been able

to prepare each diplomatic meeting specifically in regard to the nation state in question, without having to prepare for the participation of other states. China has kept a low-key profile, which has also helped China accomplish the aim of becoming a permanent observer within the Arctic Council.

When discussing China's reasons to engage in the Arctic Council it seems to be very clear that the main reasons are future influence and balance of power. China's need of natural resources makes the Arctic an important strategic unit of which China should secure it's influence as early as possible. Both Russia and the United States are members of the Arctic Council due to the location of the nations, and since China is not an Arctic country the only way to gain means within the region is to become a permanent observer and hope for the opportunity to become a full member in the future. China is a growing world power and in order to out balance the global influence of the United States, and partly Russia, Beijing has to make sure to be presence and have an insight in the decisions made within the Arctic Council. As earlier mentioned, together Beijing and Kremlin can settle the power balance in Eurasia and the West, who controls substantial parts of the world's energy hubs.

The lack of information for researchers to unravel the policy sphere of China's Arctic venture and the fact that Beijing has only released a few restrained statements on Arctic affairs and has not yet published an official Arctic policy, makes it a bit more difficult to comprehend its emerging Arctic interests, although some are very obvious. It is important to have in mind that under a political system like China's, a low-key Arctic profile means that businesses and academia must not go against such a profile. At first glimpses it appears that China is mainly interested in climate and scientific research, but yet the majority of the articles state that the Arctic nations selected in this thesis, apart from the United States, have the possibility of future energy development and extraction of natural resources. The long history China has of conducting polar research together with the heavy investment in the area surely indicates that Beijing holds genuine interests in scientific and climate research. When taking all the severe floodings China has dealt with this summer (2016) into consideration there is no question that Beijing is seeking means to prevent these extreme weather conditions, which have been damaging China and the Chinese population relentlessly in the affected areas. China itself holds great parts of the responsibility for climate change caused by environmental pollution and it seems as if China is making great efforts in changing its international image into one of a more responsible and conscious character. This can also be considered a part of the reason why Beijing has toned down its resource-diplomacy in the Arctic, apart from not wanting to cause worries, insecurity and uncertainty among the Arctic nations of its actual interests. That being said, as the case of Greenland proved there is no doubt that if it is possible for China to create joint ventures of exploiting and extracting valuable natural resources it will jump at the offer without hesitation. As previous stated Beijing is one of the few governments with both the financial resources and the potential labor force to engage in Far North joint ventures (Lanteigne, p. 26).

7.0 Conclusion

When answering the sub-question of how China obtained observer status within the Arctic Council, it is very clear that the persistent hard diplomatic work combined with the strategy of maintaining a low-key profile while approaching the smaller Nordic countries and creating close ties to these nations, was the right 'tactic' for China. If China had not gained the support from these nations, I am not sure whether or not China had been granted the seat. Though, it is important to keep in mind that the United States kept a neutral stance towards China, where Russia and Canada were more skeptical. China has been actively engaged with the Arctic Council for several reasons. First of all, China has a history of doing scientific and climate research in the Arctic region, with the aim of preventing the extreme weather conditions occurring in China. These weather conditions are harmful to the Chinese economy, the Chinese population and the food production. Second of all, it is estimated that the Arctic region contains up to 30 percent of the world's undiscovered gas and 13 percent of the world's undiscovered oil resources (Campbell 212: 5), which is a remedy for China's energy import-dependent economy. Lastly, China does not want to be let out of the Arctic and thereby lose potential international influence. Both the United States and Russia are full members, so in order to balance the power and in order to have an insight in the decisions made within the Council, China has to make efforts in gaining influence. China is evolving from being a regional power to become a global power, so what is occuring in the Arctic region concerns Beijing's interests. If China wants to secure its international status and in the long term become a world power, it has to show responsibility and liability.

China does hold genuine interests in climate and scientific research but it is no secrete that if the possibility of joint ventures appear in regard to extracting natural resources in the Arctic region, Beijing will not hesitate to partake in such ventures and is further willing to pay the costs of these ventures.

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