China’s Developing Arctic Policies: Myths and Misconceptions
Su Ping and Marc Lanteigne

Abstract: The Arctic and Far North regions of the world have grown in importance for China’s international interests in recent years, and in 2013 China became an observer state in the Arctic Council. Beijing has sought to develop an Arctic policy based on scientific research and partnerships, including in the areas of environmental studies and climate change issues, as well as development and economic issues. As the Arctic gains more international attention due to the effects of ice melting and the possibility of the region becoming a new source of resources, concerns have been raised about a scramble for riches and economic advantages. China, as a rising political and economic power, has been subject to much scrutiny, especially from the West, about its emerging agenda in the Arctic region. Although China is not an Arctic state, the concerns are based on predictions that Beijing is seeking to play a stronger and perhaps even dominant role in the Arctic, and this has led to many misconceptions about China’s Arctic policy. The result has been a “clash of identities” between Chinese and Western perceptions, and in order to understand why these diverging views have appeared, it is necessary to first examine the origins of “myths” about China’s regional Arctic policies, and then examine their roles, using constructivist theory, before suggesting ways for both China and the international community to address this divergence.

Introduction
Despite many decades of interest in the Arctic, only recently has Beijing sought to further enhance its Arctic policy. This is a result of polar ice melting, potential economic opportunities arising in the areas of raw material and energy development and increased use of Arctic maritime sea routes. Following years of negotiations, Beijing was also granted observer status in the Arctic Council in 2013 along with other Asian states, including India, Japan, Singapore and South Korea.

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Compared to other non-Arctic states in Asia and elsewhere, Beijing has received much more international scrutiny, and occasional criticism, for its Arctic interests. The explanation may be a clash of identities, as described in the theory of constructivism, between China and Arctic governments, including the United States, concerning Beijing’s longer-term interests and strategies. This has resulted in misunderstandings over several key aspects of China’s emerging Arctic interests, as well as the sudden appearance of ‘myths’ surrounding Chinese diplomacy in the Far North. These misconceptions include issues surrounding China’s diplomatic relationship with Iceland, its potential roles in developing energy and mining projects in the Arctic, including Greenland and its potential identities and policies as a new observer in the Arctic Council.

There is also the question of whether China views the Arctic as a strategic as well as an economic and diplomatic issue, especially in light of its evolving naval power projection capabilities, and its recent status (since about 2014) as the world’s largest economy, specifically in terms of purchasing power parity (Fray, 2014; Wright, 2014). Also, there is the larger issue of how China has sought to build an Arctic identity while at the same time having to address the concerns of other states, including in the West, about what comprises Beijing’s longer-term Arctic strategy. Greater communication between China and other Arctic and non-Arctic states, the writing of a Chinese government white paper on Arctic affairs, and the use of both governmental and non-governmental channels, are all potential avenues for China to further clarify its Arctic “identity”.

Myths and Misconceptions

1) China’s “Super-Embassy” in Iceland
Over the past five years, Beijing has increased its diplomatic ties with several Arctic states, recognizing the growing importance of developing links with Far North governments as one element of a greater Arctic strategy. For a variety of reasons, one of the most visible examples of this process has been the Sino-Icelandic relationship. In 2005, Beijing and Reykjavík signed a memorandum of understanding as a precursor to initiating talks on creating a free trade deal, the first such negotiations Beijing undertook with a European government. Since

3 The eight member states in the Arctic Council are Canada, the Kingdom of Denmark (Faroe Islands / Greenland), Finland, Iceland, Norway, Sweden, Russian Federation and the United States. Also, six indigenous peoples’ organisations are granted the status of “permanent participants”. As of early 2015, observers within the Arctic Council are China, France, Germany, India, Italy, Japan, the Netherlands, Poland, Singapore, South Korea and Spain. The European Union and Switzerland are seeking formal observer status in 2015.
Iceland remains outside of the European Union, the negotiations provided Beijing the opportunity to sign a free trade agreement (FTA) with a European state while both avoiding EU bureaucracy and addressing considerable differences within the Union over how to approach liberalized trade with China. Iceland agreed to designate China as having achieved market economy status, which was an early prerequisite stipulated by Beijing to permit negotiations to begin. The EU declined to do the same, arguing that Beijing had not reached the level of economic reform necessary for market economy status to be granted (Lanteigne, 2010). As a result, China sought to develop European FTAs with non-EU European economies.

The FTA talks began in 2006, and despite a pause in the talks between 2009 and 2013 due to the Icelandic banking crisis and collapse of the Icelandic currency, as well as questions over whether Iceland would join the European Union (thus nullifying any bilateral FTAs signed) both sides expressed hopes that an agreement could be concluded. Also, in 2010 Beijing took the added step of agreeing to a currency swap with Reykjavík with a value of 3.5 million Yuan (US$570 million), an agreement renewed in 2013 (Du and Chen, 2013). The Sino-Icelandic free trade agreement was completed in April 2013 and both sides expressed enthusiasm for the further improvement of diplomatic and economic relations.

During the final stages of the FTA negotiations, plans were initiated to open a new Chinese embassy in Reykjavík to permit Beijing to better represent its interests in Iceland. However, the large size of the new Embassy began to fuel speculation as to the number of personnel its offices would house. Reports in the Icelandic and Western press began to circulate that the number of potential Embassy staff ranged from hundreds to as many as five hundred, far more than other embassies within a country of only 303,000 people (Tatlow, 2012; Trotman, 2013; Eyjan.is, 2012; Ford, 2013; Stein, 2015). However, the reality of the situation was much more mundane. From the website of the Diplomatic and Consular List of Department of Protocol of Ministry for Foreign Affairs of Iceland in June 2014, the latest version released (Iceland Protocol Department of Ministry for Foreign Affairs, 2014), eight staff members were listed, but four of the personnel were based at the Economic and Commercial Office of the PRC, which is located in a different part of Reykjavík, and the Embassy offices themselves have only four full-time staff listed.

Information from the Protocol Department regarding the staff of the Chinese embassy in Iceland is authoritative, as one of the main responsibilities of the Protocol Department of the Ministry for Foreign Affairs of Iceland is to issue identity cards and to publish the names
of diplomats and honorary consuls in Iceland on the Ministry website (Ibid.). A new Ambassador, Mr. Zhang Weidong, arrived in Iceland on 25 September 2014 and met with acting Permanent Secretary of State and Chief of Protocol of the Ministry for Foreign Affairs of Iceland, Mr. Jón Egill Egilsson, and presented his credentials one day later (Chinese Embassy of Iceland, 2014). Therefore, including the new ambassador, a total of five full-time staff maintains offices in this now well-known building.

Speculation about the supposed “super-embassy” China was allegedly seeking to open took place at a time of much debate about a controversial potential land purchase in Iceland by a Chinese entrepreneur, a deal which critics argued might have strategic implications for Iceland and the entire Arctic region. In 2011, Mr Huang Nubo, head of Beijing Zhongkun Investment Group (Beijing Zhongkun touzi jituan 北京中坤投资集团), sought to purchase approximately 30,000 hectares of land at Grímsstaðir in north-eastern Iceland in order to develop tourist facilities worth an estimated US$200 million. The bid was declined by the Icelandic government, amid much public concern, due to laws restricting land purchases by actors outside of the European Economic Area (EEA). The main concern was that the property in question could be used for potential military applications, an assertion flatly denied by Huang. However, the bid was reconstructed in 2012 as an application to lease a smaller amount of land for the same purposes (BBC News, 30 August 2011; Higgins, 2013). By the end of 2014, with the final decision on the proposed lease languishing in bureaucratic limbo, Huang began to look for investment prospects elsewhere in the Arctic region, including potentially in northern Norway and even in the islands of Svalbard (AFP, 17 August 2013; Bloomberg, 12 February 2014; Elliott, 2014).

2) China’s Relations with Greenland

Although discussions about the Arctic’s economic value have frequently included the region’s potential supplies of oil and gas, there was also much attention placed on other raw materials which could become accessible as a result of the retreating ice. Both Canada and Russia were viewed as potential beneficiaries of expanded mining of metals and minerals, with international attention also focused on Greenland. Local ice erosion from Greenland’s coastal areas, despite presenting serious environmental consequences, has opened up greater possibilities for the mining of copper, diamonds, gold, iron, platinum, rubies, titanium and zinc, along with many other metals and minerals. The potential for a future mining boom in Greenland, however, has been a divisive issue politically.
Adding to the complexity of the mining debate is that at some sites, including Kvanefjeld in southwest Greenland, there are deposits of “rare earth elements” (REEs) which, due to their distinctive composition, are essential for development of high technology products including “green technologies” designed for more efficient energy usage. Elements found in Greenland include cerium, lanthanum, neodymium and yttrium. China is very much a player in the global market for REEs, since over ninety percent of REEs extracted worldwide are mined there (Du, 2013), and this near-monopoly began to raise security concerns in the West due to the increasing value of these “elements” in developing and manufacturing advanced technologies. As a result, debate began, especially in Europe, about Greenland potentially becoming an alternative source to China for REEs once mining operations could be developed. While the political debates continued in Greenland, Chinese interests appeared to be preparing to propose joint mining ventures. In March 2014, the possibility for REE mining in Greenland involving China grew with a memorandum of understanding signed between Perth, Australia-based Greenland Minerals and Energy and Beijing-based China Non-Ferrous Metal Industry’s Foreign Engineering and Construction Co. Ltd. (Zhongguo yousejinshu jianshe gufenyouxiangongsi 中国有色金属建设股份有限公司) to potentially extract REEs from Kvanefjeld (Arctic Journal, 24 March 2014). However, the start of the project remains unclear due to political uncertainty and the high start-up costs inherent in any mining operations.

China is only one of many countries, including Australia, India, Japan, South Korea, and the United Kingdom, expressing interest in joint ventures in Greenland to develop the island’s mining capabilities. Beijing’s potential involvement in Greenland mining has received by far the majority of attention from Denmark, the European Union, and the international community as a whole due to awareness of China’s ongoing economic rise and resource diplomacy. China, with its overall economic power, has been considered one of the few countries in a position to provide all of these prerequisites. In 2009, two Chinese firms based in the Jiangxi province were engaged in prospecting in Greenland, including surveys for copper and gold and were the first Chinese mining interests to conduct such operations within the Arctic Circle (Pu, 2011; Pu, 2012).

Neither of these projects, however, received the same amount of international scrutiny as the potential iron mine at Isua, about 150km northeast of the capital, Nuuk. Despite no mining taking place, this project has been a prime example of China’s economic interests in the Arctic being subjected to misinterpretation and occasional alarmism. The iron ore deposit
in question, measuring over one billion tonnes, of unusually high quality, about seventy percent “pure”, was discovered in the mid-1960s but was considered too costly to develop. The rights to the site, valued at approximately US$2.35 billion, were frequently resold until the United Kingdom-based firm London Mining acquired the exploitation rights in 2005 and sought to take advantage of improved conditions due to ice erosion (BBC News, 24 October 2013).

What caused much controversy, however, was that in addition to the initial development costs, reports suggested London Mining would by necessity partner with a Chinese firm to provide extra material costs and labour, with one potential firm being the Sichuan Xinye Mining Investment Corporation (Sichuan Xinye kuangye touzi youxiangongsi 四川鑫业矿业投资有限公司) (Hickey, 2013; Areddy, 2013). The mining rights for Isua were granted to London Mining by the Greenlandic government in October 2013, allowing for a thirty-year licence, but the question of potential partner firms and the role of outside labour remained open for months afterwards. During 2012, media reports began to surface stating that the development of the Isua mine infrastructure would require an influx of between two and three thousand Chinese labourers, given the lack of qualified local workers in Greenland.

This led to questions and debates about immigration, minimum wage policies, the alteration of union regulations and the role of Denmark, if any, in a given potential agreement (Arctic Journal, 21 October 2013; Breum and Chimnitz, 2013). Some reports even went as far as to claim (in error) that “hundreds” of Chinese workers had already arrived in Greenland (Spillman, 2012). The debate began to be so visible internationally that in March 2013, a spokesperson for the Chinese Foreign Ministry, Hua Chunying, took the highly unusual step of formally addressing the controversy. Hua stated that many other foreign interests had also applied for fossil fuel exploration and mining permits in Greenland, and that no Chinese workers had yet been based there. She also criticised the “groundless hype about China ‘marching toward Greenland’,” and seeking to push other investors out of the region (Zhang 2013). What likely caused these assertions to spread, however, was the issue of China requiring an increasing number of raw materials in order to maintain its economic growth, and the requirement for imports has been a distinguishing factor in Beijing’s diplomacy in other resource-rich areas such as Africa and the Middle East.

Furthermore, there was the problem of poor timing, as under the Hammond government there was much debate about Greenland independence, raising concerns that the island was seeking non-European partners, including China, to better leverage itself away
from Danish rule. In a March 2013 article in the *International Herald Tribune*, the then-international edition of the *New York Times*, Iceland’s former Ambassador to the United States, Einar Benediktsson, and former U.S. Undersecretary of State, Thomas Pickering, painted a picture of China “reaching out for a position in the Arctic” by using Greenland as a stepping stone to a stronger economic role in Iceland as well. The article then called for appropriate countermeasures to be taken by the American government, suggesting a soft balance of power contest was already underway in that part of the Arctic (Benediktsson and Pickering, 2013). As one Western Arctic specialist commented about the entire China-Greenland question, “Political developments in the region are shaped not necessarily on facts and figures but on looser perceptions of what might happen - and perceptions are very volatile since so many factors in the Arctic change so rapidly” (Breum, 2013).

By 2014, much figurative cold water had been poured on both China’s purported investment ambitions in Greenland, and on the entire concept of a mining bonanza there. London Mining’s fortunes began to decline that year due to falling global iron prices caused by a market glut, decreasing demands from China, and the effects of a mass outbreak of the Ebola virus in West Africa on the firm’s operations in Sierra Leone (Wilson, 2014; Martin, 2014). The company was in receivership by the end of the year and looking for a buyer, with no sign as to when or if any operations would begin at Isua.

In January 2015, the rights to the Isua site were sold again, this time to Hong Kong-based General Nice Group (*Jun An Jituan* 俊安集团), a deal which may lead to another round of speculation over Chinese interests there (Hornby *et al.*, 2015). This agreement was the first time an Arctic development project came under exclusive ownership of a Chinese firm. However, there remains the problem of a lack of infrastructure and labour at the Isua site, as well as ongoing depressed iron prices, due largely to decreased demand as a result of a construction slowdown in China itself (Els, 2015). These issues call into question the mine’s viability, at least in the short term. Meanwhile, other mining ventures in Greenland have demonstrated greater progress including plans by True North Gems (Canada) to mine rubies and pink sapphires at Aappaluttoq on the west coast and south of Nuuk, and by Ironbark (Australia) to commence zinc mining operations at Citronen Fjord in the Greenlandic far north. These ventures have received far less notice in the international media.
3) The Arctic in China’s Maritime Strategy

Shortly after the government of Hu Jintao took office in 2002-3, announcements were made concerning the modernization and expansion of China’s naval power, in recognition of the country’s growing overseas interests. For more than a decade, China has been developing stronger sea power with a greater “blue water” capability of operating further away from the country’s shorelines. However, by 2009 the development of China’s naval interests began to clash with some of Beijing’s immediate neighbours, especially Japan, the Philippines and Vietnam over differing maritime boundaries in the East and South China Sea as well as islands in these regions claimed by China and other parties. Incidents involving Chinese and Philippine vessels in the disputed area of the Scarborough Shoal, also known as Huangyan Dao (黄岩岛), in the South China Sea during 2012 and the establishment of a Chinese oil rig in waters contested by Vietnam in the same waterway in mid-2014, led to increased international concerns about the expansion of Chinese naval interests possibly resulting in a deteriorating security situation in Southeast Asia (Perlez, 2014). Furthermore, a cooling of diplomatic relations between China and Japan after 2010 was partially caused by the revival of a dispute concerning the maritime demarcation line in the East China Sea and sovereignty over islands in the area referred to as the Diaoyu dao (钓鱼岛) in China and the Senkakus in Japan (Hirano, 2014).

These issues contributed to speculation that China, recognizing the Arctic as being of growing importance for its security and economic interests, is also seeking to develop a strategic and perhaps even a military presence in the Far North as a response to the region’s growing potential value to the Chinese economy. The misconception, which has developed out of China’s maritime security policies, is that China does not recognize the rights of the Arctic states and that Beijing considers the Arctic to be a strictly international space. The disputes in the East and South China Seas have been explained in the Western media as a product of China trying to circumvent (or even violate) international law including the UN Convention on the Law of the Sea (UNCLOS), and there is a perception that Beijing is conducting the same sorts of policies in the Arctic (Wright, 2011). One piece suggests that despite the emphasis which China has placed on developing scientific capabilities and partnerships in the Arctic, “Beijing is eager to camouflage its true interests in the region with environmental monitoring,” (Guschin, 2014). Another article suggests that Beijing was preparing to engage in “lawfare”, meaning the selective interpretation of international law in order to achieve a unilateral strategic goal, in the Arctic in order to compensate for its overall
weaker position in the region in relation to that of the Arctic states themselves (Rainwater, 2013).

These views, however, require much closer scrutiny. First, in the case of the East and South China Sea disputes, the problem is not that China is refusing to accept UNCLOS, but rather concerns over differing interpretations of UNCLOS between China and other claimants. Second, the East and South China Seas have been named by agencies in Beijing as constituting China’s “core interests”. Also, the issue of nationalism, which has affected the ability to address the disputes in both waterways, is not present in the Arctic neither from a Chinese viewpoint nor from the Arctic states themselves. In 2012, a comment from Rear Admiral Yin Zhuo of the People’s Liberation Army (PLA) Navy caused diplomatic aftershocks when he reportedly described the Arctic as belonging “to all the peoples around the world”, and not to any specific country. The full quote, however, was “According to UNCLOS, the North Pole and its surrounding areas do not belong to any single country, and the common riches in the area belong to all the people in the world,” (China News Network, 5 March 2010; Chang, 2010; Kai, 2014). Thus, this was a comment not about the whole of the Arctic Ocean but rather the central part of the region outside of the exclusive economic zones (EEZs) of the Arctic states.

The perception of the Arctic as a “global commons” was also voiced in 2009 by Hu Zhengyue, then-Assistant Foreign Affairs Minister, who noted that the Arctic region “occupies a unique position for all of us as humankind” (Kopra, 2013: 3). Both quotes were subsequently taken out of context, and since that time Beijing has attempted to place greater emphasis on developing regional scientific interests with the Chinese government remaining sensitive to suggestions that its far north interests are primarily resource-driven (China Daily, 1 February 2012). For example, at the first meeting of the China-Nordic Arctic Research Council (CNARC) in Shanghai in June 2013, Yang Huigen, head of the Polar Research Institute of China (PRIC), noted that on the subject of Arctic resources,

we insist that those resources are not ours, and China’s partnership with Arctic countries in the sector will come naturally as it is part of the widening economic cooperation among countries under the context of globalization (Wang, 2013).

Still another study suggested that Beijing “elbowed” its way into the Arctic Council (all observers, including China, require unanimous support from the eight members of the Council) and points to China’s lone icebreaker, the Snow Dragon (Xuelong 雪龙) as potential
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Evidence of China’s unilateral strategic aims in the Arctic (Kraska, 2011). However, while the Xuelong, purchased from Ukraine in 1993, has been active in the Far North for scientific studies, and a second, more modern icebreaker is to be deployed by China possibly in late 2015, it is important to note the number of icebreakers overseen by the Arctic states themselves, include more than forty such vessels (diesel and nuclear) operating in Russia, seven in Finland and five by the United States. Among non-Arctic states, Argentina, Australia, Estonia and South Africa maintain icebreakers as well as Japan and South Korea (USGC 2014).

Any discussion of unilateral military action by China in the Arctic also collides with the region’s geographic realities. For example, one paper suggested that Beijing was preparing to deploy military vessels and submarines to the region under the guise of exercises, and would be actively seeking polar bases (Robinson, 2013). These views are problematic for a few reasons. First, China is dependent upon the Arctic states for any economic use of the region. For example, for China or any other nation to use the Northern Sea Route, the permission of Russia and the escort of a Russian icebreaker is required.

Second, despite talk of China wanting to avoid the use of the Malacca Straits in Southeast Asia because of its potential as a choke point for Chinese shipping, the Bering Strait separating Siberia and Alaska is also very constricted, with a distance of 82 kilometres at its narrowest, so for China to be assertive in that part of the Arctic would not benefit Beijing. In addition, any Chinese ships using the NSR would have to pass by Siberia’s Kuril Islands and the Kamchatka Peninsula, which also belong to Russia and are heavily patrolled by the Russian Navy. China’s People’s Liberation Army (Navy) has had limited experience with out of area operations, despite missions which included participation in the counter-piracy operations in the Gulf of Aden and the assisting of the PLA(N) frigate Xuzhou (徐州) in the withdrawal of Chinese workers off the coast of Libya in February 2011 due to that country’s civil war (Lanteigne, 2013). Third, Russia announced it would reopen military bases in the Arctic (RT, 21 October 2014), and although relations between China and Russia remain cordial, it is highly unlikely that Moscow is prepared to cede any of its Arctic sovereignty to another party, especially in light of increased international pressure on the Putin government in the wake of the 2014 Ukraine conflict. The current Sino-Russian partnership remains mainly economic, and Russia has been very concerned about international actors dominating the Arctic region. For example, Russia was originally very sceptical about allowing China into the Arctic Council as an observer.
Finally, even if China were to ignore the above restrictions and directly pursue unilateral military actions in the Arctic, the result would be a diplomatic cost to China far greater than any security benefit China would gain. According to interviews with Chinese, Russian and Norwegian scholars, China does not yet have an Arctic maritime strategy. Were China to send their ships to the Arctic, all Arctic states would become very concerned as China is constantly under scrutiny for its military strategy. In short, China’s challenge in the Arctic is that since the country’s power has risen so quickly, Beijing’s foreign policy, including potential expansion of Arctic interests, is closely and constantly being observed, especially by the West.

4) Is the Arctic a Priority of China?
With the growing international visibility of China in the Arctic region, there is also the temptation to draw a conclusion that the Far North has become a Chinese priority in its overall foreign policy, especially as China expands its international interests under the government of Xi Jinping, who unlike his immediate predecessors has been more open and direct about China as a great power and developing a foreign policy to match its strength. He has even spoken widely about the concept of a “Chinese Dream” (Zhongguo meng 中国梦) which further suggested that the country was becoming more comfortable with great power status.

Thus, Beijing has been very active in regional affairs beyond the Asia-Pacific, including in Africa, Latin America and South Asia. The Russian Far East and other regions of the former Soviet Union are factoring into Beijing’s plans to link East Asia and Europe, including a “one belt and one road” (yidai yilu 一带一路) strategy of developing new land and sea links with vital Western European markets. Central to these new links is the “Silk Road Economic Belt” (silu jingjidai 丝路经济带), via Central Asia and the Caucasus, with links to Russia and Northern Europe (Xi, 2014; Tang, 2013). These overland routes, similar to the trade routes between Imperial China and Europe first established during the Han Dynasty more than two millennia ago, would be accompanied by a “Maritime Silk Road” (haishang silu 海上丝路) (Xinhua, 16 April 2014; Xinhua, 16 September 2014). It is therefore tempting to suggest that China’s Arctic policy, especially increased use of the NSR, would also factor into expanded Chinese trade policy and that the Arctic would rise in importance to China’s overall strategic interests as a result (Humpert, 2013). In August-September 2013, Beijing celebrated the transit of the Chinese cargo vessel Yongsheng (永盛) owned by China Cosco Shipping
Group, between the ports of Dalian and Rotterdam in thirty-three days via the Arctic route, saving approximately two weeks of transit time (MacDonald-Gibson, 2013). Yet, the idea of an “Ice Silk Road” (bing silu 冰丝路), and a promotion of the Arctic in China’s economic security thinking, both require sober reconsideration.

The reality is that China’s foreign priorities have become very diverse, and there are several foreign policy objectives which are of greater importance than the Arctic. These include China’s political stability, sovereign security, territorial integrity, national unification and China’s sustainable economic and social development (Dai 2010). Furthermore, China spends approximately US$15 million on annual expeditions to the Antarctic and Arctic, in addition to National Social Science funding. The cost of base maintenance and running the Polar Research Institute of China and the China Arctic and Antarctic Administration (CAAA) brings Beijing’s annual spending on polar affairs to approximately US$60 million. About twenty percent of its polar operations is allotted to the Arctic (the rest goes to the Antarctic, where China has four research bases and expects to open a fifth by 2017). The Arctic budget receives very little funding compared to China’s budgeting elsewhere (Brady, 2012). As one study notes, the Arctic is not presently a priority of China’s foreign policy officials and China’s Arctic policies are still very much a work in progress as well (Jakobsen and Lee, 2013).

Another useful method of gauging the importance of the Arctic in China’s expanded foreign policy would be to look at the role of international relations research in China. A cursory examination of the statistics of the China National Social Science Fund (guojia sheke jijin 国家社科基金), which is the most important funding agency on Social Sciences, suggests that the Chinese government funded between four and five thousand projects per year since 2011 (“National Social Science Funding of China”, 2015). The types of projects that have been funded by this agency are strong indicators of Beijing’s priorities in area studies. However, only a very small number of grants, between zero and five, have been given to Arctic projects thus far.
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Source: the National Social Science Funding of China, 12 January 2015.

While the number of Arctic-related projects is likely to rise as more institutes and academics in China look towards the Arctic region as a source of research, it is sometimes lost in the discussion that China is still very much a newcomer to the region as well as in Arctic affairs as a whole. While China’s scientific background in the Arctic has a long history, other areas, including sociology, economics and regional foreign policy, are still very much in development, both on a governmental and sub-governmental level in China.

**Duelling Identities in the Arctic**

Constructivism and identity theories are highly useful in exploring the reasons for the many myths and misconceptions about China’s Arctic policy in relation to other non-Arctic states which have developed similar interests (scientific, economic and political) in the Arctic. While more traditional theories of international relations, realism and liberalism, concentrate on capabilities and preferences, respectively, constructivism is based on identity development from different sources (Moravcsik, 1997; Wendt, 1992). The identity of a given actor, such as a state, is constantly being created and changed not only by the actor itself (i.e., a given state seeks to create an identity in the international system), but also by other actors, such as other states, organisations and sub-state groups. For this case study, an “identity conflict” has persisted between Beijing’s attempts to build its Arctic identities and Western perceptions of Chinese interests in that region. These examples of “identity disconnect” have been the main contributors to the misconceptions of China’s Arctic policy as opposed to China’s rise in power on the international level.

Using constructivist theory, it is argued that identities are necessary to ensure a framework of predictability and order within international politics and discourse.
Expectations of actions between states normally require “inter-subjective” identities that are sufficiently stable to ensure predictable patterns of behaviour. A world without identities is therefore viewed as a world of chaos and pervasive and irremediable uncertainty; a world much more dangerous than simply anarchy. As one study argued, identities perform three necessary functions in a society: they tell you who you are, tell others who you are and they tell you who others are. In telling you who you are, identities strongly imply a particular set of interests or preferences with respect to choices of action in particular domains, and with respect to particular actors (Hopf, 1998). Self-help systems, such as the international level where there is no global government to restrain state behaviour, evolve from cycles of interaction, in which each party acts in ways that the “other” views as threatening, creating expectations that the other is not to be trusted.

Competitive or egoistic identities are often caused by such insecurity since if the “other” is threatening, the self is forced to respond, sometimes by “mirroring” such behaviour in its conception of the self’s relationship to that other (Wendt, 1992). Identity comes from a variety of sources, but in the case of a given state, there is one process whereby the state seeks to build its identity in the international system, while at the same time a country is also “branded” with aspects of an identity from other actors (such as other states, organisations, and other groups). This process is very much in evidence as Beijing seeks to develop an Arctic identity, while having to address international concerns about China’s motivations. Two sets of identities, often with little in common, are in competition.

For example, in order not to be excluded from Arctic development and governance, and to be accepted as an observer on the Arctic Council, China wished to establish its identity as a “near-Arctic state” (jin beijji guojia 近北极国家) and an “Arctic stakeholder” (beiji lihaiguanxguo 北极利害关系国). China expressed a desire to be involved in the evolution of Arctic affairs through cooperation with Arctic and non-Arctic states in the areas of scientific and economic cooperation as explained in the previous section. As a result, Chinese media reports and studies on the country’s Arctic interests have sought to brand China’s developing Arctic policies, and identity, using these two labels (Zhang, 2013; Yang et al., 2013; Wang, 2013, Xia, 2011). China’s rationale for developing an identity of a “near-Arctic state” was largely based on the argument that boreal climate change was having a specific set of effects on China’s environment, ecosystem, agriculture and flooding threats. Ma Deyi, the chief scientist on China’s fifth Arctic expedition in 2012, suggested that the increase of melting ice in September 2007 caused an unusually harsh storm in southern China with freezing
temperatures in early 2008, according to relevant research (Ma, 2011). In that extreme weather case, many people died and thousands of train passengers were stranded on the way home for the Spring Festival, normally one of the busiest travel times of the year in China. In July 2012, Beijing was hit with record rainfall which then created massive flooding (BBC News, 23 July 2012). Radical climate shifts have the potential to cause social unrest, and therefore China sought greater legitimacy to strengthen its capacity to prepare appropriate responses to these effects through increased involvement in Arctic affairs (Jakobsen and Peng, 2012).

However, there has been a tendency in Western reporting and analysis to paint China’s developing Arctic interests as revisionist, meaning that despite the country’s non-Arctic geography, China is seeking to challenge the status quo and unilaterally include itself in Arctic politics and regional relations. The term “near-Arctic state” received much attention in the Western press, and at times the term was offered as another piece of evidence that Beijing was seeking to “gate-crash” the Arctic Council despite its lack of an Arctic border. In other words, the term was used as an excuse for Beijing to gain legitimacy in the Arctic for improper reasons and to challenge the role of Arctic states (Rosenthal, 2012; Economy, 2014; Vanderklippe, 2014; Blank and Kim, 2013). As one analyst noted, China’s arguments that its Arctic interests are still developing have divided some observers, with one group taking a conservative approach while another, including the so-called “Calgary School”, suggesting that Beijing is seeking to mask its more revisionist intentions towards the Arctic (Chen, 2012; Lackenbauer and Manicom, 2013: 4). Thus, two separate identities have begun to form and compete with each other.

Source: authors’ own chart.
The idea of Beijing as a revisionist power in the Arctic and in the Arctic Council, however, does not take into account the current structure of the region’s governance and regimes. For example, China, as with any potential candidate for observer status in the Council, had to first accept the “Nuuk Criteria” defined by the eight Council members, which included abiding by the rules and goals of the organisation, agreeing to recognise the Arctic states’ “sovereignty, sovereign rights and jurisdiction in the Arctic” as well as the Law of the Sea and the cultures and interests of regional indigenous peoples (Arctic Council, 2011). China, in its bid for observer status, agreed to these requirements. Further, holders of formal observer status have the right to submit policy statements and put forward new agenda items, and to contribute to the Council’s Working Groups (Hough, 2013).

Therefore, to gain observer status would augment China’s Arctic interests and allow Beijing to play a more visible role in crafting Arctic policy, but with the caveat that Beijing, like other observers, could not vote. Although there was much reporting in international media about China gaining “permanent” observer status in the Council (Telegraph / AFP, 15 May 2013; McGrath, 2013; Mroczkowski, 2012), suggesting a perpetual situation, the reality is that the status of “permanent observer” does not exist within the Arctic Council rules, and any given observer can be asked to withdraw if it is decided by the eight members that said observer is in violation of rules or protocols. An observer can only retain that status as long as there is consensus among the eight member states, and every four years a given observer must specifically make a request to retain that status (Arctic Council Rules of Procedure).

It is noteworthy that China was hardly alone in seeking to develop an Arctic identity through the use of “branding”. Several other observers on the Arctic Council, including France, Germany, Japan, Singapore and South Korea, have also made extensive use of Arctic sub-governmental meetings and in some cases have prepared policy papers to educate domestic and international communities about their interests in the Arctic region. The most visible example of this phenomenon is arguably not China but rather the United Kingdom. When the UK government released its Arctic White Paper in 2013, its introduction included the idea that the country “is not an Arctic State, but we are the Arctic’s nearest neighbour” (UK Government, 2013). Technically, this is correct, given that the Shetland Islands of Scotland lie at 60° North, and are only about 640 kilometres from the Arctic Circle. However, the term “Arctic’s nearest neighbour” has been used in a similar way as China’s “near Arctic state” concept. During the October 2014 Arctic Circle conference in Reykjavík, Britain was represented by members of the UK Parliament, despite the annual event being largely a
research and business forum, and the phrase was often used by British representatives. It is telling that the UK concept did not have the same impact on international thinking.

In international practice, a given state understands others according to the identities it attributes to them, while simultaneously developing and re-developing its own identity through daily social practices on the international level. The crucial observation here is that the producer of the identity is not always in control of what it ultimately “means” to others, and the inter-subjective structure is the final arbiter of the meaning and in turn, the overall identity of a state (Hopf, 1998). In observing the branding processes of China and the United Kingdom, the biggest difference between their developing Arctic policies is the “structure” affecting their Arctic identity formation. Both non-Arctic states seek to identify themselves conceding their distance from the Arctic but also via their dedication to Arctic governance, development and understanding. Yet Beijing is often identified as the “challenger” due both to its rising power status and to international perceptions that it is seeking to counter the status quo in the Arctic.

Therefore, China’s Arctic identity has been challenged in the international system more than that of Britain. Beijing is viewed as wanting to change international norms, unilaterally if necessary, to better promote its interests, just like previous great powers such as the United States and the Soviet Union. That perception of a “great power agenda” can be, and often has been, carried over to China’s foreign policy interest in the Arctic. Therefore, many current and future developments in China’s Arctic policy could be interpreted as a challenge or threat, and could be a factor in an increase in the number of myths and misconceptions about the country’s Arctic interests. The question therefore is how best can Beijing address these misconceptions and more effectively put forward an alternative identity?

Conclusions and Recommendations
With China’s soft and hard power in the international system continuing to develop, it is becoming more difficult for China in comparison with other non-Arctic states, to be viewed as a regulation follower and partner in the Arctic itself. Beijing’s actions in the Arctic, unlike those of other regions, can be easily regarded as challenging the status quo and engaging in norm revisionism. However, there are still methods by which the misconceptions may be addressed.

For example, although China is a newcomer in the Arctic Council, the country has had a long history of cooperating with Arctic institutions. For instance, Beijing became a
signatory to the Spitsbergen (Svalbard) Treaty in 1925, authorizing Chinese vessels to engage in fishing and commercial activities in the high Arctic region, although Chinese commercial and scientific endeavours in the region occurred only decades later (Gao, 2012). China opened its Yellow River Station (Huanghe zhan 黄河站) for scientific research at Ny-Ålesund on the Norwegian islands of Svalbard in July 2004 (China Daily, 29 July 2004). Then, the China Nordic Arctic Research Center (CNARC) was founded in 2013 acting as a bridge among Nordic institutions and universities and their Chinese counterparts for natural and social science exchange and cooperation.

China needs to develop an Arctic white paper in the short term to elaborate upon the country’s current and future interests and policies in the region. Some of the other observer states, such as Germany and the UK have released such papers, while papers of other governments such as those of France, Japan and the Netherlands are in various stages of preparation. A polar or Arctic white paper from Beijing would provide two benefits. First, this would bring together the interests of many different organizations in China which address the Arctic. Secondly, the white paper would be useful to educate the international community on China’s developing Arctic interests. A Chinese Arctic white paper would contribute to removing some of the misconceptions about China’s goals.

Also, China must continue to build a presence at Track Two (as well as semi-governmental, “Track 1.5”), networks and organizations, both to share information with Arctic and non-Arctic actors and also to stress its interest in becoming an Arctic partner rather than a competitor. Chinese representatives are already active at some of the major Track Two Arctic events, including the Arctic Circle conference in Reykjavík and the Arctic Frontiers panels in Tromsø. CNARC has created an effective platform for academic cooperation to increase awareness, understanding and knowledge of the Arctic and its global impacts; and promote cooperation for sustainable development of the Nordic Arctic and coherent development of China in a global context. Arctic researchers and specialists should continue to engage Track Two / “1.5” cooperation networks, ideally including four modes of activities: carrying out joint research projects, developing Arctic research networks and frontiers by providing opportunities for Chinese and Western scholars to conduct Arctic research through fellowships and scholarships, regularly convening the Arctic Cooperation Symposium and other workshops and facilitating information sharing and cultural exchange between China and Western countries on Arctic issues.
Using constructivist theory and the politics of identity, this article argues that a “clash of identities” has developed and persisted between China and the West over Beijing’s role in the Arctic. In order to address this problem, both sides must increase communications concerning Arctic affairs, and Western actors need to better separate the myths about China’s Arctic policies from the realities. At the same time, Beijing should continue to engage the West in mutual Arctic concerns, including scientific interests, and consider the development of a governmental “white paper” to further clarify Chinese Arctic interests for the benefit of both the growing Chinese policy community studying the various aspects of the Arctic, and for the international community.

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