

## DEFENSE &amp; SECURITY

# How Will Sweden's and Finland's Membership in NATO Impact Arctic Geopolitics?

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NATO membership for Sweden and Finland undoubtedly has the power to change the security architecture in Europe. Often overlooked, however, are the potentially significant consequences in a much different region—the Arctic.

Inclusion of the Nordic states in the NATO alliance would mean that all members of the Arctic Council—except Russia—will be NATO member states. This scenario will provide NATO, and particularly the United States, with significant leverage against China and Russia.

Finland and Sweden simultaneously submitted their official applications for membership to NATO on May 18, 2022. Both Nordic countries already spend close to two percent of their gross domestic product on defense and have participated in exercises organized by NATO. The addition of Sweden and Finland to NATO is likely to reduce Moscow's influence in Europe as the alliance moves closer to Russia's borders. The expansion of NATO in the Nordic region will irrevocably destabilize the Arctic balance of power, which has been perceived as an area of low tension in the international arena.

The Arctic Council was established in 1996 and included Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, and the United States as member states. According to its [mandate](#), the council “expressly excludes military security.” The council has promoted peaceful cooperation among Arctic countries to pursue common interests; however, by excluding military issues, the council has allowed for significant differences in the military initiatives of individual states in the Arctic.

Since the end of the Cold War, relative peace has reigned in the Arctic for 30 years, thanks to a balance between Western and Russian interests. That balance, however, is shifting. The Arctic region for years has maintained a relatively calm and cooperative order. The demand for rare metals, the existence of rich natural gas and oil deposits, and, most importantly, the opening of sea lines of communication in the aftermath of climate-change-induced ice melt have transformed the Arctic region into a power hub of competition.

### **Russia and the Arctic Region**

The Arctic region, particularly the Kola Peninsula, is of great importance to Russia. The headquarters of the Russian military, the home base of the Russian Northern Fleet, an airbase, and a submarine facility are all located on the Kola Peninsula in the extreme northwest part of the country.

Russia is also highly dependent on [Arctic energy resources](#), with 80 percent of its natural gas and 17 percent of its oil coming from the region. The potential economic benefits for the future are significant. It has been previously estimated that the undiscovered natural riches in the Arctic could be worth \$30 trillion—a huge attraction for a nation with a nominal GDP of \$1.7 trillion.

President Vladimir Putin stated in 2014 during a Russian Security Council discussion of the Arctic that “almost all facets of national security are concentrated here: military-political, economic, technological, environmental, and resource.” In 2014, Russia’s military policy for the first time included the phrase “safeguarding Russian interests in the Arctic.”

### **China and the Arctic Region**

China was admitted to the Arctic Council as an observer member in 2013. The United States supported China’s application for membership because of the country’s positive contribution to the fight against climate change in the Arctic region. However, Russia’s annexation of Crimea in 2014 and subsequent U.S. sanctions against Russia led to increased cooperation between Russia and China. China sought to use the Northern Passage, which runs through Russia’s Exclusive Economic Zone in the Arctic, as an alternative sea route between Asia, North America, and Europe. China has been seeking to cooperate with Russia on this issue.

The United States changed its stance toward China as a precautionary measure amid concerns that China might be able to assume dominance over the Arctic region. Therefore, at the Arctic Council Ministerial Conference in Finland in 2019, U.S. Secretary of State Mike Pompeo under the Trump administration declared that China's claim to be a "near-Arctic state" entitled it to exactly nothing.

Pushed closer together by their isolation from the West, Russian and Chinese officials floated plans to transform the Northern Sea Route (NSR), Russia's Arctic shipping passage, into a "Polar Silk Road" that would shorten sailing times between Europe and Asia. Arctic trade routes were formally included in China's Belt and Road Initiative in 2017.

In February 2022, following their meeting at the Beijing Winter Olympics' opening ceremony, Chinese President Xi Jinping and Putin announced in [a joint statement](#) that the two countries "agreed to continue consistently intensifying practical cooperation for the sustainable development of the Arctic" and called upon all countries to cooperate in the "development and use of Arctic routes."

### **United States-NATO and the Arctic Region**

The United States recognizes the geopolitical importance of the Arctic and its role as the hub of a great power competition between Russia and China and has resisted Russia's attempts to gain complete sovereign control over the NSR. Most international cargo operators, however, view the NSR as "risky" because of Russia's inability to "grant easy access to the route for reasons of strategic control considerations."

While Russia was increasing its military presence in the Arctic region, there was no consensus among the members of NATO on the military measures that should be taken to counterbalance Russia's military power in the region. Some members argued that NATO should not intervene in the region because it would increase tensions; however, Russia's aggressive stance toward Ukraine has created a new landscape.

### **Discussion**

The inclusion of Finland and Sweden as NATO members will facilitate NATO's development of a comprehensive military strategy for the Arctic region. First, the increasing geopolitical importance of the Arctic region and the applications of Finland and Sweden to join NATO will lead NATO to place more importance on the region. NATO is expected to adopt a new strategic concept at the Madrid Summit in June. The document undoubtedly will provide guidelines to be followed for at least a decade and is expected to contain the basic principles that will guide actions for the Arctic region.

In addition, the expansion of NATO most certainly will change Russia's narrative regarding its Arctic posture. Moscow has previously maintained that its military activities in the region are not threatening. Officials have cited search and rescue operations and defense of shipping lanes as the basis for its military presence in the Arctic region. With Sweden and Finland as part of the NATO alliance, such statements could not be justified. Russia has explicitly stated that it would consider the extension of NATO into the Nordic region a provocation and would be prepared to respond accordingly. The change in the balance of power in the Arctic will almost entirely limit the possibility of a meaningful dialogue with Russia on Arctic governance and will bring the region closer to armed conflict than at any time since the Cold War nuclear buildup.

Furthermore, by expanding its cooperation with Russia, China aims to effectively use the Northern Passage for trade between Asia and Europe, and North America and to reduce the ability of the U.S. Navy to control global sea lines of communication. The United States, however, will have more effective control of those sea lines with Sweden and Finland as NATO members. The United States plans to be active in the Arctic region with its naval power under the umbrella of NATO and will continue to exert its control over world sea lines of communication.

Finally, the inclusion of Finland and Sweden in NATO means that these two states have changed their long-standing neutrality in favor of the United States and NATO—to the detriment of Russia and China.

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