

# AURORA FORUM

‘CONNECTING COUNTRIES IN DIALOGUE’

DENMARK, ESTONIA, FINLAND, ICELAND, LATVIA, LITHUANIA, NORWAY, SWEDEN AND  
THE UNITED KINGDOM

[www.auroraforum.co.uk](http://www.auroraforum.co.uk)

GOODWOOD HOUSE, SUSSEX

25<sup>TH</sup> – 27<sup>TH</sup> NOVEMBER 2021

## SUMMARY OF DISCUSSIONS

The 2021 Aurora Forum was held at Goodwood House, Sussex from November 25th to 27th. It brought together around 50 delegates from the United Kingdom and 50 delegates from the eight Nordic and Baltic countries of Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden.

The agenda was built around five main themes: the continuing threat of covid-19, the challenge of climate change, the online world, Russia and defence, and the Arctic.

The opening general discussion touched on some of these as well as broader themes. The general view was that geopolitical tensions were worsening, notably with China and Russia; that despite the bounce-back from recession the economic outlook was not all that good; and that liberal democracy in the West faced continuing challenges both because of a lack of effective leadership and a low level of trust. Problems surrounding Brexit and the risk of a return of Donald Trump were also mentioned.

A more optimistic note emerged during the next plenary session, which discussed vaccines and the role of medicine in the covid-19 pandemic. The speed of development and rollout of effective vaccines had been remarkable successes, and testimony to medical and pharmaceutical research. The risk of new variants was however noted (the new omicron variant emerged during the conference). But the most troubling conclusion was that covid-19 is a true global challenge: until vaccination has spread throughout the developing countries, particularly Africa, everyone in the world would be at risk.

A similar thought ran through the next two working groups, which discussed the social and economic aspects of climate change in the light of the COP 26 summit in Glasgow. Some disappointment was expressed about the summit's outcome, but the general view was that tackling climate change was feasible at a high yet affordable cost - indeed, at perhaps 4% of world output, one that was comparable to the cost of dealing with covid-19. The problems lay not in overall cost but in persuading voters today that a significant price was worth paying for a better tomorrow; securing the assent of a younger generation that they should make sacrifices that their elders had not; and, in particular, convincing leaders in Asia (especially China and India) that climate change was soluble only if their continent, which will be responsible for the vast bulk of future carbon emissions, took action.

This theme continued into the working group on energy transition, which discussed the rapid growth of renewables, the phase-out of coal and a possibly growing role for nuclear energy as a base-load generator. As in the previous sessions, carbon pricing seemed a good way forward, despite political difficulties. It was also noted that decarbonising electricity generation was relatively simple compared with the tougher tasks of decarbonising transport and the heating and cooling of homes.

Two working groups debated the online world: safety and security measures on one side, and regulation and ethics on the other. The first group felt that more regulation and control, particularly over what vulnerable groups (and children) are able to access, was both necessary and inevitable. The second

touched on the huge expansion of cases of internet fraud and also on such exotica as crypto-currencies (including the possibility of central-bank digital money).

The final working group considered defence issues. The rise of China and its aggressive stance in the South and East China seas was obviously troubling, but the more immediate threat came from Russia, especially to Ukraine. Despite a poor economy, Russia has invested heavily in modernising its armed forces, making it paradoxically both weak and strong simultaneously - and thus more unpredictable. The group noted that Turkey had also become a military actor, sometimes with and sometimes against Russian interests. Growing dependence of some European countries on Russian gas made it harder for the region to respond in a united way.

After a short plenary catch-up in which working group chairs reported back to the conference, the final session of the conference pursued a related Russian theme, this time the future of the Arctic. The success of the Arctic Council was widely praised, not least as a forum that can still seriously engage with Russia. A bigger role for Britain (like France) was suggested by some. Global warming was making the Arctic a region of growing concern, notably as a potential shorter shipping lane from Asia but also as a source of resources, including not just oil and gas but also other minerals and rare earths. Even countries like China, South Korea and Singapore were interested. At the same time climate change was hitting the Arctic faster than anywhere else in the world, increasing the risk of environmental disaster.

John Peet  
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### **Further Summary Notes on the Arctic Discussion**

- We were reminded of the continental scale of the Arctic - more or less the size of Africa - and the growing international focus on it. The annual Arctic Circle Assembly brought almost 2000 people from 70 countries to Reykjavik. Under Trump and now under Biden, the US had begun to pay more attention to the Arctic. France and Germany were interested in the Arctic. Macron's Arctic envoy had proposed that a meeting under the auspices of the Arctic Circle Assembly should be held in Paris. One speaker said, however, that France's idea of an Arctic Treaty to mirror the Antarctic Treaty was dangerous: instead of the current arrangement, whereby Arctic governance depended primarily on the eight Arctic states, the whole world, including China, would have a right to a voice.
- Only the UK seemed not to be paying attention to the region's new geopolitical reality, according to one speaker. Scotland's First Minister had attended the last three Arctic Circle Assemblies, had an Arctic Strategy and had proposed a meeting in Edinburgh under the auspices of the Arctic Circle Assembly. Scotland clearly saw the Arctic as a policy area in which it could establish contact with the US and other major powers. But the UK government neglected the region. Another speaker argued that this was unfair to the UK, which had been an observer in the Arctic Council since 1998, and contributed in the scientific sphere while being respectful of the role of Arctic Council. But the response to this was firm: the UK had no political presence in the various Arctic forums. There was no high-level political representation at the annual Arctic Frontiers conference or the Arctic Circle Assembly - events which had in the past welcomed the French President, as well as ministers from inter alia Germany, Korea and Singapore. Despite the importance of climate change in the Arctic, no British minister had visited the region in the run-up to COP26. Those in the region regretted the UK's political absence.
- There was a general view from speakers that China had become much more active in the Arctic, with investment in Greenland and an attempt (blocked by the Danish government) to buy redundant Danish military infrastructure there. China's main presence in the region was in the Russian Arctic, however. The Chinese approach was that they could call themselves an Arctic nation, and no-one had the right to say that they were not. But the prosperity of the Arctic should not just depend on China. Other Asian countries, including Singapore, were also active. The Foreign Ministers of China, Japan and South Korea held annual discussions on Arctic policy.

South Korea had a 30-year plan for the Arctic, and saw long-term opportunities there for South Korea's shipping industry.

- Some speakers commented that the Baltic was the primary 'near-Arctic' area - despite the fact that China had declared itself a 'near-Arctic' state. Poland wanted to hold a meeting under the auspices of the Arctic Circle Assembly. Others in the region felt that they could contribute scientifically in the Arctic.
- Some speakers highlighted the importance of the Northern Sea Route. It could cut shipping times from Asia to Europe by up to 20 days. For now, it would be under Russian supervision, but China was interested in a direct route across the Arctic Ocean in international waters. Part of Greenland's importance was that it lay between the US and China on this route.
- The Russian Arctic stretched for seven time-zones. Half of Russia's exports came from its northern areas, but there were huge environmental and other question marks over the future of the region, as the permafrost melted. China and South Korea were major investors in exporting LNG from the Yamal Peninsula, but further east Russia had given the contract to develop and manage ports associated with the enormous Vostok oil project to Dubai, rather than China. Within a decade, a quarter of global LNG would come from the Russian Arctic. Putin presented this gigantic increase in gas production as a contribution to meeting Paris climate change targets, because gas produced lower CO2 emissions than coal - and in a sense he was right.
- The biggest foreign policy challenge facing Nordic countries was how to deal with the US, Russia and China in the Arctic. Biden and Putin had put the Arctic on the geopolitical chessboard. The Arctic had been one of the few successful examples of Cold War co-operation between the US and the Soviet Union, especially in science. Such co-operation no longer took place between the US and Russia, however. The dynamics of the Arctic were shifting, and a lot could go wrong there. The Arctic Council was seen as a rare example of a successful international organisation that had been able to deal with Russia, even though it was neither a governing nor a regulatory institution. Its work underpinned what governments did. There was no anarchy in the Arctic - there were accepted rules, including about how to resolve disputes. On the other hand, one reason for the Arctic Council's success in handling Russia was that it did not deal with military and security issues. There was at present no venue for tackling these issues. There had been some discussion of extending the remit of the Arctic Council, but that would be useless unless Russia were willing to talk about security there. One speaker suggested that Russia's militarisation of the Arctic was more a matter of show than real redeployment of military assets, but many in the West had been taken in by what Russia had shown us. Another argued that there had been no research into what an 'acceptable' military build-up in the Arctic might be, and at what stage defensive deployments became offensive. The US and Russia needed to talk to each other.
- Some speakers reminded us that the Arctic was not just an arena for geopolitics. They focused on the environment, sustainable development and the fate of indigenous populations in the Arctic, particularly in the light of climate change. Development in the region had to be compatible with emissions reductions targets, and (from the perspective of indigenous groups) there should be "nothing about us without us" - no decisions imposed from outside. There were differing views on the extent to which Russia might be trying to limit contacts between its indigenous populations and those in other Arctic states: some thought that there were new obstacles, while others said that there were still networks of contacts, though COVID, by closing borders, had reduced research and people-to-people contacts.

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