

Dollars and Sense: Stepping up in the Arctic

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As August 2019 drew to a close, Russia announced that it had conducted two missile launches from its submarine fleet. Coinciding with the G-7 meeting in France, the Russian Navy fired two intercontinental ballistic missiles (ICBMs) from submarines deployed within the Arctic Circle. If further evidence was required that the Russians are serious about their military modernization in the Arctic, and are inclined to use that new capability in a strategic way, the twin launches provided just that. The launches follow renewed Russian flights of fighter jets, bombers and intelligence aircraft towards North American and Scandinavian airspace, as well as naval patrols – both surface and sub-surface – at a pace not seen since the Cold War.

For Canada, this Russian Arctic military activity provides evidence that it needs to up its game in the Arctic. That is so whether or not Canadians think there are sound reasons to maintain better awareness of what is occurring in the Arctic and a commensurate ability to provide a military response of some type. The increased American focus on the region, and the push to modernize the defence arrangements for North America, NORAD included, are forcing these issues on to Canada's defence agenda. With the Americans moving to enhance their Arctic capabilities and the US Department of Defense (DOD) advocate for Arctic capabilities serving as the Commander of US Northern Command (dual-hatted as Commander, NORAD), Canada needs to view its own Arctic, and enhanced defence presence there, with its eye on the modernization of North American defence.

There are good reasons for Canada to want to improve its Arctic capability for purely national interests. Regional traffic, both commercial and military, is increasing and Canada should have a better understanding of what is happening and the means to respond as needed. Foreign powers, China especially, are increasing their presence with uncertain intentions. President Donald Trump's much-mocked offer to buy Greenland was certainly ham-fisted, but may have originated from real American strategic concerns about Chinese investments in Greenland. But the key factor requiring enhanced Canadian Arctic capability is Russia. With modernized forces, many based in the Arctic, Russia has enhanced its ability to threaten Canada through the Arctic with air and naval missiles that can strike accurately from long distances. And as the submarine launches show, the Russians are pushing the envelope with their newly developed capabilities.

Setting these national concerns aside, the Americans are worried about the Arctic through the lens of North

American homeland defence, and they are Canada's continental defence partner. The recently released US DOD Arctic strategy itemizes three American national security concerns in the Arctic: homeland defence of the American Arctic; management of the shared Arctic region; and the Arctic as a corridor for strategic competition. Accordingly, the new strategy sets out the objectives of building Arctic awareness, enhancing Arctic operations and strengthening the rules-based order in the Arctic.¹ It presents a sensible set of propositions. So even if Canada dismisses the national reasons, it should enhance Arctic capabilities. Canada needs to treat the Arctic seriously because the United States does, and while Canada and the United States defend the continent together, Canada is the junior partner in a relationship from which it has benefited enormously. And the US threefold approach serves as a useful framework for Canada to follow. Strengthening the rules-based approach to the Arctic fits Canada's existing orientation towards the region. Despite Russia's actions, Canada likely faces little in the way of a homeland defence imperative in the Arctic, but it should be careful that it does not become a liability for US homeland defence considerations with respect to Alaska. In that sense, the same American considerations about the Arctic as a corridor for strategic competition apply. The military threat to Canada specifically is probably low, but the threat of Canadian Arctic territory being the avenue of approach to other targets in North America is higher. The real defence consideration for Canada is to defend Canada and North America through the Arctic, which requires greater military capacity in the Arctic.

The current Canadian defence policy, *Strong, Secure, Engaged*, contains modest discussion of the need to enhance



A landing ship from the Russian Northern Fleet participates in amphibious assault training on the Arctic coast of the Taymyr Peninsula, 17 August 2019.

Credit: Russian Ministry of Defence



Credit: Dave Mazur,
Commander CFB
Halifax

HMCS Ville de Québec tests a connection with the new refuelling apparatus at the Nanisivik Naval Facility, 15 August 2019. Nanisivik is expected to enter full service in summer 2020, the same time as Harry DeWolf, the first Arctic Offshore Patrol Vessel.

Canada's Arctic capability, as well as the modernization of North American defence. The policy made several commitments to enhance Canada's ability to operate in the Arctic. The realignment of the Canadian Air Defence Identification Zone has already occurred, although there has been no increase in Canada's ability to enforce this expanded interdiction area. Still to come are enhancements to the Canadian Ranger program and to the "mobility, reach and footprint" of the Canadian military in the North to support operations and exercises, and project force into the region.² Finally, the policy committed to work with the United States to develop new technologies to improve Arctic surveillance and control, and renew the North Warning System (NWS).

These initiatives imply greater capability to project forces into the region, and support them once there, as well as enhanced intelligence, surveillance, reconnaissance, communications and command and control assets. Achieving this will require building more infrastructure (in addition to successfully executing new equipment procurements). This will likely include improving the Forward Operating Locations for the air force fighter jets, which will need modernization to accommodate the winner of the Future Fighter Capability Project, and adding additional sites further north, closer to Russian air space. The existing operating locations were situated based on the threat dynamics that existed in the late 1980s. With Russia's new cruise missiles, Canada needs to push its footprint further north to engage incoming Russian aircraft before they are able to strike Canadian targets. The NWS needs replacement by sensors that can provide what its ground-based radars no longer can – effective early warning of incoming threats at a distance allowing meaningful response. While some of this capability will likely be space-based or airborne, some will be ground-based. All of this suggests that there will be some significant demand for new Arctic construction with the attendant difficulties of making this happen.

The glacial pace at which the Nanisivik Naval Facility has taken shape provides an indicator of just how slowly such enhancements are realized, even with significant political will. The facility began life as a 2005 campaign pledge of the Conservative Party of Canada to create an Arctic deepwater port and was pursued under a government whose Prime Minister was so interested in Canada's Arctic military capacity that he personally travelled to observe Canada's northern military exercises. And yet only in August 2019 was initial testing of the refuelling station conducted. Full operations are now promised in 2020. Given the current strategic context, Canada's future Arctic construction cycle will need to be shortened considerably.

Unquestionably, the bill for these enhancements will be steep. Although many of these projects received money through *Strong, Secure, Engaged*, which was touted as fully funded, additional funding pressures will be significant. Given the dynamics of how the policy was put together (by a small team precluded from internal consultations due to fear of leaks) and the immaturity of several of these initiatives when the policy was written, many of the 'fully funded' projects already face budget shortfalls. Further, the NWS replacement was not funded as part of the policy. While that project is still being defined, it will likely require a budget north of \$10 billion.

In the past, such North American defence projects received joint Canadian and American funding, with the Americans usually writing the bigger cheque. But one wonders whether such an arrangement is likely from a President aiming to ensure US allies stop stiffing American taxpayers with their defence bills. Canada may have an opportunity to reframe its burden-sharing discussion with the United States by emphasizing Canada's contributions to North American defence specifically, rather than NATO-wide measures such as the 2% of GDP target for defence spending.³ Given President Trump's penchant for real estate deal-making and interest in Arctic property, Canada may even have an opening to use access to improved Arctic infrastructure as an offset for some other expensive continental defence measures. 🍷

Notes

1. Office of the Under Secretary of Defense for Policy, Report to Congress, "Department of Defense Arctic Strategy," June 2019.
2. Department of National Defence, *Strong, Secure, Engaged*, Ottawa, 2017, p. 80.
3. See Eugene Lang, *Searching for a Middle-Power Role in a New World Order* (Calgary: Canadian Global Affairs Institute, 2019).

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