

Tuesday, July 14, 2015

U.S. Senator Lisa Murkowski

SPEECH: Symposium on the Impacts of an Ice-Diminishing Arctic on Naval and Maritime Operations

Good morning and thank you for inviting me to be with you again to talk about the impact of reduced Arctic sea-ice on naval and maritime operations.

More open water in the Arctic means more maritime traffic – no secret there. The Navy believes that between 2012 and 2025, vessel activity in the Bering Strait will more than double – from 483 to 1,000 – and that the number of vessels transiting the Northern Sea Route will grow ten-fold – from 45 transits in 2012 to 450 by 2025. So, more open water, more maritime activity. The billion dollar question, however, is whether the United States will have the infrastructure in place to support that level of activity, or whether we will cede operational support to the other Arctic nations.

Make no mistake, an increase in Arctic activity will happen with or without the United States' involvement: in Russian waters, Canadian waters, and with other nations' vessels – including non-Arctic nations – transiting through American waters.

The United States, however, has a strategic geographic advantage that no other nation can match. On one side of the Arctic is the Bering Strait: a chokepoint for trans-Arctic activity as the only maritime route between the Pacific and the Arctic. On the other side of the Arctic are three routes to the Atlantic – off of Norway, between Iceland and Greenland, and between Greenland and Canada, with Maine positioned just to the south. It makes good sense to have facilities in place to monitor, accommodate, and benefit from this traffic – from a national security perspective, an economic perspective, and an environmental perspective.

It is also clear, however, that with the current fiscal limitations in local, state, and federal budgets, we are going to need private and international financing to help develop the needed infrastructure – from ports to navigational aids and perhaps even for icebreakers.

Look at companies like Tschudi Shipping out of Norway. They have built up port facilities in Kirkennes, Norway on one side of the Arctic in anticipation of the growth in Arctic shipping and are very interested in developing routes into the Pacific. Singapore, which might know a thing or two about port operations, is interested in utilizing their expertise for port development in the Arctic. Iceland's oldest shipping company, Eimskap, moved their U.S. operations to Portland, Maine connecting Maine to the Arctic and Scandinavia.

The opportunity is out there, and there is knocking at the door. The question is whether we are willing to step outside and greet our partners, or muddle along with the status quo.

It will be no surprise that I favor the former approach, but we need to knock down some barriers to allow for greater private sector participation. This past February, the U.S. Army Corps of Engineers released a draft feasibility report for a deep draft port at the Port of Nome. The report contemplates dredging the outer harbor to 28 feet and extending the causeway to allow for a 450 foot large vessel dock. With an estimated cost of \$210 million, the federal government would pick up \$97 million and the remainder would be borne by local and state interests.

I was able to include an amendment in the 2014 Water Resources and Development Act (WRDA) to enable the Army Corps to pursue partnerships with non-federal public entities to work on deep draft ports, but this needs to be expanded to allow for similar engagement with the private sector, making the possibility for projects like the Port of Nome much more plausible and feasible.

In addition, we need to move beyond the notion that an “Arctic” project is just an earmark for Alaska. One of the difficulties I had with my WRDA amendment is that it initially focused on partnerships for Arctic deep draft ports – but I was told that the term Arctic means Alaska and it was thus an earmark and not allowed. In order to get the amendment included, I had to take out the word Arctic. We need to get to a point where Arctic is recognized as a national term, a national priority, and a national asset.

That’s part of the reason Senator Angus King and I formed the Senate Arctic Caucus, to bring more awareness of the importance of the Arctic to the nation as a whole, as well as to each state individually beyond Alaska. Regardless of where you live, there is a nexus to the Arctic and a reason why our Arctic priorities should matter to the entire nation. I welcome your assistance in developing this mind-set.

I mentioned icebreakers before and I would like to offer some food for thought on an idea that Mead Treadwell, former Lt. Governor for Alaska and Chair of the U.S. Arctic Research Commission, mentioned in a recent article for the Harvard International Review. In his article, Mead suggests that the Arctic nations establish an icebreaker ship escort service across the Arctic – with or without Russia’s involvement. The service would provide regular shipping schedules and convoys across the Arctic to provide a level of reliability not currently available, break Russia’s near monopoly on Arctic shipping, and ensure a competitive transit price for those seeking to benefit from the Arctic’s shorter shipping route.

In reviewing Mead’s proposal, it strikes me that there are really two very different needs for icebreakers in the Arctic. One is for the growing level of commercial maritime activity that we are not currently prepared for, and the other is for the traditional search and rescue and support functions that the U.S. Coast Guard typically provides. Given the relatively fast pace in which the former is growing, it is worth the discussion to see if we should focus on the non-governmental side of icebreaker activity first – to at least have some assets in place and buy us some time as we continue the long, long process of icebreaker procurement by the Coast Guard.

Do we encourage some sort of public-private consortium to offer commercial icebreaking services? Is that something we should explore with the other Arctic nations? If the federal government determines that such a service is not in its interest, should individual states like Alaska, Maine, and Washington – which have Arctic shipping interests – pursue this matter with the international Arctic community themselves? I offer that thought up to you and other interested partners for your review.

The final point I would like to make today is that none of this activity – port development, commercial shipping support services, public-private partnerships – should occur without appropriate and considerable engagement with those who will be most impacted by the increase in maritime activity – the local population. Contrary to popular belief, and many of the pictures you will see, the Arctic is not a snow globe. It is not untouched and undeveloped. Humans have inhabited the Arctic for thousands of years – living, working, and developing its resources. The indigenous peoples have learned to balance the harsh yet fragile environment in a sustainable manner and we need to make sure that additional activity will continue that sustainability while opening up new opportunities at the same time. Economic development and environmental stewardship are not mutually exclusive and the local communities are in the best position to carry out that relationship.

Thanks again for the opportunity to join you here this morning.

Video of this speech:

<https://www.youtube.com/watch?v=Zsn2ljL1HJ8>

Permalink on the Senator's website:

<http://www.murkowski.senate.gov/public/index.cfm/2015/7/speech-symposium-on-the-impacts-of-an-ice-diminishing-arctic-on-naval-and-maritime-operations>