3 Main Points

Can the geopolitical situation in the straits of Malacca reveal possible future scenarios along the Northern Sea Route?

Due to starkly contrasting geographical and political circumstances between the regions, chiefly relating to population density, distance between population centres and the presence of major powers it is difficult to make an accurate prediction on the viability of the Northern Sea Route.

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Just Another Trade Route?

A comparative analysis of Arctic trade routes and the Malacca Strait

The way the Arctic may literally redraw the map of global trade in the next 25 years is of central importance for international politics. As the Arctic ice caps recede, the Northern Sea Route (NSR) becomes more commercially viable, cutting travel times between Northern Europe and Asia by up to 40%. The viability of a global shipping lane however, is deeply dependent on both geographical conditions and geopolitical considerations. These factors

greatly contrast in comparing the Strait of Malacca, located on the traditionally used route running through the Suez canal with the nascent Arctic trade routes. This brief will explore these differences to better understand how geography and politics interact in shaping global trade relations.

Geography shapes politics

The respective regions' geographical circumstances create vastly different mercantile conditions. The Strait of Malacca is a part of the Indonesian archipelago; distances between major landmasses are short, some 65 kilometres at the straits' narrowest point. Several major population centres and global commercial hubs line the route like Malacca city, Singapore, Jakarta and Brunei Darussalam. Taken together, the region's significant population and socioeconomic challenges incentivise piracy while short distances between islands and other major landmasses enable use of favoured hit-and-run surprise attacks by local pirate groups. Furthermore, Euro-Asian trade capacity is currently bottlenecked by the Suezmax, the physical size-restrictions imposed on ships' draught and beam, the size of a vessel's underwater section and the width of its widest section respectively, and height as they travel through the Suez canal and under the Suez canal bridge.

Generally, the inverse geographical conditions apply to the NSR, where vast distances separate sparsely inhabited regions of arctic tundra. Of great prevalence to current Arctic research are the effects of climate change, opening the NSR to sea traffic for a greater part of the year, an end goal currently being accelerated by Russian and Chinese investments into their respective ice-breaker fleets and the development of double acting ships, cargo vessels capable of independent ice-breaker operations. Both the ice-melting effects of global warming and ice-breaking capacities of arctic and near-arctic states would need to increase significantly in order for the NSR to ever be a commercially competitive option to the Suez canal as the current route runs along the Russian coastline, with narrow straits like the one

at Yugorsky limiting vessel's cargo capacity significantly more than the Suez canal. These limitations were exemplified in 2018, when the cargo vessel Venta Maersk completed a run through the NSR carrying 600 TEU (twenty-foot-equivalent-unit, a type of storage container and measurement of cargo size), barely operating above one-sixth of its total capacity.

Different governmental structures

Turning our attention to the geopolitical arena we once more find significant differences between the straits of Malacca and the Arctic, with the former already having structures of international governance and the latter being more volatile. Specifically, the Strait of Malacca and the Indonesian archipelago belong to middle powers that are members of the intergovernmental organisation ASEAN which has helped facilitate cooperation in energy infrastructure- counterpiracy and intelligence sharing initiatives. These structures of regional cooperation differ starkly from the Arctic which is the only region on Earth where several major powers like the US, China, Russia, France, and the UK geographically converge.

Arctic shipping routes via the Bering Strait (BSR) such as the NSR, are in some cases presumed to reduce the shipping distance for Euro-Asian trade by up to 50%. While the viability of arctic routes as alternatives to established trading routes via the Malacca strait and Suez canal remains subject to debate, with some claiming that even with all-year access granted through melted ice caps, the Northern routes would remain challenging for large-scale trading operations, these routes are still often considered an attractive potential alternative to southern routes.

Considering the newly implemented tariffs on trade with the U.S., one of Europe's largest trading partners, all eyes now lie on potential alternatives for international trade. To circumvent high tariffs, Euro-Asian trade might increase in the near future, which will draw renewed attention to Euro-Asian trading routes.

Implications of increased trade in the Arctic region

The findings from researching the impact of trade on the Malacca Strait help us anticipate the impact of increased trade on the Arctic region, but, as pointed out above, there exist significant differences between both regions, both geographically and politically.

The geographic location of the BSR is an important factor to consider for any speculation about trade effects, as the BSR is a region of great geopolitical relevance. The strait lies within the territorial seas of the Russian Federation and the United States. It is this position at the meeting point of two major powers that makes bilateral cooperation critical in this region, but it is also this very position that might complicate - or facilitate - future trade. While the optimist might argue that the great power proximity and forced interdependence can have a positive effect on US-Russian collaboration in the region, a more pessimistic view could be that the proximity further increases tensions.

As the U.S. Navy asserts in a 2014-2030 Arctic roadmap paper, the BSR "will become a more important security planning consideration as maritime activity continues to increase... As the Pacific gateway for Russia's Northern Sea Route, the Bering Strait will become increasingly important for seaborne trade between Europe and Asia." This showcases that the strait is, and has been for some years now, on the radar of the major powers involved and is gaining international attention.

As mentioned above, the states bordering the Malacca strait cooperate on various levels, especially in security areas like counterpiracy measures. Since these are not the primary concerns of the Arctic region, however, we can assume that this form of cooperation wouldn't come into play in the case of the BSR. As the quote reveals, the BSR is already being considered from a security perspective by the U.S. (and presumably by Russia), showcasing a structural distrust between key players, which is furthered by the ongoing militarisation of the region. It is therefore fair to assume that given current underlying

geopolitical tensions between the US and Russia, an increase in trade might not mitigate, but rather exacerbate conflict.

Environmental concerns

Another aspect of trade that is necessary to consider is that the Bering strait, being the only gateway between the Arctic and the Pacific ocean, is an important migration corridor for marine mammals, fish stocks and sea birds. The (noise) pollution created by ship traffic in the region already poses a threat to the local marine life and, upon increasing the number of vessels, will further impact not only marine life but also indigenous communities, whose livelihoods and cultures are often intertwined with these animal populations. Moreover, heavy fuel oil (HFO) spillage already has a significant accelerating effect on the melting of Arctic ice, with an increase in traffic further exacerbating this environmental disaster. In general, the conflict between increased access to the Arctic region for economic expansion through trade and resource extraction on the one hand, and protecting environmental and indigenous interests and safeguarding the region from environmental hazards like predatory extractivism and oil spillage, is an ongoing one and shapes the Arctic discourse.

Conclusion

In conclusion, the comparative analysis of the Malacca strait and the Bering strait show that while both maritime corridors are strategically vital, their impacts on Euro-Asian trade differ greatly due to their respective geographical and geopolitical realities.

The Malacca Strait, situated in a densely populated, economically vibrant, and institutionally cooperative region, demonstrates how trade intensity can foster regional collaboration despite challenges like piracy and capacity bottlenecks.

The Bering Strait, by contrast, is located in a sparsely populated, environmentally endangered and geopolitically contested region, where increased trade may exacerbate tensions between great powers rather than mitigate them.

Additionally, unlike Southeast Asia, the Arctic lacks established multilateral governance structures to manage the intersection of commerce, security, and environmental concerns.

Thus, while Arctic routes via the BSR may potentially shorten Euro-Asian transit times and reduce costs, their future significance depends not on physical feasibility alone but also on the ability of major powers, especially the U.S. and Russia, to address issues of pre-existing conflict. Ultimately, to successfully address the environmental and indigenous concerns and potential trade conflict that increased traffic would intensify, there is a need for the establishment of a strong, multilateral governance concept of the region that clearly defines responsibilities and rights of the Arctic stakeholders.