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Arctic Circle Student Briefing

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Cost and opportunities

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At the Arctic Circle, held in Harpa, Reykjavík, on October 14th to 16th, one of the most prevalent topics were climate change and the resulting changes to the Arctic. The Arctic is warming at four times the rate of the rest of the world, freeing up a lot of space, both on land and sea, otherwise buried under ice. According to many, this melting of ice brings tremendous economic opportunities to the Arctic.

First and foremost, the loss of sea ice cover in the Arctic means that new sea ways in the North open up. Those routes are shorter than other sea routes from Asia to Europe and allow countries such as Russia to partake more easily in global shipping by sea. This, of course, could make shipping easier and cheaper, resulting in more goods being transported for a lower fee. Cheaper shipping, more goods transported and sold, higher GDP for all.

Melting of sea ice and glaciers in the Arctic also frees up mineral, natural gas, and oil fields that would otherwise be unreachable due to ice cover. New mining opportunities, whether for fossil fuels or other non-renewable resources, brings new job opportunities to the area, but whether those jobs would be held by locals or not is another story. Nevertheless; higher GDP for all.

The same goes for new hydropower opportunities resulting from melting of glaciers. New rivers form as well as waterfalls, perfect for hydropower dams and other activities in the Arctic. New sources for renewable energy are welcomed, but rather: new investment opportunities, higher GDP for all.

Listening to those discussions on opportunities the warming of the Arctic brings, I felt that the costs were not considered as important. Yes, the costs of global heating were considered elsewhere, but not in conjuncture with the opportunities, which we should of course, according to those most prevalent in the discussions, grab like the golden goose they are.

But what do those opportunities cost? What would we be sacrificing for higher GDP for all (or some to be more exact)?

The Arctic is home to diverse wildlife, not all documented, which is in danger due to climate change. Melting of sea ice and glaciers not only disrupts habitat for wildlife above sea, such as polar bears and sea birds, but also below sea, where the ice can act as important habitats for krill, phytoplankton, fish, and sea mammals.

Melting of sea ice and glaciers and the following losses of Arctic wildlife not only affects nature negatively but the culture and livelihood of indigenous communities living in the Arctic. Endangering the culture and livelihood of whole communities results in loss of cultural diversity and can affect the mental health of those same communities severely. On top of this, melting of ice causes rises in sea levels worldwide, endangering coastal communities everywhere as well as coastal ecosystems.

We need to ask ourselves; do the costs justify the opportunities? Or should we rather work towards decreasing the costs of climate change, work towards ambitious climate mitigation and adaptation, and try to forget about those very expensive “opportunities”? Because costs are not just monetary, and cannot always be captured in GDP.