

**REMARKS BY SECRETARY OF DEFENSE CHUCK HAGEL
HALIFAX INTERNATIONAL SECURITY FORUM
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Thank you, Minister Nicholson, for your thoughtful remarks and generous words.

I appreciate the opportunity to help open the 5th Halifax International Security Forum. Over the years, this conference has grown into an important venue for dialogue and discussion on emerging security trends, from cyber defense to the evolving threat of terrorism. It brings together leaders from around the world, including a U.S. Congressional delegation led by Senators John McCain and Tim Kaine. Their presence and leadership is an important part of why this gathering has become so successful. The growth of this forum is also a tribute to the vision of Minister Nicholson's predecessor, Peter Mackay, and to the leadership of Peter van Praagh.

The Halifax Security Forum reflects Canada's important role as a force for peace and security. The United States deeply values its alliance with Canada, as we share much more than a 5,000-mile border. We share a common history, common values, and many common security interests. We have fought side-by-side in Afghanistan under a NATO umbrella, and worked together to advance peace and security in the Western Hemisphere and around the world. Earlier today, Minister Nicholson and I signed a defense policy framework that will help guide our future cooperation in the Asia-Pacific.

We also share the common interests of being Arctic nations. Today, I want to focus my remarks on the forces that are driving dramatic changes in the world and the region's environment, the long-term security implications of these changes, and how the United States Department of Defense is preparing to adapt to a 21st Century Arctic region.

Energy and Climate

To fully appreciate what's happening in the Arctic and the world, we should take a step back and consider the many dynamic shifts occurring in every region of the world. Among them are the growing economic and geopolitical importance of the Asia-Pacific; conflict and instability across the Middle East and North Africa; the unprecedented diffusion of global economic power; new sources of and demand for energy; the rise of China, India, Brazil, and other nations; environmental degradation and devastating natural disasters; and the role of

technology in closely linking the world's people, their aspirations, and their grievances.

History is a recording of the past ... it has recorded the rise of great powers, the fall of empires, and technological revolutions that have transformed the way people communicate, travel, trade, fight wars, and meet new threats and opportunities.

But the challenge of global climate change, while not new to history, is new to the modern world. Climate change does not directly cause conflict, but it can add to the challenges of global instability, hunger, poverty, and conflict. Food and water shortages, pandemic disease, disputes over refugees and resources, more severe natural disasters – all place additional burdens on economies, societies, and institutions around the world. Typhoon Haiyan in the Philippines is a reminder of humanitarian disaster brought on by nature. And climatologists warn us of the increased probability of more destructive storms to come.

The Department of Defense has been aware of these challenges for many years, and we are addressing them – including through a review of our energy strategy. DoD invests in energy efficiency, new technologies, and renewable energy sources at our installations and in our operations because it makes us a stronger fighting force and helps us carry out our security mission.

Last year, energy efficiency and renewable energy improvements such as tactical solar gear at combat outposts in Afghanistan saved roughly 20 million gallons of fuel – taking 7,000 truckloads worth of fuel off the battlefield. Over the same period of time, U.S. Air Force innovations and more efficient route planning saved \$1.5 billion. By 2025, private-sector investments on DoD installations will be generating 3,000 megawatts of renewable energy. That's enough to power 750,000 homes – 50 percent more power than the Hoover Dam. And because we know that climate change is taking place, we are assessing our coastal and desert installations to help ensure they will be resilient to its effects. Planning for climate change and smarter energy investments not only make us a stronger military, they have many added benefits – saving us money, reducing demand, and helping protect the environment. These initiatives all support President Obama's Climate Action Plan, which outlines how the United States will work with the international community in addressing these serious global challenges. This plan also helps prepare our nation for the effects of climate change and lays out how we will work to reduce carbon pollution.

America's energy security has also been strengthened through new domestic energy exploration technologies in North America. Natural gas, in particular, promises cheaper fuel with lower carbon emissions across the continent.

As energy sources evolve, and the global demand for energy increases amid a changing climate, nations will shift their strategic priorities, placing more and more emphasis on new sources of energy from new frontiers, including the Arctic.

The Changing Arctic

Climate change is shifting the landscape in the Arctic more rapidly than anywhere else in the world. While the Arctic temperature rise is relatively small in absolute terms, its effects are significant – transforming what was a frozen desert into an evolving navigable ocean, giving rise to an unprecedented level of human activity. Traffic in the Northern Sea Route is reportedly expected to increase tenfold this year compared to last year.

Over the long-term, as global warming accelerates, Arctic ice melt will lead to a sea level rise that will likely threaten coastal populations around the world. But it also could open up a transpolar sea route, a possibility that has been discussed since the USS Nautilus made its historic submerged crossing of the North Pole many years ago.

As the Arctic changes, it creates new opportunities – and new challenges – that will shape the region for decades to come.

With Arctic sea routes starting to see more activities like tourism and commercial shipping, the risk of accidents increases. Migrating fish stocks will draw fishermen to new areas, challenging existing management plans. And while there will be more potential for tapping what may be as much as a quarter of the planet's undiscovered oil and gas, a flood of interest in energy exploration has the potential to heighten tensions over other issues – even though most projected oil and gas reserves in the region are located within undisputed exclusive economic zones.

Despite potential challenges, these developments create the opportunity for nations to work together through coalitions of common interest, as both Arctic and non-Arctic nations begin to lay out their strategies and positions on the future of the region.

Earlier this year, the United States joined many of these nations, releasing its National Strategy for the Arctic Region – emphasizing responsible Arctic stewardship and strengthening international cooperation. Secretary of State Kerry visited Sweden earlier this year to attend the ministerial session of the Arctic Council – which Canada now chairs, and which the United States will chair in two years.

The United States' interests in the Arctic encompass a broad spectrum of activities, including supporting responsible environmental policies and safe commercial and scientific operations.

DoD's Arctic Strategy

The United States takes its responsibilities as an Arctic nation very seriously, and the United States military has extensive experience operating in the Arctic. Alaska is home to more than 22,000 soldiers, sailors, airmen, and Marines, as well as nearly 5,000 Guardsmen and reservists. DoD's Arctic capabilities include ski-equipped C-130s and nuclear submarines, which have been operating in the polar regions for more than 50 years. In 2009, the U.S. Navy released an Arctic roadmap, and in 2011, a realignment of combatant commands simplified our command and control arrangements in the Arctic.

Today, I am announcing the Department of Defense's first Arctic Strategy to help guide our efforts going forward. This strategy supports President Obama's national strategy for the region, and reflects America's desire to work closely with allies and partners to promote a balanced approach to improving human and environmental security in the region.

The Arctic is a region of established nation-states. Engagement with Canada and the other Arctic nations – Denmark, Finland, Iceland, Norway, Russia and Sweden – is a cornerstone of our strategy. Arctic nations have publicly committed to work within a common framework of international law and diplomatic engagement.

As President Obama has said, “the Arctic region is peaceful, stable, and free of conflict.” Our goal is to help assure it stays that way. Ultimately, we envision a secure and stable Arctic, where all nations' interests are safeguarded, and where nations work together to address problems and resolve differences.

DoD has focused on eight points to accomplish its objectives.

First, we will remain prepared to detect, deter, prevent and defeat threats to our homeland and we will continue to exercise U.S. sovereignty in and around Alaska.

Second, we will work with both private and public-sector partners, including the state of Alaska and Federal agencies, such as the U.S. Coast Guard, to improve our understanding and awareness of the Arctic environment so that we can operate safely and effectively. This is the first new frontier of nautical exploration since the days of Ericsson, Columbus, and Magellan, and it provides a clear opportunity to work together to ensure we have accurate observations, maps, and models of the Arctic's atmospheric, oceanic, and sea ice conditions.

Third, we will help preserve freedom of the seas throughout the region, to ensure that the Arctic Ocean will be as peacefully navigated as other oceans of the world. These activities will be carried out within existing frameworks of international law, which provide a comprehensive set of rules that govern the

rights, freedoms, and uses of the world’s oceans and airspace – including the Arctic – as well as mechanisms for peacefully resolving disputes.

Fourth, we will carefully evolve our Arctic infrastructure and capabilities at a pace consistent with changing conditions. DoD will continually re-evaluate its needs as activities in the Arctic increase, as we balance potential Arctic investments with other national security priorities. We are beginning to think about and plan for how our Naval fleet and other capabilities and assets will need to adapt to the evolving shifts and requirements in the region.

Fifth, we will continue to comply with our existing agreements with allies and partners, while also pursuing new avenues of cooperation, as we work together to meet shared security challenges. By taking advantage of multilateral training opportunities with partners in the region, we will enhance our cold-weather operational experience, and strengthen our military-to-military ties with other Arctic nations. This includes Russia, with whom the United States and Canada share common interests in the Arctic, creating the opportunity to pursue practical cooperation between our militaries and promote greater transparency.

Sixth, we will be prepared to help respond to man-made and natural disasters in the region. Our support will extend not only to civil authorities in Alaska and around its coast, but also to cooperation with allies and partners through humanitarian assistance and disaster relief operations.

Seventh, we will work with other agencies and nations, as well as Alaska Natives, to protect the environmental integrity of the Arctic. DoD will use existing capabilities to help address safety-related challenges, including international search-and-rescue as well as incident and disaster response. We will work closely with our Canadian partners on emergency response operations that help save lives.

And eighth, we will support the development of the Arctic Council and other international institutions that promote regional cooperation and the rule of law. DoD will work with the Department of State as we participate in new initiatives like the Arctic Security Forces Roundtable and the recent meetings of the Northern Chiefs of Defense. These engagements will help strengthen multilateral security cooperation throughout the region, which will ultimately help reduce the risk of conflict.

All of these approaches are informed by DoD’s global responsibilities and strategic interests, budget limitations, and shifts in both the Arctic environment and the geostrategic landscape.

DoD’s Arctic Strategy is a long-term endeavor – and our efforts to implement it will unfold over years and decades, not days and months. Even as we grapple at home with near-term challenges, including steep, deep, and abrupt defense budget reductions and continued budget uncertainty, this kind of long-range thinking is vital for our future. Like always, it requires that we closely align

our resources and long-term investments with our national security objectives. As shifts occur in the strategic landscape, the United States and its allies must be prepared to adjust their defense institutions and capabilities to meet new challenges.

Challenges and Opportunities

The effects of climate change and new energy resources are far-reaching and unpredictable ... demanding our attention and strategic thinking. While the opening of the Arctic will create unprecedented challenges, it will also create historic opportunities. It could open up new avenues for commerce and establish new areas for cooperation between nations in the interests of all people. But this won't happen on its own.

We must wisely manage these 21st century possibilities. In order to realize the full potential of the Arctic, nations must collaborate and build trust and confidence through transparency and engagement.

It is the responsibility of every Arctic nation – and all nations who have interests there – to work together to build a peaceful and secure region.

Throughout human history, mankind has raced to discover the next frontier. And time after time, discovery was swiftly followed by conflict. We cannot erase this history. But we can assure that history does not repeat itself in the Arctic.

We remember the words of explorer Frederick Cook. After many attempts to discover the North Pole – and after believing he had found it – he wrote: “It occurred to me ... that, after all, the only work worthwhile, the only value of a human being's efforts, lie in deeds whereby humanity benefits.”

That is why we look to the Arctic – this new frontier – to help make a better world for all mankind.

Thank you.

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