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Security Nexus Perspective

# SECURING THE NORTHERN FRONTIER WITH A U.S. ARCTIC FEDERATION

*By Deon Canyon*

## Introduction

The Arctic is no longer a blank spot on the frozen periphery of North America. It is emerging as an epicenter and proving ground for 21<sup>st</sup>-century geopolitical competition. Receding sea ice, expanding maritime routes, vast untapped resources, and the accelerating military presence of peer competitors are rapidly transforming the region commercially, militarily, and diplomatically. Russia and China are proactively embedding themselves with purpose and foresight, while Arctic stakeholders like Canada and Denmark, with their sovereign claims, lack the political capital or capacity to respond in kind and are faltering under the weight of indecision and underinvestment. The United States has likewise remained on the back foot, largely reactive and underprepared.

If the U.S. is serious about its Strategy of Denial and defending its interests and values at the top of the world, it must anchor its presence across the North American Arctic arc. This paper argues for a bold but necessary solution: the establishment of a U.S. Arctic Federation composed of Alaska, Greenland, Yukon, Northwest Territories, and Nunavut. This coalition of Arctic territories would operate under U.S. constitutional structures while maintaining Indigenous and regional autonomy frameworks. Such a move would expand U.S. sovereignty across the entire North American Arctic rim and unlock massive strategic leverage in energy, logistics, defense, and maritime control.

### Why the Arctic Can't Wait

The pace of Arctic transformation is accelerating. With ice retreating, two critical sea lanes, the Northern Sea Route (NSR) and the Northwest Passage (NWP), are becoming viable alternatives to traditional maritime chokepoints. The NSR, [controlled and militarized](#) by Russia, now provides a [40% faster](#) maritime link between Asia and Europe compared to the Suez Canal. Over [38 million tons](#) of cargo moved through it in 2024. [The Northwest Passage](#) (NWP), which traverses the Canadian Arctic Archipelago, is expected to become commercially viable within the next two decades. This development holds the potential to transform global logistics by offering a shorter, potentially more cost-effective alternative to conventional maritime routes that rely on chokepoints such as the Panama and Suez Canals. As Arctic ice continues to recede, international interest in navigating Canadian Arctic waters is growing, with the NWP increasingly viewed as a strategic corridor linking the Atlantic and Pacific Oceans.

Beneath the shifting ice, the Arctic holds vast [untapped reserves](#) of energy and minerals. According to the U.S. Geological Survey, the region contains 13% of the world's undiscovered oil and 30% of its natural gas, along with critical rare earth elements (REE) needed for defense, electronics, and advanced manufacturing. Greenland alone has some of the richest deposits of rare earths outside of China, particularly in the Kvanefjeld project, which has attracted significant interest from foreign investors—including Chinese-backed companies, raising [national security concerns](#). Similarly, REE and strategic mineral deposits throughout the [North American Arctic periphery states](#) remain largely undeveloped.

Russia, undeterred, is pressing forward. Over 50 Soviet-era Arctic military bases have been reactivated. Six nuclear icebreakers are now operational, with more under construction. MiG-31s now patrol out of Nagurskoye, just 600 miles from the pole. [Moscow is asserting sovereignty](#) over vast swaths of Arctic waters, classifying them as internal routes and demanding tolls in direct contravention of international maritime law.

China, while lacking an Arctic coast, has declared itself a “near-Arctic state.” It has [invested heavily in Greenlandic](#) mining, [research infrastructure](#) in Svalbard, and Arctic seabed mapping missions. The [attempted takeover](#) of Greenland's Kvanefjeld project by a Chinese state-backed entity in 2018 justifiably triggered alarms in Washington. While [Copenhagen blocked it](#), Beijing's ambitions remain undeterred. China has also increased its Arctic naval and scientific missions, including deploying the Xue Long 2, a domestically built icebreaker, to conduct high-resolution [seabed mapping missions](#) in the central Arctic.

Despite these developments, the United States has just one operational heavy icebreaker, the 50-year-old *Polar Star*, and a medium polar icebreaker, *CGC Healy* under repair. The Coast Guard officially welcomed the [recently acquired Aiviq](#) polar icebreaker to be renamed CGC Storis. The U.S. Arctic infrastructure remains under-resourced and the Coast Guard still needs nine polar icebreakers to meet operational requirements. This has to change.

### **Anchoring the U.S. Arctic Federation**

**Alaska**, the United States' only Arctic state, is a [strategically vital](#) yet underdeveloped hub for rare earth elements and critical minerals. It holds [major deposits](#) including Bokan Mountain (heavy rare earth elements) and Graphite Creek (the largest known graphite resource in the U.S.), as well as copper, cobalt, and other key transition minerals across the Ambler and Kuskokwim districts. Despite its mineral wealth, development remains constrained by harsh geography, limited infrastructure, regulatory friction, and lack of in-state processing capability. No REE mines are currently operational, and most proposed projects remain in early stages. While the federal government has labeled critical minerals a strategic priority, Alaska has [yet to see major investment](#) beyond feasibility studies and research funding.

What makes this underdevelopment more urgent is Alaska's dual role as a strategic Arctic platform and security outpost. It houses critical U.S. military infrastructure including Joint Base Elmendorf-Richardson and Fort Greely, the latter home to the nation's ground-based [missile interceptors](#). Its Arctic territories—Nome, Kotzebue, Barrow (Utqiagvik), and Wainwright—serve as [natural launch points](#) for East–West polar logistics, ISR (intelligence, surveillance, reconnaissance), and missile defense operations, particularly as Russian and Chinese Arctic posturing intensifies. Yet, the lack of a developed mineral and logistics base in Alaska represents a significant strategic vulnerability. Without integrated investment in mining, refining, and dual-use infrastructure, the U.S. risks ceding both economic opportunity and operational advantage in the emerging Arctic domain.

**Greenland** occupies an increasingly [pivotal role](#) in Arctic security and global resource competition. Home to [Pituffik Space Base](#)—formerly Thule Air Base—Greenland hosts critical U.S. missile warning and space surveillance capabilities just 750 miles from the North Pole. Yet its value extends far beyond defense. Greenland holds some of the world's largest [untapped deposits](#) of rare earth elements and uranium, including the Kvanefjeld project, coveted by foreign investors, including state-backed Chinese firms. While Denmark blocked Beijing's direct access, the episode raised alarms in Washington and underscored the island's strategic exposure.

Despite its natural wealth, Greenland remains economically dependent on Denmark, receiving roughly [\\$600 million](#) annually in subsidies, with limited infrastructure development or mineral extraction to show for it. Many Greenlanders, particularly younger generations, express growing interest in political autonomy and a future less tethered to Copenhagen's priorities. This moment presents a rare opportunity for the United States to support Greenland's path to self-determination, not through coercion or transactional deals, but through [long-term partnership](#) rooted in infrastructure investment, defense collaboration, and economic development, such as the [Compact of Free Association](#) used in the Pacific. Any engagement must be mutually respectful, with Greenlandic leadership setting the pace and terms. But if successful, it could establish Greenland not as a buffer zone between great powers, but as part of a powerful sovereign Arctic nation aligned with democratic values and fully integrated into a shared Arctic future.

**Nunavut**, positioned astride Arctic shipping chokepoints like Lancaster Sound and the Nares Strait, remains without permanent military facilities, deepwater access, or reliable year-round transport. The [stalled Baffinland mine](#) exemplifies a broader failure to translate strategic geography into operational capability. Canada's [belated efforts](#) to revive the Grays Bay Road and Port (GBRP) and the Nanisivik naval refueling station expose years of strategic neglect and political inertia in securing its Arctic frontier. Despite the rising importance of the Northwest Passage and growing Russian and Chinese activity in the region, Canada has failed to build core infrastructure—deepwater ports, all-season roads, or sustained naval presence. The GBRP, which would link Nunavut's mineral-rich interior to the south, and Nanisivik, designed to refuel Arctic patrol ships, have both languished due to budget cuts and bureaucratic delays, leaving a critical gap in North America's Arctic defense posture. With targeted U.S. investment, Nunavut could become a vital logistics and ISR hub—but absent political will, it remains a neglected flank of continental security.

**Northwest Territories** (NWT) holds significant strategic value due to its vast reserves of rare earth elements, uranium, lithium, and gold. The [Nechalacho mine](#), operated by Vital Metals, is one of the few rare earth projects outside China to enter production, marking a pivotal step in diversifying global supply chains. [Yellowknife](#), the territorial capital, is touted as well-positioned to become a central logistics and [governance hub](#) for Arctic resource development, supported by planned infrastructure investments and long-term strategic planning, including alignment with NORAD modernization efforts. Despite this promise, the region remains constrained by [inadequate infrastructure](#) and limited national investment. Recent [federal funding](#) of \$67 million to upgrade key transportation routes is a step forward, but falls short of enabling full-scale development across the territory.

To overcome decades of federal neglect and unlock its full strategic and economic potential, the Northwest Territories should pursue membership in a U.S.-led Arctic Federation—an entity independent of Canadian control. By joining an integrated Arctic Bloc, the NWT could accelerate east–west and north–south mobility, develop its vast mineral and logistical capacity, and reinforce continental resilience in the face of rising geopolitical competition in the circumpolar North. Such a move would provide direct access to critical infrastructure investment, strategic defense integration, and a seat at the table in shaping the future of Arctic governance.

**Yukon** is the most integration-ready of the Canadian territories, both economically and strategically. It possesses direct overland connectivity to Alaska via the Alaska Highway, an established mining industry, and growing U.S. economic ties, particularly in logistics, energy, and minerals. Geopolitically, the Yukon occupies a critical segment of the North American Arctic arc, anchoring the continent's western Arctic flank and serving as a vital land corridor between the Pacific and Arctic Oceans. Its terrain hosts major [untapped deposits](#) of copper, gold, silver, zinc, and [rare earth elements](#), including significant reserves in the Selwyn Basin and White Gold District, essential for defense and energy transition technologies.

Yet despite this strategic relevance, Ottawa retains control over Yukon's infrastructure priorities, while more than 70% of its budget is funded through [federal transfers](#), leaving the territory without meaningful fiscal or political autonomy. By joining a U.S.-led Arctic Federation, or even exploring political union with Alaska, Yukoners could gain access to U.S. citizenship, critical infrastructure investment, and governance models modeled on Alaska's tribal sovereignty frameworks. Such a transition would align Yukon's governance with its geography and potential, unlocking long-suppressed development and reinforcing continental security in the face of growing geopolitical competition across the circumpolar North.

### Benefits of a U.S.-Arctic Federation

A U.S.-Arctic Federation would give the people of Greenland, Yukon, Northwest Territories, and Nunavut something they've never truly had under Ottawa or Copenhagen: proximity to power. Instead of watching decisions made far away, they'd have seats at the table—citizenship, voting rights, federal benefits like Social Security and Medicare, and a real say in national policy. Critically, Indigenous governance could be protected and elevated under U.S. constitutional models, building on tribal sovereignty to preserve local control over schools, languages, lands, and policing.

Economically, the shift would be no less profound. Modeled after [Alaska's Permanent Fund](#), Arctic sovereign wealth funds could turn resource extraction into direct annual dividends for residents. Long-overdue infrastructure could finally be built, such as deepwater ports in Nuuk, Iqaluit, and Tuktoyaktuk, upgraded runways in Yellowknife and Resolute Bay, modern roads, and fiber through the High North. These would serve civilians and military alike, create local jobs, and embed the region into national supply and security chains.

Concerns about cultural loss or domination are valid, and they should be taken seriously. But this is not about annexation. It's about equity. It's about Indigenous nations gaining the tools of statehood without surrendering identity or self-determination. The status quo offers continued marginalization, underinvestment, and strategic irrelevance. In contrast, a U.S.-Arctic Federation could offer a practical, sovereign partnership with real power, shared prosperity, and a future made at the center, not the periphery.

For the United States, a U.S.-Arctic Federation would deliver long-term strategic gains across four key fronts: defense, energy, critical minerals, and maritime control.

- **Military Reach:** Expanding beyond Pituffik Space Base, new forward sites in Nunavut and NWT would allow the U.S. to [close ISR gaps](#) across the Arctic, extend NORAD coverage, and boost missile defense in terrain built for it. Arctic-adapted logistics could finally catch up to the operational reality.
- **Resource Security:** The U.S. still [relies on China](#) for [around 80%](#) of its rare earths. With Arctic mineral zones under a U.S. umbrella, extraction and processing could shift to North America—putting REEs, uranium, and other key materials back under allied control.
- **Maritime Control:** U.S. jurisdiction would eliminate legal ambiguity over the Northwest Passage, letting Washington enforce shipping standards, protect the environment, and

regulate access to a vital new sea lane—while keeping Russian and Chinese ambitions in check.

- **Energy & Infrastructure:** U.S. policy could lift the [Canadian blocks](#) on offshore drilling and fund Arctic-grade infrastructure that serves both military and civilian ends. Ports, fiber, airstrips, and all-weather roads would reinforce Arctic mobility and economic resilience in tandem.

The Arctic is becoming the world's most contested frontier, and the residents of these territories should not be left with governments that lack the vision or capacity to defend and develop the North. The U.S. Arctic Federation is not about annexation, it is about partnership, parity, and purpose. For the people of Greenland, Yukon, NWT, and Nunavut, the choice is clear: remain with Canada or Denmark in a state of continued dependence, geographic neglect, and strategic irrelevance, or join the world's most powerful nation and shape the Arctic century as equal, connected, and empowered participants.

### Policy Recommendations

This initiative delivers immediate and lasting benefits: it would secure control over Arctic shipping corridors, provide reliable access to rare earths and strategic minerals, expand U.S. military reach across the polar region, and empower local populations with infrastructure, investment, and security that their current governments have failed to provide. At the same time, it would deny Russia and China critical opportunities for Arctic leverage, and elevate the United States as the undisputed leader in the High North.

To realize this vision, we recommend a clear, phased path forward:

1. Direct the National Security Council to launch a full-spectrum U.S. Arctic Integration Commission to assess legal, financial, and diplomatic frameworks for federation by bringing together DOD, State, Energy, Interior, and Intelligence to develop the framework for territorial engagement and strategic assessment. Explore all options, statehood, merge with Alaska, Territory status, Commonwealth status, or even Compact of Free Association.
2. Begin diplomatic outreach to territorial governments, Indigenous leadership councils, and key political stakeholders to gauge and foster support.
3. Propose referenda frameworks for each territory to ensure legitimacy and transparency in any proposed transition.
4. Initiate bilateral negotiations with Denmark and Canada, offering cooperative economic and defense deals to ease the sovereignty transition.
5. Develop and pass a U.S. Arctic Sovereignty Act, creating the legal foundation for provisional territorial governance, infrastructure investment, Indigenous rights, and pathways to eventual statehood or autonomous status.
6. Launch an Arctic Infrastructure program, focused on dual-use logistics nodes, fiber-optic redundancy, and mobility corridors.

## Securing the Northern Frontier with a U.S. Arctic Federation

7. Establish an Arctic Sovereign Wealth Fund to ensure that residents benefit from mineral, energy, and transit revenues.

The U.S. must not just catch up to Russia and China, it must lead. The idea of a U.S. Arctic Federation is not a luxury or a land grab. It is a necessary, calculated response to China's inexorable march towards global hegemony that secures the high north, amplifies American deterrence, and empowers the communities that already call the region home. The only way the U.S. prevents a major Arctic loss is by securing the North American Arctic Rim.



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*May 2025*