

The Economist logo, featuring the words "The Economist" in white serif font on a red rectangular background.**Oil drilling in the Arctic**

Facing a freeze

Governments are reviewing plans to open Arctic waters to oilmen

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WHEN BP's Macondo well began spewing oil into the Gulf of Mexico, the firm was in the midst of an effort to persuade Canada's energy regulator that safety standards for offshore drilling in the Canadian Arctic were expensive, impractical and should be relaxed. Hearings on the subject were promptly suspended and the regulator declared that no new drilling permits would be issued pending a review of existing rules. "We have a duty to pause, to take stock of the incident," says Ga etan Caron, head of the National Energy Board.

For a time it looked as though the Arctic would be the next frontier for Western oil firms, which have only limited access to the most promising prospects in sunnier climes. The retreat of the polar ice cap is making the region easier to work in, and there is thought to be lots of oil and gas to tap. But Canada is not the only country now thinking twice: America, Norway and even Russia are all contemplating tighter rules for drilling.

Canada's stay on drilling, like a similar one imposed in America, is temporary. But environmental groups and some indigenous people advocate more lasting restrictions, on the ground that the Arctic is particularly ecologically fragile, far from clean-up crews and blanketed for much of the year in oil-trapping ice.

A vigorous argument about whether to open pristine bits of coastline to drilling had already been under way in Norway. The spill has made a big impression in the country, says Kristin Halvorsen, who leads one of the parties in the governing coalition and opposes the expansion, "because it shows that even with a lot of security measures and top modern technology, you can't insure against accidents when you are working with oil." The row is threatening to undermine the coalition, with the prime minister refusing to rule out further drilling.

Russia's parliament, too, has begun debating updated environmental laws to address offshore spills—a move the government supports. Only Greenland, an autonomous Danish territory with high hopes for an oil-fuelled bonanza, is pressing ahead undaunted with plans to expand oil exploration. Its government has approved drilling this summer in Baffin Bay, close to its maritime boundary with Canada. That decision has alarmed Jim Prentice, Canada's environment minister, who wants the highest environmental standards to be applied.

Mr Prentice and his counterparts from other Arctic states met in Greenland this week, to discuss offshore drilling among other topics. The oil industry is relatively confident that their response to events farther south will not be too restrictive. After all, if the Arctic does not provide new supplies of oil, they will have to be obtained somewhere else. As Benoit Beauchamp of the Arctic Institute of North America, a Canadian research outfit, notes: "That somewhere else might be the oil sands, which have their own environmental problems, or it could be coming from places where you have to deal with warlords and terrorists, like Africa, or the Middle East, where we pretty much have to send armies to protect the oil and gas."

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