

<u>Stella Polaris: Towards Greater Engagement and Integration with Greenland and a New</u> <u>American Arctic Century</u>

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"Look at a globe from the top," Eric Teetsel <u>wrote</u> recently. "What you will see is the North Pole with Alaska, Canada, and Greenland flanking one side and Russia flanking the other until you reach Scandinavia. The Arctic is the frontline of great power competition among the United States, Russia, and China." Greenland's importance to the United States is not a <u>new debate</u> or simply a question of strategy or economy, even though the discussion of its usefulness recently gathered momentum after President Trump expressed renewed interest in the country.

Americans such as Charles Francis Hall and Robert Perry explored Greenland during the 1870s, providing valuable research and documenting the demographics of the landmass. Repeated interest in acquiring Greenland was demonstrated by Secretary of State William Seward and U.S. Ambassador to Denmark Maurice Egan in 1867. The US was also interested in outright buying Greenland in 1910. Immediately after the Second World War, in 1946, Denmark rebuffed Secretary of State James Byrnes's offer to acquire the island but offered basing rights instead. Buying territory from Denmark is not new, either: In 1915, Denmark was coerced to give away the Danish West Indies, which we now know as the U.S. Virgin Islands.

Greenland's current leadership wants to enhance its ties with the United States. In a <u>recent</u> <u>conversation</u>, Greenland's minister of business advocated for investment from the United States: "There are ample opportunities for American investors to engage themselves in Greenland, not only in the mining sector, but in other sectors as well. Especially the mining sector could be beneficial to securing supply chains to the U.S., since we do have many of the minerals on your list of critical minerals. These could be graphite, nickel, rare earths, or others. Our existing agreement with the U.S. State Department is from 2019 under the first Trump administration. We have for some time been hoping for a new agreement."

This policy brief offers a pathway towards further integration between Greenland and the United States. It does not deal with inherent political questions of whether the United States *should* acquire Greenland, whether the proposed integration is *feasible* in the short term, or in what scenario that result might be *achieved*.

Rather, this policy brief is predicated on the assumption that further integration between the United States and Greenland is necessary and inevitable because of the structural realities of European dysfunction and emerging multipolarity and great power competition in the Arctic.

Accordingly, this policy brief is divided into two parts. The first part explains the strategic reasoning for involvement in Greenland and elaborates its current political position. It also details a brief history of the United States' recent engagement in Greenland in minerals, mining, and defense. The second part provides the current strategic layout and a few concrete policy suggestions as necessary first steps towards future integration, which could become one of President Trump's foreign policy legacies.

"Not Confined to Materialistic Considerations": Greenland's Strategic Importance

American interest in directly acquiring Greenland started around 1868, and the last pre-Trump effort was in 1946. Of all the historic documents available, Seward's commissioned report from 1868 best explains the reasoning: "In considering the future of Greenland, we cannot confine ourselves entirely to materialistic considerations. Nations have other resources besides those which figures can express to us by statistical tables. If a country has in it the means of developing man in any way, physically or mentally, it may be said to be rich to that extent. . . . They possess, as it were, the key to many problems of science, and the answer to many questions which are at present discussed by geographers. Certainly, new truths are as precious acquisitions as new mines or new fishing grounds."

It is not within the scope of this brief to chart the entire history of American interest in Greenland, but there is <u>ample evidence</u>, <u>as demonstrated below</u>, that it has received unique attention and is important enough for continuous strategic discussion. Notably, the American envoy to Denmark Maurice Egan wrote to Secretary of State Philander Knox in 1909, "I do not presume for a moment to forestall in any way the intentions of the United States Government concerning these islands, but as I think the opportunity of acquiring them may some day arise, I feel it my duty, unless I am otherwise directed by you, to pave the way gently as far as possible toward that acquirement." In 1946, a classified State Department memo was reported to have said, <u>according to the joint chiefs of staff</u>, that the real objective regarding Greenland was "to acquire it by purchase from Denmark."

Greenland lies within the Western Hemisphere and is functionally "a north American island nation," yet it is a constituent of a north European allied nation state. To <u>summarize the history</u>, Greenland was connected to the Kingdom of Denmark and Norway around the 1720s, when north European missionaries started to settle in Greenland and native Greenlanders were Christianized and the island became a part of European trade routes. The Nazi occupation of

Denmark meant that the colonial government of Greenland had to be self-sufficient. The first formal agreement between the United States and Greenland was initiated in 1941; it allowed the United States to establish a permanent military base in Greenland in exchange for protection of Danish colonial administration, based in Greenland, from the ongoing Nazi invasion in Europe.

The U.S.—Greenland treaty was against the wishes of the government in Nazi-occupied Denmark. After the war, the free Danish government sought to end the treaty but was unable to do so because the treaty allowed American presence in perpetuity, and American protection became a given after Denmark joined NATO in 1949. A new defense agreement in 1951 consolidated Greenland's position as a core American interest and part of its sphere of influence. Greenland voted against joining the European Community (later the European Union) in 1972, even after Denmark voted to join it. Finally, after the introduction of "home rule" in Greenland, Greenland voted to withdraw from the European Union in 1985.

An American Northstar

Greenland is phenomenally rich in <u>"critical minerals"</u> such as cerium and lanthanum, which are essential for iPhones, drones, artificial intelligence, electric cars, MRI machines, space exploration, and nuclear power. *The Economist* reported in 2024 that the island has known deposits of 43 of 50 of the minerals that the <u>U.S. Department of Energy</u> considers essential for "technologies that produce, transmit, store, and conserve energy" and are within "a high risk of supply chain disruption," including 25 of the 34 minerals deemed critical raw material by the European Union. Greenland also has large deposits of other elements such as lithium and cobalt.

The BBC reported that Greenland has the potential to become, under proper strategic guidance and investment, "the supplier of all the minerals the Western world will need for decades." Greenland is reported to be home to a quarter of the globe's undiscovered hydrocarbon resources and around a tenth of the world's coal and critical materials, including iron, zinc, and even uranium. The 2024 Arctic Strategy from the Department of Defense declares that the United States is an Arctic nation and that the Greenland–Iceland–United Kingdom (GIUK) Gap is a venue for strategic competition. This view is shared by the Russian strategic community, which understands that a U.S.-controlled Greenland would be a defeat for other great powers in the Arctic because Greenland's strategic value will only ever increase.

President Trump's instincts about controlling both Greenland and Panama are therefore predicated on a renewed American focus on great power competition. Acquiring or controlling Greenland as well as regaining control of Panama would allow the United States to manage two significant sea routes and geographical choke points, along with acquiring the rare earth minerals needed for the coming techno-industrial revolution at a time of an emergent multipolarity.

Under pressure, Denmark recently pledged to invest more in the defense of Greenland. A tranche of defense investment included a "double digit billion amount" in krone, or at least \$1.5 billion, to buy "two new inspection ships, two new long-range drones and two extra dog sled teams," according to the BBC. Denmark also subsidizes Greenland with around \$600 million a year, a fifth of Greenland's GDP, which amounts to more than \$10,000 per Greenlander. Unfortunately, Greenland remains underdeveloped, a sore point of contention between its ruling party and Denmark. This state of affairs is partly due to Denmark's and Europe's energy priorities, which focus on solar and wind power, and partly due to Europe's financial and technical inability to invest the way America can.

As a result, Greenland is a massive financial strain on Denmark and a victim of cultural ills resulting from its lack of development, including alcoholism and abuse. Greenlanders increasingly support <u>full independence</u> from Denmark with aid from the United States. "Greenlanders feel as though they are trapped in a kind of forced marriage . . . with Denmark playing the role of the overpowering husband", <u>Der Spiegel</u> quoted political scientist Kuno Fensler. "Maybe the U.S. can liberate us from this predicament", Fensler added.

"It is a message Donald Trump would no doubt love to hear," *Der Spiegel* continued. "He seems to have had something similar in mind when he announced his interest in buying Greenland and its 57,000 residents—a desire he has repeated on a number of occasions."

Since 2020, Greenland's leaders have said they want to negotiate independently with the United States. Most of that negotiation thus far has been tripartite, among Greenland, Denmark, and the United States. Greenland has shown that it wants to develop and deepen trade relations with the United States since the Igaliku agreements of 2004 and its renewed base maintenance contract with the United States in 2020 for the Pituffik base (formerly named Thule base; the United States changed the name in 2023 as a gesture towards Greenland's culture). Greenland and the United States signed two memoranda of understanding in 2019 about raw materials, but progress slowed due to the Biden administration's lack of interest. In 2019, the United States funded joint overhead geological surveys in South Greenland. Other bilateral projects about tender allotment and dual use of strategic infrastructure in Greenland are also under discussion, and the United States is considering further investment.

"Plans Are Measured in Centuries": A Policy Pathway Aimed Towards a New American Arctic Century

A peaceful acquisition of sparsely populated strategic land in the Western Hemisphere has historical and cultural precedent in the United States, and a return to hemispheric hegemony and theater prioritization makes <u>strategic sense</u> in an era of military overstretch and multipolarity. <u>Greenland's central position</u> in the Arctic route and <u>its history</u> with both Denmark and the United States are crucial in understanding why the United States must prioritize engagement with Greenland

Unnecessary rhetoric and politics aside, the timing for further engagement with both Denmark and Greenland is therefore ripe. There are three modes of negotiation among Denmark, Greenland, and the United States. Denmark has been unwilling and understandably reluctant to talk about American coercive measures but willing to discuss Greenland's independence and unlimited American mining and basing rights. Greenland sees an opportunity to move out of Denmark's shadow towards fewer regulations, political and strategic independence, and unlimited investment from the United States. American interest dictates not just investment and mining and basing rights but also potentially some form of American work and settlement programs in Greenland. Tying these disparate threads will be essential for the success of future negotiations. Greenland's recent acknowledgement of the strategic importance of the region as well as its inclination towards exponentially greater American engagement are therefore healthy signs of an emerging strategic realism and would make a mutually beneficial arrangement among the three parties much easier to achieve.

Below are five suggestions for approaching that negotiation.

1. It would be of paramount importance to ignore the noise of dissent and <u>lower the temperature</u> of the debate. Ultimately, it should be kept in mind that the United States already has basing and mining rights in Greenland, and both Denmark and Greenland are interested in offering more. The United States also has total freedom to invest as much as it wants and to "saturate the zone," so to speak, with pro-American messaging. An American administration should not ignore these structural advantages, nor should it jeopardize the negotiations by involving too many pressure points or by using too many stakeholders. *Acquiring* Greenland, whether by coaxing or coercing, is a political question, but *controlling* Greenland is a perpetual American interest that might be threatened by <u>unnecessary hostility</u> from either side or too much interference from external parties who are unfamiliar with the ground realities or impulses of the region. Cool heads and a prudent approach, however, could lead to long-term ownership and control of the region, whose importance will only continue to increase.

2. Conditional to the first point, the United States should urgently identify stakeholders from civil, military, and business interests in both Greenland and the United States and create a negotiation spearhead. This effort can take various forms depending on the president's preference. Options include advisory committees, a presidential executive order forming a fact-finding mission board, or private track-two delegations authorized by the president or the State Department. Regardless of which approach is chosen, the goal should be to create an official channel for the effort in the place of a directionless desire to "do something." Establishing a time-bound group of stakeholders committed to understanding Denmark and Greenland's positions, demands, flexibilities, negotiation tactics, and red lines would help in making a coherent plan.

It would also be beneficial to create a privatized "wealth fund": a list of business interests and investors who would be willing to invest in Greenland at a moment's notice. This fund would identify the sectors that need American assistance the most, from shipping to supermarkets. Solving trivial issues builds momentum towards further engagement. Greenland's business community is determined to develop a foothold in the United States but is hampered by a lack of a direct shipping route; the Greenlandic seafood company Royal Greenland, for example, only recently opened a sales office in Boston. Identifying similar opportunities for U.S.-connected business expansion in order to deregulate and open the market on both sides for engagement would tie Greenland with the American mainland at a much faster pace and create the conditions for deeper relations between the countries.

3. <u>Greenland's strategic doctrines</u> provide opportunities to increase its dependency on the United States. Greenland's own analysis shows that Denmark's economic engagement is inadequate and the mineral resources industry accounts for less than 1 percent of Greenland's economy, with only about one hundred full-time employees. The industry employs a relatively high proportion of foreign labor force. This situation offers an opportunity for a special arrangement with Greenland wherein American investment is coupled with a periodic American labor force with a special work visa category.

Per Greenland's analysis, there are auxiliary industries in operating and dismantling exploration camps and in "transportation, catering, logistics, plumbing, carpentry, welding, drilling, blasting, rental and repair of machinery and equipment, waste management, security, and analysis and consultancy work within geology, geophysics and environment" that provide ample opportunities for investment, labor exchange, and training in both the United States and Greenland.

Industries such as hospitality, and a free market to support such endeavors would create wealth and unparalleled development in Greenland at a minimal and targeted cost to the American side compared to the enormous directionless waste of assistance given by USAID. No major

<u>American efforts</u> have yet been made to invest in mineral extraction in Greenland, and that oversight urgently needs to be rectified.

4. Greenland's landmass has never been completely mapped, and mapping is required for further mineral exploration. The United States can create a strategic task force under the Department of Defense to geomap the entire territory and report on industrial minerals. This effort would be an example of a benevolent scientific project that would demonstrate American benevolence towards Greenland and Greenlanders

An advisory committee or board could also be created by executive order under the Department of Defense or Office of Management and Budget to assess military and economic association agreements with Greenland. So far, there are two instantly workable and advisable models. One is a free association model similar to the United States' relationship with the Marshall Islands or Micronesia, which allows the United States to concentrate on unparalleled force postures in return for security and financial guarantees. The second is a model that bestows territorial status similar to Guam but that is dependent on Greenland's interest in joining the arrangement. Nevertheless, an advisory committee or board, reporting directly to the president's office, could be a regular venue for discussion and research that would allow academics, diplomats, and military leaders to consider various options for economic, diplomatic, and military engagement with Greenland.

5. An education campaign could be targeted towards Greenland's population, similar to the ones historically aimed towards the Eastern bloc countries with Radio Free Europe, to demonstrate the material and strategic advantages that Greenland would gain from deeper association with the United States, including but not limited to a significant lump sum of potential cash benefits. More recently, as CRA has noted elsewhere, many of these programs have been used to undermine the United States' interests, or even to attack United States citizens; nevertheless, the ability to apply resources and practices to the strategic benefit of United States' interests remains necessary in some form. Greenland's government has repeatedly hinted at providing education and information regarding job opportunities in the mineral sector. The United States could help Greenland's government to communicate the importance of the mineral resources sector, increase dialogue with the population about the sector, and tout the contributions of the mineral resources industry. In other words, let the market create its own momentum.

"Iron Hand in a Velvet Glove"

The president, the vice president, and the secretary of defense recently have given major speeches that featured three core themes: military burden-shifting in Europe; support for a free and technologically advanced world under an emergent multipolarity; and a new American century, renewed Monroe Doctrine, and revived sense of manifest destiny. Two theoretical

opposing arguments to these aims are that first, by being open about territorial claims, the United States might alienate its allies, and second, the United States doesn't need to acquire Greenland to control it or own its minerals. Both arguments have some merit. The United States might be able to unilaterally annex Greenland, even against the wishes of Denmark and Greenland itself. It would likely not be challenged by European troops in Greenland, either, for fear of provoking the United States by invading its sphere of influence. But by using coercion instead of diplomacy, the United States could lose its allies permanently. And no great power can be all-powerful and alone forever.

There are also <u>democratic debates</u> to be had within the United States about the cost of absorbing the financial burden of Greenland. In any debate, however, it is undeniable that Greenland is enormously important to both European and American security. This debate will provide an opportunity for the United States to demonstrate that contrary to public opinion it is still heavily invested in European security against Russia and China. It will show that the United States is invested in winning the technological cold war in this century. And it will demonstrate that the United States is not isolationist. As <u>Pat Buchanan recently wrote</u>, "while Trump's diplomacy in the Greenland matter was not as deft as Seward's in acquiring Alaska, the attitude exhibited would not be unfamiliar to many of the great men in our history." In other words, it is a prudent aim to control and acquire Greenland, but it should be done in a diplomatic way that maintains a healthy relationship with Denmark in particular and Western Europe in general. Those preserving U.S. hegemony have always preferred, in the words attributed to Cardinal Richelieu, to have an "iron hand in a velvet glove." The north is one theater where that priority needs to be restored.