### The Geopolitical Significance of Greenland

### **Explainer**

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Jennifer Spence

Elizabeth Hanlon



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#### Introduction

President-elect Donald Trump recently reiterated his interest in acquiring Greenland, either through economic coercion or military force, describing it as vital to safeguarding U.S. national security and countering the growing influence of China and Russia in the Arctic. U.S. House Republicans now seem to be <u>rallying around this idea</u>.

Greenland's Prime Minister Múte B. Egede <u>rebuked Trump's comments</u>, stating that "Greenland is for the Greenlandic people," with Danish Prime Minister Mette Frederiksen echoing his sentiment.

Trump's design on Greenland isn't new: he proposed buying the island during his first term, drawing widespread ridicule. But what exactly explains Trump's continued interest in Greenland?

### Who governs Greenland?

Self-Governing: Greenland, the world's largest island with a majority-Inuit population of about 56,000, is a self-governing country within the Kingdom of Denmark. Greenland's government manages most domestic matters, including education, health, and natural resource development. While the Danish government has final say over foreign, defense, and security policy, Greenland's autonomy in these areas is growing. In 2024, Greenland released its Foreign, Defense, and Security Strategy 2024-2033, titled *Greenland in the World – Nothing About Us Without Us.* 

Moving Toward Independence: After previously being a colony and then a province of Denmark, Greenland gained self-rule in 1979. The <u>2009 Greenland Self-Government Act</u> expanded Greenland's responsibilities and gave Greenlanders the right to declare independence from Denmark. Most Greenlanders support eventual independence, though economic reliance on Danish subsidies complicates this goal.

"With the right to self-determination and the goal of independence, our country and people aim to increase their cooperation with other countries. It is important for us as responsible citizens of the world, in our own name, to have the courage to take a stand on issues and events around the world."

- Greenland in the World - Nothing About Us Without Us

# Why is Greenland considered a strategic location?

**Arctic Geopolitics:** Since the end of the Cold War, the Arctic has generally been an area of international cooperation; however, climate change, resource competition, and growing militarization, especially by Russia, have raised geopolitical tensions in the region over the last decade. Russia's invasion of Ukraine in 2022 splintered its relations with the other seven Arctic states (Canada, Kingdom of Denmark, Finland, Iceland, Norway, Sweden, and the United States) and prompted Finland and Sweden to join NATO in 2023 and 2024 respectively. As a result, all Arctic states except Russia are NATO members. This shift has elevated the overall importance of the Arctic including Greenland, which is by default part of the alliance through the Kingdom of Denmark - to NATO.



Greenland's location on the globe is shown in red. Credit: TUBS/Wikimedia Commons

**U.S. Military Capabilities:** Greenland hosts Pituffik Space Base, formerly Thule Air Base, a U.S. military installation key to missile early warning and defense as well as space surveillance. Greenland is also part of the GIUK Gap (Greenland-Iceland-United Kingdom), an anti-submarine warfare chokepoint in the North Atlantic during the Cold War, which today remains important for monitoring and potentially restricting Russian naval movements in the North Atlantic and Arctic Ocean. However, the island's strategic military value to the United States has waned since the end of the Cold War due to evolutions in military technology, and investment in Pituffik Space Base has been sporadic over the years.

**Future Trans-Arctic Shipping:** Greenland occupies a key position along two potential shipping routes through the Arctic: the Northwest Passage, along the northern coastline of North America, and the Transpolar Sea Route, through the center of the Arctic Ocean. As Arctic sea ice melts, these routes could reduce shipping times and bypass traditional chokepoints like the Suez and Panama Canals. Currently, these routes are commercially unviable and will likely remain so for many years because of treacherous weather and floating ice. In the long term, as vessel traffic in the Arctic Ocean increases, Greenland will likely become a key player in effective management of the Arctic Ocean, including emergency management, prevention, and response. The viability of these new shipping routes and other maritime activities in the region will depend, among other things, on investments in comprehensive marine infrastructure. Greenland is strategically positioned to both benefit from and help manage such investments.

# Why are other countries interested in Greenland's natural resources?

Melting land and sea ice is making Greenland's rich mineral and hydrocarbon deposits more accessible, attracting the notice of countries competing for energy transition materials. However, developing these resources remains challenging due to Greenland's harsh environment, remoteness, lack of infrastructure, high extraction costs, and local concerns about environmental impacts and risks to traditional livelihoods.

**Critical Minerals:** Greenland is a potential source of many minerals that are critical for the energy transition. In particular, Greenland has large deposits of rare earth elements (REEs) required for manufacturing batteries, wind and solar technologies, and advanced military equipment. Western countries see Greenland's mineral resources as an opportunity to reduce their dependence on China, which dominates critical mineral supply chains. China has also expressed interest in Greenland's mineral wealth, but a Chinese-backed REE project stalled after Greenland banned uranium mining. Moreover, serious doubts around the economic feasibility of mineral resource extraction persist due to Greenland's harsh environment, remoteness, lack of infrastructure, and high operating costs. As of 2023, Greenland had just two active mines, with a handful of other projects in development. Mining is also controversial among Greenlanders: while some see mining as a path toward independence, others worry about the impacts on the environment and traditional subsistence livelihoods. However, they are united in their position that Greenlanders will decide.

**Oil and Gas:** According to a 2007 U.S. Geological Survey report, there could be significant oil and gas reserves off Greenland's coast. However, Greenland's government <u>stopped issuing new licenses</u> for oil and gas exploration in 2021, citing concerns about the economic feasibility and environmental impacts of drilling.

**Fresh Water:** Commercial exploitation of Greenland's ice and water could help meet <u>growing global demand for fresh water</u>. Approximately twenty percent of the world's fresh water is locked up in the ice sheet that covers the island.

**Fisheries:** Greenland's fisheries are crucial for its economy, providing livelihoods for local communities, being Greenland's main export commodity, and contributing significantly to the nation's GDP. Greenland is an important contributor to the global supply of fish and, with climate change, its significance may actually increase.

### Is Greenland influenced by China?

**Failed Foothold:** China has shown interest in Greenland's mineral wealth and proximity to potential shipping routes, but in recent years its presence on the island has dwindled. In 2018, China released a <u>white paper</u> detailing its Arctic strategy, including its intention to build a "Polar Silk Road," in parallel with its Belt and Road Initiative infrastructure investments in other regions. During the 2010s, Greenland courted Chinese mining companies to invest, but subsequent mining projects involving Chinese partners have <u>stalled or failed</u>. <u>Pressure from the United States</u> also helped quash Chinese bids to construct new airports and convert an abandoned Danish naval base into a research station. Though Greenland has expressed openness to working with international partners, China has not renewed its overtures. China's main presence in the Arctic is in Russia. Greenland's largest trading partner is China, but this fact is not necessarily significant by itself, since China is the <u>largest trading partner for most countries in the world</u>.

## What is getting lost in the current conversation about U.S. interest in Greenland?

**Self-Determination:** The Greenland Self-Government Act, ratified by the Danish Parliament in 2009, recognizes the Greenlandic people as "a people pursuant to international law with the right to self-determination." Greenland cannot be acquired by the United States – or any other country – without the consent of Greenlanders.

Climate and Environment: The melting Greenland ice sheet is one of the largest contributors to global sea level rise, making the island a focal point for understanding the global climate system. In addition, Greenland contains globally unique ecosystems and biodiversity hotspots, such as the North Water Polynya, an area of year-round open water and one of the most biologically productive areas in the Arctic Ocean. Since Indigenous and local knowledge is crucial for understanding changes in Greenland's climate and environment and related impacts, countries should partner with Greenland's well-established research community to support high-quality, locally based research. Greenland published its National Research Strategy 2022-2023 and is developing ethical guidelines for international researchers seeking to conduct research in Greenland.

"Greenlandic researchers and institutions are already doing high-quality work, and we need to continue to harness the potential of our human, technological and logistical resources to enhance our capabilities in research and sustainable development."

- Peter Olsen, Greenland's National Research Strategy 2022-2030

**Reality Versus Potential:** Opportunities for mining and trans-Arctic shipping will not be commercially viable in the near term.

### **Conclusion**

"Is he serious? Would he do it? These are the questions being floated in the media. Somehow we have rapidly moved from how inappropriate this proposition is to examining its feasibility and likelihood... The United States will not be made safer by dominating its neighbors. Security in the Arctic will not be achieved through acts of aggression against U.S. allies. Global stability will not be sustained if the rules-based order becomes optional."

- Jennifer Spence, <u>Trump Renews Pursuit of Greenland</u>

It is for Greenlanders to decide the future of Greenland. The United States does not need to own Greenland to achieve its security and economic interests, and Trump's current approach may be counterproductive to those interests. His threats may have the unintended consequences of alienating Greenland, the Kingdom of Denmark, and other U.S. allies and undermining both a long tradition of cooperative Arctic governance and the existing norms of the current international system.