

ISSUE BRIEF

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The Importance of Greenland to U.S. National Security

Luke Coffey

On May 9, U.S. Secretary of State Mike Pompeo will travel to Nuuk, the capital of Greenland, to meet with senior members of the Greenlandic government to “discuss shared priorities in the Arctic and opportunities for expanded engagement with Greenland.”¹ He will also meet with members of the New York Air National Guard who are currently serving in Kangerlussuaq.² Greenland plays an important role for the security of North America and deserves special attention from U.S. policymakers. To advance American interests in the Arctic region, Secretary Pompeo should use the visit to show America’s appreciation for the U.S.–Greenlandic relationship, announce plans to open a consulate or consular agency in Nuuk, commit to finding a resolution to the friction over how the U.S. has awarded recent maintenance and shipping contracts for Thule Air Base, and explore ways to increase economic links with Greenland.

Part of North America

Greenland was first discovered by Europeans in the 10th century, and was ruled by the Kingdom of Denmark and Norway until the 1814 Treaty of Kiel transferred ownership to the Kingdom of Denmark after the union between Norway and Denmark ended.

Geographically, and to a certain extent culturally, Greenland is part of North America—although much of its economic and historical links are with Europe.

Today, Greenland is one of two autonomous constituent countries of the Kingdom of Denmark (the other being the Faroes Islands). Greenland was granted Home Rule in 1979 and Self Rule in 2009. It has competency over most policy areas, with the big exceptions being foreign affairs, defense, and monetary policy—all of which are still controlled by Copenhagen.

There is a strong desire for full independence—especially among the Greenlandic political elite. Only one political party (which has one out of 31 seats in the parliament) does not support independence. For Greenland, the question is not if it will become independent, but when and how. Few inside the Greenlandic government think that Greenland is ready now. The biggest issues are finances (55 percent of Greenland’s annual budget comes from a bloc grant from Denmark) and capacity (with a population of only 56,000, the talent pool is limited).

Denmark’s official position is that Greenland can become independent whenever it pleases. However, the benefits for Denmark of having Greenland as a constituent are significant. The arrangement gives Denmark an important spot in the Arctic Council, and makes it an attractive security partner to the United States.

U.S.–Greenland Relations

After the German invasion of Denmark in 1940, the U.S. quickly deployed forces to protect Greenland from Nazi Germany. Since then, the U.S. has maintained a military presence on the island. In

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The Heritage Foundation
214 Massachusetts Avenue, NE
Washington, DC 20002
(202) 546-4400 | heritage.org

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MAP 1

Overview of Greenland



SOURCE: Heritage Foundation research.

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1946, the U.S. tried, unsuccessfully, to buy the entire island from Denmark for \$100 million. The U.S. was, however, granted long-term access to important military sites. Today, the main U.S. military presence is at Thule Air Base in the north of the country. Thule also serves as a very important early warning radar and satellite tracking station for the protection of the U.S. homeland.

It is important to look beyond security when it comes to the bilateral relationship. Last year, U.S. Under Secretary for Defense Policy John Rudd issued

a letter of intent for the U.S. to invest in dual military-civilian projects in Greenland.³ Although this letter of intent was vague and not legally binding, it was welcomed by Greenland and seen as a positive sign of U.S. commitment to the bilateral relationship.

Considering Greenland's geographical proximity to the U.S. and Canada, it has surprisingly few economic links with North America. There are currently no direct flights from the U.S. to Greenland. The few direct flights in the past were not profitable. The fishing industry accounts for 95 percent of Greenlandic

1. News release, "Secretary Pompeo's Travel to Rovaniemi, Berlin, London, and Nuuk," U.S. Department of State, May 1, 2019, <https://www.state.gov/r/pa/prs/ps/2019/05/291441.htm> (accessed May 2, 2019).
2. "New York Air Guard Unit Deploys to Support Climate Research in Greenland," *Air Force Times*, April 25, 2019, <https://www.airforcetimes.com/news/your-air-force/2019/04/25/new-york-air-guard-unit-deploys-to-support-climate-research-in-greenland/> (accessed May 2, 2019).
3. Government of Greenland, "The Kingdom of Denmark, Including Greenland, Welcomes the United States [sic] 'Statement of Intent on Defense Investments in Greenland,'" September 17, 2018, https://naalakkersuisut.gl/en/Naalakkersuisut/News/2018/09/170918_forsvarsinvesteringer-i-Groenland (accessed May 2, 2019).

exports, of which only 1 percent goes to the U.S. There is a conscious effort by Greenland to change this lack of connection with North America. Royal Arctic Lines, the national sea carrier, will be starting a weekly shipping service to Portland, Maine, later this year. The Greenlandic government has been meeting with Maine government officials about increasing economic links.

The only way to fly commercially to Greenland is from Iceland or Denmark. The former can be done by a small plane direct to Nuuk. From Denmark, the larger planes have to first land at Kangerlussuaq Airport (a former U.S. airbase now used as the main international entry point due to the length of the runway), and then connect to other destinations inside Greenland. The U.S. and Danish militaries both make regular use of Kangerlussuaq.

Greenland will begin construction on three new airports this summer, to be finished in 2023 (in Qaqortoq in the south, in Nuuk the capital, and Ilulisat in the north—of which the latter two will have runways long enough to accommodate international flights). Greenland's government hopes that the new airports will allow direct flights from North America and open up new opportunities for business and tourism.

Points of Friction

While the U.S.–Greenland relationship is good, a current point of major friction is the awarding of the Thule Base Maintenance Contract (BMC) and the shipping contract for Thule Air Base. For decades, both contracts were awarded exclusively to Greenlandic or Danish companies. This changed in 2014, when the U.S. Department of Defense changed the rules for the BMC, awarding the contract to a U.S. company for the first time since the 1950s.⁴

In 2017, the shipping contract was awarded to an American company for the first time. (It had previously gone to Greenland's national sea carrier, Royal Arctic Lines.)⁵ Even though the bid from Royal Arctic Lines was lower than others, the U.S. Department of Defense used the 1904 Cargo Preference Act

to justify awarding the contract to a U.S. company. The loss of both contracts was an economic blow for Greenland. Complicating the matter further, there is a perception among Greenlandic officials that the processes that led to the U.S. decision to award these two contracts to U.S. companies was not well communicated.

Another point of friction is the fate of Kangerlussuaq Airport when the new airports open. From a civilian point of view, it will not be needed any longer. However, the U.S. and Denmark will continue to need the airport to help resupply their military forces in Greenland. The question remains: Who will pay for the continued operation of Kangerlussuaq Airport?

Diplomatic Presence Needed

The U.S. once had a consulate in Greenland, from 1940 to 1953. A renewed U.S. diplomatic presence, whether in the form of a consulate or consular agency, would be welcomed by the Greenlandic government.

Greenland is not a sovereign state, but the U.S. maintains consulates and consular agencies in French and British overseas territories with similar population sizes as Greenland's, but which lack Greenland's strategic importance, such as Bermuda (71,000 inhabitants) and the Cayman Islands (63,000 inhabitants), and Fort-de-France (81,000 inhabitants). There are several reasons why the U.S. should have a diplomatic presence in Greenland:

- **Greenland is in America's backyard and a critical part of America's security architecture.** A U.S. consulate will demonstrate that the U.S. takes Greenland at a level of seriousness proportionate to its role in America's security.
- **The Arctic region is becoming increasingly important for the U.S.** It is only matter of time before China opens a consulate in Greenland. Other Nordic countries already have expressed an interest in doing so. The U.S. should not be left behind. Symbolism matters in international affairs.

4. "Denmark Asks US to Put the Brakes on Thule Bid," *The Local.dk*, February 27, 2015, <https://www.thelocal.dk/20150227/denmark-asks-us-to-put-the-brakes-on-thule-process> (accessed May 2, 2019).

5. Kevin McGwin, "For the Second Time a Local Firm Has Lost a US Defense Contract in Greenland—Despite a Lower Bid," *Arctic Today*, May 30, 2017, <https://www.arctictoday.com/for-the-second-time-a-local-firm-has-lost-a-us-defense-contract-in-greenland-despite-a-lower-bid/> (accessed May 2, 2019).

- **It is only a matter of time before Greenland becomes independent**, so the U.S. should establish a diplomatic presence now.
- **It would give the U.S. government a depth of situational awareness** not possible without a consulate.

The Way Forward

Not only is Greenland in North America, it is also in the United States' backyard. Greenland does not receive attention from American policymakers in proportion to its security importance to the U.S.

In close coordination with Denmark, the U.S. can improve its relations with Greenland by:

- **Opening a U.S. consulate or consular agency in Nuuk.** A formal diplomatic presence would be an effective way for the U.S. to better understand local political and economic dynamics. This is particularly important at a time when other global actors, such as China, are becoming more involved in the Arctic region.
- **Resolving the BMC and shipping contract issue.** The negative impact on the bilateral relationship that the contract process has had cannot be overstated. The U.S. government has an obligation to get the best capability for its armed forces at the best cost for the American taxpayer. The U.S. must also consider how certain decisions affect strategic relationships. Protectionist legislation, such as the 1904 Cargo Preference Act, is an anachronism and often undermines U.S. interests instead of protecting them.
- **Preserving Kangerlussuaq Airport.** Both the U.S. and Danish militaries need continued use of the airstrip at Kangerlussuaq, but the Greenlandic government does not. The U.S. should find a mutually acceptable cost-sharing arrangement

with Denmark and not allow this issue to harm its relationship with Greenland.

- **Exploring ways to increase economic links.** Greenland is actively trying to attract foreign investments, diversify its economy, and more closely integrate into the world economy. Greenland wants to raise the standard of living and prepare for eventual independence from Denmark. With Greenland located in North America, and with new potential transport links and tourism opportunities, the U.S. should pursue policies that develop economic ties between the two countries.
- **Working more closely with the Danish military.** Denmark has proven itself an important member of the North Atlantic Treaty Organization (NATO). Even though Denmark is still working up to NATO's benchmark of 2 percent of gross domestic product for defense spending, it punches above its weight when it comes to deploying troops for NATO missions, and participating in NATO missions and exercises. Copenhagen is also increasing its defense spending in the Arctic.

Look North

With so many challenges for the U.S. coming from the south, policymakers should not forget to look north, as well. Americans should not overlook Greenland's importance to the territorial defense of the U.S. With new security, energy, and economic challenges and opportunities in the Arctic region, the U.S. needs a strong relationship with Greenland. Secretary Pompeo's visit is an excellent opportunity to show U.S. commitment to the region, and to the relationships with both Denmark and Greenland.

—*Luke Coffey is Director of the Douglas and Sarah Allison Center for Foreign Policy, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation. This report was revised on June 25, 2019.*