

LABORATOIRE DE L'IRSEM 2012





THE ROLE OF GREENLAND IN THE ARCTIC

DR. DAMIEN DEGEORGES

April 2012

Foreword by Palle Christiansen

Minister for Education, Research and Nordic Cooperation

Government of Greenland

THE ROLE OF GREENLAND IN THE ARCTIC

AVERTISSEMENT

Les opinions émises dans ce document

n'engagent que leurs auteurs.

Elles ne constituent en aucune manière

une position officielle du ministère de la défense.

ISSN : 2116-3138

ISBN : 978-2-11-129685-5

THE ROLE OF GREENLAND IN THE ARCTIC

AUTHOR

Dr. Damien Degeorges (born 1984) visited Greenland for the first time in 1998, taking part in an expedition on Greenland's icecap. He graduated from Paris Sorbonne University, specialising in Nordic studies (Danish); with research focusing on the institutional and political relationship between Denmark and Greenland. During the course of his research, he also took a course in Arctic studies at the University of Copenhagen. He also holds a Master in political communication (University of Paris-Est Créteil) and interned at the French Embassy in Denmark as well as at the European Parliament's Information Office in Denmark.

Between 2003 and 2007, Damien Degeorges has been a freelance foreign correspondent for the Greenlandic newspaper *AG/Grønlandsposten*. From 2007 to 2009, he collaborated on several occasions with the French Ministry of Ecology on Greenland and Arctic issues: visit to Greenland by Minister Jean-Louis Borloo (2007), French Presidency of the Council of the European Union (2008), United Nations Climate Change Conference in Copenhagen (2009).

In 2009, he was invited by the Ministry of Foreign Affairs of Denmark to write a blog (<http://blogs.denmark.dk/damien>) dealing with Greenland and the Arctic, as part of a public diplomacy project on Denmark's official website, Denmark.dk. In 2011, he completed his doctoral thesis in political science at Paris Descartes University on "The Role of Greenland in the Arctic" and taught Danish at the University of Lille 3.

THE ROLE OF GREENLAND IN THE ARCTIC

Since 2007, Dr. Damien Degeorges has been regularly lecturing on Greenland and the Arctic, both in institutional and academic spheres (European Parliament, China, United States, Denmark, Greenland, Iceland, Norway, Sweden, France, United Kingdom, Singapore, Australia, etc.). He also regularly intervenes in the media.

Dr. Damien Degeorges is associated to the French Institute of Strategic Research (IRSEM), the University of Greenland, the Raoul-Dandurand Chair of Strategic and Diplomatic Studies (UQAM, Canada) as well as to a number of research networks. Amongst others as a member of the China Security Study Network (CHINA-SEC, Denmark), that notably looks at China's relations with the Arctic.

This paper is a policy-oriented summary of the author's doctoral thesis in political science ("The Role of Greenland in the Arctic"). The paper focuses on key points of the author's doctoral thesis, which was conducted between 2008 and 2011 at Paris Descartes University. His examiners were:

- Pr. Marc Auchet (Paris Sorbonne University),
- Pr. Frédéric Charillon (University of Auvergne),
- Pr. Jean-Luc Nahel (University of Rouen),
- Dr. Thierry Garcin (PhD-supervisor, Paris Descartes University),
- Dr. Bo Lidegaard (Danish historian born in Greenland, former Permanent Under-Secretary of State of Denmark under Anders Fogh Rasmussen's Prime Ministership).

Greenland – on edge of civilisation or at the centre of development

The Arctic is hotter than ever. In more than one way. Consequences of global changes can be seen just outside our windows and we have to deal with it at all levels and adapt to take advantage of changes.

Changes produce new opportunities which require new knowledge and new skills. It is of great importance for me, as Minister for Education and Research in Greenland, that we through education and research pursue the opportunities that global changes bring. Only that way we can ensure sustainable development of Greenland and of the Arctic region as a whole.

However, it is not only the physical conditions which are changing for Greenland and the Arctic. It is also the geopolitical balance as rising temperatures allow for greater exploitation of the enormous resources in and around Greenland and the Arctic. Oil, gas, fresh water and mineral resources are valuable assets, important for future development for all countries and economies. Therefore, we see major industrialised countries whose economies are dependent on mineral resources focus their attention on Greenland and the Arctic.

The questions facing Greenland are many, and how they are answered can have great significance – locally and globally. How can and should a small country act in this situation? How to ensure a sustainable development in

THE ROLE OF GREENLAND IN THE ARCTIC

Greenland and the Arctic? What will the geopolitical consequences be, and how to take advantage of the new opportunities?

Education and research are important elements in this process. This thesis provides a good insight, and exciting perspectives on how Greenland's role is changing from being a country on the edge of civilisation to the centre of future development.

I wish to warmly thank my personal friend, Damien Degeorges, for his contributions to this development. He is a man, whom I am proud to know and whose heart is beating for Greenland.

Palle Christiansen

Minister for Education, Research and Nordic Cooperation

Government of Greenland

THE ROLE OF GREENLAND IN THE ARCTIC

ABSTRACT

The strengthened interest for the Arctic region, due to the consequences of climate change, coincides with the emergence of Greenland on the Arctic and international scenes. At the intersection of American and European interests in the region, Greenland, a self-ruled territory four times the size of France and inhabited by about 57,000 persons, forms part of a specific debate which is of an evolutionary nature and goes beyond the regional context. Stronger autonomy within the Kingdom of Denmark is bringing Greenland closer to possible independence, generating growing interest amongst the international community.

Greenland, due to its huge icecap, its natural resources, particularly an enormous potential in Rare Earth Elements, and a location at the centre of the Arctic, new frontier of international relations, assumes a strategic dimension. The territory appears as a key issue for developments in the Arctic region and for global challenges such as adaptation to climate change and energy security in the context of an economy expected to become low-carbon.

Greenland's state-building, between the desire for independence soon and a pragmatic approach, appears as a central issue to define the role of Greenland in the Arctic. Particularly given the territory's strategic resources, Greenland's state-building process may become a major security issue if it goes too fast. In case of economic difficulties, assistance to a Greenlandic state from a state willing to position or strengthen its presence in the region may have consequences for developments in the Arctic and global energy security.

THE ROLE OF GREENLAND IN THE ARCTIC

CONTENTS

Introduction.....	9
I. Greenland, from Home-rule and Self-rule to a potential independence: challenges of a state-building process.....	13
1. Home Rule: the <i>Siumut</i> period	14
2. Self Rule: last step toward independence?	16
3. Defining “independence” in the 21st century	19
II. Greenland in the new context of the Arctic	23
1. The new context of the Arctic	23
2. The Arctic: a regionally governed area of global concern.....	32
3. Greenland, an emerging state in the inner circle of Arctic governance.....	38
III. Greenland: instrumentalised and regulating actor in the Arctic.....	41
1. The Greenland “card”	42
2. Greenland: key to developments in the Arctic.....	45
3. An independent Greenland?	53
Conclusion	57

INTRODUCTION

“The most essential quality of the Arctic is not cold, or gold, or polar bears, but a central position in the world community” (R. St. J. MacDonald, 1966)

The renewed interest in the Arctic region takes place at a time where international relations have to take the climate component into consideration. The Arctic gathers major powers such as the United States and Russia, but also sees a rising interest from non-regional powers like China. Developments in this region bring worldwide attention: countries as far as Australia look at what is happening in this new frontier of international relations.

A meeting place of global interests, between North America, Northern Europe and Russia, the Arctic gives a summary of the 21st century's challenges: climate change (adaptation and need for climate research in the polar regions, etc.), natural resources (fossil fuels and renewable energy), international trade with the possibility of new shipping routes, security issues, peaceful resolution of territorial disagreements, cooperation between regional powers, cohabitation between regional and external powers, etc.

While the Arctic is a “laboratory” of this century's challenges, Greenland appears as a “laboratory” of the challenges at stake in the Arctic. Greenland has one important particularity compared to other key members of Arctic governance: it is in a state-building process. In 2009, Greenland got Self Rule and the right to become independent from

THE ROLE OF GREENLAND IN THE ARCTIC

Denmark. This process needs to be taken into consideration already now in order to build the strongest state possible and give the necessary time to it, should Greenland become independent. Education and long-term economic independence remain major challenges facing a possible state. Considering the territory's strategic assets, it would become a security issue if a weak Greenlandic state faces economic difficulties and opens the door to foreign economic assistance. Greenland's state-building is a key issue as it may have consequences for future developments in the Arctic and global energy security.

Arctic governance gives predominance to state actors, both through the "Arctic Five" dialogue (a gathering of the five Arctic coastal states) and the Arctic Council (the main forum for Arctic governance). However, the Arctic Council is seen as a model for combining realist and trans nationalist approaches, with the close involvement of Arctic indigenous people. Given its status and indigenous identity, Greenland acts as a link between the two approaches. Being part of the "Arctic Five" dialogue and the Arctic Council, Greenland can be seen as an "ambassador" for Arctic indigenous people among state actors¹, having gained a much stronger influence in its external relations since the self-ruled territory took over the management of its natural resources in 2010.

Greenland is 2 166 086 km² large, a territory as large as nearly half of the European Union or about a fourth of the United States. Greenland is mainly covered by ice (about 10% of the world's fresh water reserve, which makes the territory be an even more strategic issue for the future) and is

¹ Greenland is a self-ruled territory included in the delegation of the Kingdom of Denmark when taking part in the "Arctic Five" dialogue and the Arctic Council.

inhabited by no more than 57,000 persons. Greenland has all the assets to attract anyone, particularly powers willing to reinforce their position in the Arctic and looking for natural resources.

A double analysis has been done to understand the importance of both Greenland's state-building process in the Arctic and the territory's strategic resources. In order to understand the notion of "independence" and the consequences of being a weak state in the Arctic, we have studied the case of a former Danish colony, Iceland, and its strengthened relationship with China following the financial crisis in 2008. We have also looked at China's relation to natural resources, studying the case of Australia, a mining country with similar resources that is also a polar actor. Compared to Greenland, Australia is economically and regionally linked to China: the Australian-Chinese relationship in the fields of energy and environment as well as developments in Antarctica have been interesting to study in order to look at possible evolutions of the relationship between Greenland and China, as the Asian power may become an important partner of Greenland, with the opportunities and challenges it raises.

This research is the result of almost ten years of work on Greenland through an access to first-hand information in Danish. Former activities as a freelance foreign correspondent for the Greenlandic media as well as university-related activities led to a large number of interviews and meetings with key actors from Greenland and Denmark, but also key persons on Arctic and Greenland issues from the Nordic countries, Europe and America, as well as specialists of various fields related to this research. Among others, we have met the four successive Premiers of Greenland as well as high-ranked Greenlandic officials and businessmen, most of them before they took their positions.

THE ROLE OF GREENLAND IN THE ARCTIC

Our research aims to define what could be in an undetermined future the identity, role, and consequences of a Greenlandic state in the geopolitical area of the Arctic that is transformed by the consequences of climate change.

I. GREENLAND, FROM HOME-RULE AND SELF-RULE TO A POTENTIAL INDEPENDENCE: CHALLENGES OF A STATE-BUILDING PROCESS

Studying Greenland's state-building process is essential to understanding the role of Greenland in the Arctic. Depending on its evolution, may it be done in a reasonable way or accelerated, the state-building process will make Greenland become "subject" or "object" in international relations. In other words, Greenland will or will not have the chance to control its destiny. Given the territory's strategic assets, it is an absolute necessity that Greenland keeps control of its destiny and natural resources if it becomes independent. In that regard, a fast approach – that we will call the "Enoksen"² approach – is clearly to be avoided as Greenland would undoubtedly become "object" in international relations. It would not be in the interest of Greenland, which may rapidly loose influence by becoming too weak of a state. Such a situation could have consequences for developments in the Arctic and global energy security.

² Hans Enoksen was the Premier of Greenland between 2002 and 2009.

1. Home Rule: the Siumut period

The state-building process in Greenland is closely linked to the relationship between Denmark and the European Union. Home Rule was introduced in Greenland in 1979 following the Danish-Greenlandic membership to the European Community in 1973. Greenland became after 1953 an integrated part of Denmark (no longer a colony), while the Faroe Islands got Home Rule in 1948 and had the choice not to join the European Community. When Denmark decided by referendum to join the European Community, people in Greenland rejected it. Given that it was an integrated part of Denmark, Greenland nonetheless joined the European Community in 1973 despite its vote. Consequences on the Greenlandic economy, largely dependent on fisheries, led to negotiations between Denmark and Greenland to introduce Home Rule in Greenland. The new status took effect on May 1st, 1979.

For thirty years, the same political party, *Siumut* (socio-democrats), ran Greenland. This was a long period that challenged Greenland's ability to build a healthy state: major problems such as corruption and nepotism arose. The three successive Premiers from this party represented different options on Greenland's relation with the world.

Jonathan Motzfeldt: the North-European branch

Jonathan Motzfeldt (1938-2010) was the first Premier of Greenland, a position he held for seventeen years, from 1979 to 1991 and again from 1997 to 2002. He has also been Speaker of the Greenlandic Parliament from 2002 to 2008. His primary focus on Greenland's external relations was the Nordic countries. The importance of religion in geopolitics is not to

be denied: his education as pastor, in a country where church is state-supported, linked him closely to the Danish state – particularly to the Royal family – and the Nordic countries. He has put Greenland on the world’s map, meeting numbers of foreign personalities and bringing some of them to Greenland. Jonathan Motzfeldt is known as the father of modern Greenland, being one of the three Home Rule’s founders and then chairman of the Danish-Greenlandic Self Rule Commission. He urged Greenlanders not to speed an independence process that takes time, in contrast with Lars-Emil Johansen and Hans Enoksen.

Lars-Emil Johansen: the North-American branch

Lars-Emil Johansen (born 1946) was Premier of Greenland between 1991 and 1996. He has notably been twice Member of the Danish Parliament, between 1973-1979 and 2001-2011, as well as member of numerous company boards. Among others, he has symbolised a stronger orientation of Greenland toward the North-American continent. As brief Minister of Foreign Affairs in 2007, he reinforced the relationship between the United States and Greenland, confirming the plan of having a Greenlandic representation in Washington D.C. while he inaugurated an Air Greenland route between Greenland and the United States. The route has since closed, highlighting the difference between political wishes and economic realities.

Hans Enoksen: the Greenlandic branch

Hans Enoksen (born 1956) was Premier of Greenland between 2002 and 2009. Described as a “catastrophe” by entrepreneurs and Greenlanders deeply open to the world, he was seen as “a man of the people” by villagers who felt excluded from developments during Home Rule. One of main challenges for branding Greenland internationally in the Enoksen

period was that he didn't want to speak a language other than Greenlandic. Comparing the Danish-Greenlandic relationship to a "parent-child" relationship, the Enoksen period could be seen as a "teenage crisis." One concrete example was his acceleration of the "Greenlandisation" process: the goal was notably to have Greenlandic speakers leading the administration, even if Danish speakers were more qualified.

2. Self Rule: last step toward independence?

While Home Rule was marked by several orientations on Greenland's relation with the world, Self Rule's challenge is to define whether the independence process should be accelerated or given the necessary time to succeed in becoming a strong state. In opposition to the accelerated option (the "Enoksen" approach), a more pragmatic way of governing Greenland (the "Kleist"³ approach) demonstrates a mature leadership as it aims to make Greenland become first economically autonomous before asking the people if they want to become formally independent.

The "Kleist" approach: pragmatism and professionalism

Kuupik Kleist (born 1958) has been Premier of Greenland since 2009 and leads the socialist party *Inuit Ataqatigiit*. His background with international affairs and Denmark, as former director of Greenland's Foreign office and

³ Kuupik Kleist has been the Premier of Greenland since 2009.

former member of the Danish Parliament, has been a real asset, particularly precious in a time where Greenland had to deal with the rising interest of foreign states and companies as well as to discuss or negotiate with Denmark on a range of important issues for Greenland. Member of the Danish Parliament between 2001 and 2007, Kuupik Kleist gained respect from Danish politicians, which appeared as a very valuable asset for Greenland to advance its interests. Even a politician from the most opposed Danish party to Greenland's stronger autonomy, *Dansk Folkeparti*, was positive about the election of Kuupik Kleist as Premier of Greenland.

Greenland's state-building took thirty years to move from Home Rule (1979) to Self Rule (2009) – the same period would at least be needed to secure a strong independent Greenland. 2021 will mark the 300th anniversary of the arrival of the Dano-Norwegian evangelist Hans Egede to Nuuk (Godthåb). A symbolic date that has been seen by some, notably Lars-Emil Johansen and Hans Enoksen, as an ideal moment to break the links with Denmark: this time frame appears clearly unrealistic if Greenland aims to be a strong state.

The rise of "Demokratit": maturity in the state-building debate

During the first years of Self Rule, it has been impressive to see how unrealistic some well-educated Greenlandic politicians, mainly from *Inuit Ataqatigiit* and *Siumut*, can sometimes be on the subject of independence. The 2011 campaign to elect two Greenlandic representatives to the Danish Parliament turned for electoral purposes to unrealistic ambitions from some to renegotiate the then two years old Self Rule Act. The debate on having a Greenlandic constitution appeared also very premature given the challenges that Greenland had to face in 2011. However, the political earthquake that occurred in 2009 with the end of the *Siumut* era and the

THE ROLE OF GREENLAND IN THE ARCTIC

election of a Premier from another party demonstrates that the Greenlandic democracy is becoming healthier and the society more mature.

The coalition government elected in 2009, which notably includes *Inuit Ataqatigiit* and the socio-liberal party *Demokraatit*, shows that politics in modern Greenland needs to be more professional and driven by well-educated persons. A clear example is that two key ministers, in charge of Finance (Maliina Abelsen, *Inuit Ataqatigiit*) and Education / Research (Palle Christiansen, *Demokraatit*) are Danish speakers. Their nominations, which contrast with the “Greenlandisation” process led by the former coalition government under the Enoksen period, raised criticism from the former leading party *Siumut* as Greenlandic has become the official language of Greenland as part of the Self Rule Act.

While some Greenlanders consider that Self Rule was first and foremost a (legitimate) sentimental issue, nearly regretting the Home Rule time where Denmark transferred both areas of responsibility and the budget linked to these areas, *Demokraatit* didn’t consider that Greenland was ready for Self Rule and led the “no” campaign during the Self Rule referendum.

Alternating governments is common to any modern and healthy democracy. Of course, any successful government should remain in power as long as the people decide it, but it seems essential in modern times to avoid a situation where the same party leads a government for three decades. Will Greenland be one day able to elect a Premier from *Demokraatit*? Greenland would that day have demonstrated a much more pragmatic approach toward the notion of independence.

3. Defining “independence” in the 21st century

It is one thing to become independent, but another to remain independent. An independence plan should not be based only on incomes from one industry that could disappear after some decades. The notion of independence would need to be clarified and adjusted to the realities of today’s world, far from nationalist feelings. Although some would expect, due to the small size of Greenlandic society, to be able to plan independence for twenty years based on potential incomes from hydrocarbons, independence cannot be limited to twenty years. Independence is supposed to be forever, not just for twenty years.

A deep understanding of the realities of an interdependent world with a globalised economy is needed. Learning more about the world’s realities, notably through education or more international focus in the media, is a key challenge for Greenland. This also requires fast access to the internet – an area in which Greenland needs to improve its capabilities. Learning more about the world would enable people to understand that independence’s main issue is not of a “sentimental” nature but first and foremost to be able to remain independent. Greenlanders don’t want independence at any cost, like a lower standard of life, and don’t feel ready, according to some, to face an economic crisis like Iceland did. Like any other people, Greenlanders would certainly not accept others controlling, even indirectly, their territory or resources once a state, if they find themselves in a situation that could necessitate foreign economic assistance.

THE ROLE OF GREENLAND IN THE ARCTIC

It would be misinforming the Greenlandic people to say that Greenland can fully become independent. The simple case of defense, an area that a Greenlandic state, like Iceland, would never be able to take on its own condemns Greenland to remain dependent on others. Learning about the world would instead lead Greenlanders to understand that they already have the strongest autonomy that any other indigenous people has ever had and that a formal independence could actually reduce their real independence, which in Greenland's case is its control over its natural resources. Since 2010, Greenland has already had this central part of "independence".

Becoming a state doesn't mean that Greenland would completely break links with Denmark. Family links are there and will remain, as will Danish speakers among Greenlanders. The simple fact that two Greenlandic ministers were in 2011 Danish speakers, while Greenlandic was the official language, demonstrates that Greenland must prioritise competences to secure its future. That is particularly true when it comes to two of the most qualified members of the Greenlandic government. Professionalism gives credibility in the eyes of the world. That can only be an asset for Greenland.

In the interest of Greenland, Danish will certainly remain a language used in Greenland after a possible independence, as a Greenlandic state would certainly remain part of the Nordic region. That is even more certain if Greenland becomes independent and is part of a Danish Commonwealth. Iceland, a former Danish colony, has been a state for many decades and learning Danish, as one of the continental Scandinavian languages, was still mandatory there in 2011. The reality facing Iceland was simple: Icelandic is not understood by continental Scandinavian speakers. The situation is even worse with Greenlandic, which is not a Scandinavian language. Remaining in the Nordic region would also be an asset for the Greenlandic identity as

THE ROLE OF GREENLAND IN THE ARCTIC

kalaallisut (Greenlandic) would still be valued through the Nordic Convention on Languages which enables a Greenlandic speaker to get official documents translated into his language in another Nordic country.

The Danish Royal family can also play a role in the future of the Danish-Greenlandic relationship, probably a more important role than expected. Given the importance of family in Greenland, the fact that Denmark's Crown Prince Frederik and Crown Princess Mary gave Greenlandic names (Minik and Ivalo) to their twins born in 2011 may be of the highest value in some decades if Greenland becomes independent. No one would expect Greenlanders to break links with their royal family and leave two "Greenlandic" grown up royals outside the Greenlandic family. This can only reinforce the wish of many to have a Commonwealth where Denmark and Greenland would be two independent countries sharing the same monarch. Crown Prince Frederik is known for his passion for Greenland: depending on Greenland's state-building, he could become the first monarch of an independent Greenland, which would be more than a symbol.

Given the territory's particularities and strategic assets, a Greenlandic state would first and foremost need to keep an economic "security net" – understood as an "insurance" – in order to remain independent. It could be by (re)joining a partly supranational entity, whether in North America⁴ or in Europe⁵. In case of economic difficulties, it would prevent – at least

⁴ The European Union had in 2011 no equivalent in North America, as NAFTA is only dealing with free trade.

⁵ An EU membership would not be in the advantage of Greenland before 2020, as the territory's climate policy (2009) which enables Greenland's development during the period 2013-2020 is based on the fact that Greenland is not part of the European Union and

THE ROLE OF GREENLAND IN THE ARCTIC

partly – Greenland from the consequences of foreign economic assistance, which could lead to a loss of its real independence: the control over its strategic natural resources.

therefore not bound to EU's CO₂-reduction target by 2020.

II. GREENLAND IN THE NEW CONTEXT OF THE ARCTIC

The consequences of climate change have highlighted new challenges and opportunities in the Arctic region. Climate change has led to a rediscovery of the Arctic, which previously was mainly of interest for servicemen, scientists, and tourists. Greenland has been highlighted on the world map because of its strategic position between America and Russia, because of the consequences of climate change, and also because of its natural resources since the rediscovery of the region.

1. The new context of the Arctic

Climate change: the global dimension of the Arctic

Polar regions, where temperatures rise twice as fast as in the rest of the world, are a privileged observatory of climate changes. Polar research on Greenland's icecap is a key for climate adaptation as the best data can be found there and in the Antarctic. The difference between results from polar and global research can be huge and costly. While the Intergovernmental Panel on Climate Change (IPCC) estimated global sea level rise by 2100 to be between 0,18m and 0,59m in its 4th Assessment Report, polar research⁶ published by the Arctic Monitoring and Assessment

⁶ AMAP (2011), "Snow, Water, Ice and Permafrost in the Arctic – SWIPA 2011 Executive

THE ROLE OF GREENLAND IN THE ARCTIC

Programme (AMAP) estimates global sea level rise at the same period to be much higher, between 0,9m and 1,6m. More than a meter of difference between the two highest estimations is an enormous difference and shows that our world and the global economy are clearly dependent on the polar regions. The Arctic and Greenland's icecap are therefore of the greatest importance for global economies and the world population that have to adapt to climate change and sea level rise. Such estimations from Arctic research matter for cities like London, New York, or Shanghai, countries like Bangladesh or the Netherlands, food security, etc. The biggest security threat from the Arctic does not come from any army, but from the melting of ice.

Energy potential: an open debate

The potential of hydrocarbons in the Arctic has regularly been highlighted by governments and media since the publication in 2008 of a USGS study⁷ conducted in thirty-three geological provinces north of the Arctic Circle. The study gives the Arctic a potential of 90 billion barrels of oil, 1,669 trillion cubic feet of natural gas, and 44 billion barrels of natural gas liquids.

Experts recommend using caution with such estimations, underlining that the potential is not yet entirely proven. The case of Greenland illustrates more than others the dilemma: Greenland's future development is mainly based on oil & gas activities while the commercial viability of Greenland's hydrocarbons potential had not been proved in 2011. Furthermore, Greenland symbolises the challenge to both develop a country through

summary", <http://www.amap.no/swipa/SWIPA2011ExecutiveSummaryV2.pdf>

⁷ USGS (2008), "Circum-Arctic Resource Appraisal: Estimates of Undiscovered Oil and Gas North of the Arctic Circle", <http://pubs.usgs.gov/fs/2008/3049/fs2008-3049.pdf>

THE ROLE OF GREENLAND IN THE ARCTIC

oil & gas activities and handle a sensitive environment. It is the full right of Greenland to determine its industry policy, but the paradox is that oil drillings off-shore Greenland are potentially risky for Greenland's independence plans. A minor accident occurring off-shore Greenland could have major consequences for Greenland's image and future investments in the country, as well as for the global off-shore industry. No one could imagine the consequences of a picture showing an iceberg – acknowledged as a symbol of purity – surrounded by oil on the front page of major international newspapers. Even if the damage is very small, the global impact of such a picture could be much more important and less forgettable than what happened in the Gulf of Mexico in 2010.

The Arctic's real gold is seen to be mainly in Greenland: Rare Earth Elements (REE). Some value these metals as the 21st century's gold. Crucial to numbers of civil and military applications, Rare Earth Elements are a group of metals composed of fifteen lanthanide elements (atomic number 57 to 71) and yttrium (atomic number 39) among which scandium (atomic number 21) is commonly included. The demand is growing fast, partly due to the emergence of new high technologies and the stronger focus on green technologies. It is thought that Greenland is home to one of the largest deposits of Rare Earth Elements in the world, at least able to break the Chinese dominance on the world market. While China controls more than 97% of the world's REE production, causing important risks of supply to major Western economies (U.S.A., European Union, Japan, etc.), Greenland may be able to respond to at least 25% of the world's REE demand in the next fifty years – if not more. China has clearly shown an interest in Greenland's potential in Rare Earth Elements - a situation that challenges the ability of Western economies to invest in this strategic sector before China's interest becomes too concrete. The Arctic territory considers itself as a part of the Western world and would rather deal with

Western economies, but aims at the same time to develop its economy and won't refuse Chinese investments in the Rare Earths sector if Western economies are too slow to react. It is, however, a risk for Greenland's growing attractiveness to accept investments in this strategic sector from a country that nearly controls the sector. Furthermore, it would become a major energy security issue as Rare Earth Elements are seen to be crucial both for military applications and for this century's economy, which aims to be greener.

Rediscovering the strategic dimension of the Arctic

The strategic dimension of the Arctic didn't appear during the 21st century. It has been known for a long time by servicemen that this region was of strategic importance, particularly during the Cold War. The consequences of climate change have reshaped the regional configuration and highlighted the Arctic as a new frontier of international relations. The enormous potential of natural resources and the planned shipping activities through at least the North-East Passage have put the Arctic again on the world map. As a matter of fact, the Arctic has become a strategic priority for countries in the region. Most of them have, in the new context of the Arctic, rediscovered the value of their Arctic territories. The main challenge facing the Arctic is to remain a zone of cooperation, not a zone of confrontation. Several key issues are at stake, such as a continuing good neighborhood relationship between Russia and the other Arctic states, the consequences of Greenland's state-building and the necessity of having an economically healthy Greenland if the territory becomes independent, the rising interest of non-Arctic states, and the ability of a constructive dialogue between the non-Arctic and Arctic states.

THE ROLE OF GREENLAND IN THE ARCTIC

The case of Denmark and Greenland is emblematic. “Mainland Denmark” is the only Arctic country not to be geographically Arctic: while Alaska is an integrated part of the United States of America, Greenland is a self-ruled territory within the Kingdom of Denmark. If Greenland becomes independent, Denmark will no longer be an Arctic state. However, Denmark will still have a role in the Arctic if an independent Greenland concludes a defense agreement with Denmark. Given the opportunities offered by Greenland and the Arctic in its relationship with major powers such as China or the United States, Denmark realised what the assets to “be Arctic” were. The Arctic strategy of the Kingdom of Denmark, presented in 2011, demonstrates the ability of Denmark, the Faroe Islands and Greenland to cooperate in a win-win situation on Arctic issues. While moving toward more autonomy from Denmark, in a period where the importance of the Arctic will increase, Greenland will increasingly realise that Arctic issues are mostly the competence of sovereign states. Arctic issues are not completely transferable to Greenland as self-ruled territory; therefore Denmark will have to continue advancing the Kingdom’s Arctic interests, even if it may lose in an undetermined time frame its direct access to the Arctic. Here is the Danish-Greenlandic dilemma: the Kingdom of Denmark will be able to advance its Arctic interests depending on the persons in charge of Arctic affairs in Denmark (mainly the Minister of Foreign Affairs) and depending also on who runs Greenland (the Premier). The difference in terms of representing Greenland internationally and the ability for Denmark to see the strategic dimension of the Arctic can be huge, if comparing two Premiers like Hans Enoksen and Kuupik Kleist as well as two Danish Ministers of Foreign Affairs like Per Stig Møller and Lene Espersen. Failing to advance its interests, the Kingdom of Denmark would be the great “loser” of the Arctic. Hopefully, the professionalism shown by

the Kingdom's Arctic strategy demonstrates the Kingdom's ability to be a major and respected actor in the Arctic.

Polar research: increasing international cooperation in the Arctic

Like climate change, polar research is an “entrance door” to the region for non-Arctic actors and a possibility of increasing cooperation among Arctic actors, far from the geopolitical “game” behind Arctic governance. The wish of some to have an international polar decade instead of an International Polar Year (IPY) demonstrates, however, the importance of polar research.

Greenland is once again a key issue. Greenland's icecap is a memory of our planet and can be seen as a key for “creative diplomacy”⁸ on climate change, being able to gather major powers and CO₂-emitters like China and the United States to research and understand climate change. The best data to plan adaptation to climate change are available in the Polar Regions, as shown by the results of the SWIPA project. China's interest⁹ in conducting scientific research in Greenland can be seen very positively if Greenland is able to engage the Asian power into further international cooperation on climate change in polar regions. By doing so, Greenland would contribute in a creative way to further involving key actors of international climate negotiations and to helping understand the major

⁸ “Creative diplomacy” – or more precisely “creative middle power diplomacy” – is a concept praised by former Australian Prime Minister and China expert Kevin Rudd for creatively resolving global challenges such as climate change and energy security.

⁹ The Danish Minister of Foreign Affairs' Speech on the Arctic Strategy 22 August 2011, http://um.dk/da/~media/UM/Danish-site/Documents/Politik-og-diplomati/Nyheder_udenrigspolitik/2011/UMerens%20tale220811.ashx

challenge facing the other polar region, the Antarctic, where polar research should remain the only priority.

Arctic shipping routes: new opportunities for global trade

As Arctic sea ice retreats during summer, new opportunities for global trade and shipping activities are becoming available with the opening of the North-West and North-East Passages. Costs and feasibility as well as a potential risk of dependency on Russia concerning the Northern Route, through the North-East Passage, are critical aspects to enable a commercial use of Arctic shipping routes. Shipping companies are preparing for these new opportunities. The Northern Route may become the first available Arctic maritime route and would reduce distances between Asia and Europe by about 40% as well as CO₂-emissions of shipping activities. Shorter distances are of strategic importance for countries like China whose GDP relies for almost half (46%)¹⁰ on shipping activities. It also leads countries from the Southern Hemisphere, as far as Australia, to look at the Arctic. In that context, islands like Iceland strengthen their strategic dimension: Iceland is seen as a coming hub for China's future shipping activities in the region. Greenland is more concerned by potential opportunities and threats linked to the North-West Passage. Apart from legal disagreements regarding the status of the North-West Passage, its availability for commercial use is much more uncertain than in the case of the Northern Route, at least in the short-middle term. Greenland's harbors remain however strategic in the long term and buying such infrastructures could be of interest for powers willing to position

¹⁰ JAKOBSON Linda (March 2010), "China prepares for an ice-free Arctic", SIPRI Insights on Peace and Security, No. 2010/2, <http://books.sipri.org/files/insight/SIPRIInsight1002.pdf>

themselves in the region or to reinforce their presence in the Arctic. Given Greenland's area, safeguarding Greenlandic coasts will remain an enormous task, particularly in the case of an increasing maritime activity in the region. Search and Rescue training and operations give an opportunity for stronger cooperation among regional actors in the Arctic.

Geopolitical evolutions in the Arctic: perspectives

Greenland is at the centre of future developments in the Arctic. Russia is often named as the biggest challenge facing the Arctic, but developments following Greenland's state-building process should not be underestimated. While Greenland has until now been a meeting place for American and European interests, China's stronger focus on the Arctic territory is clearly not to disappear and is rapidly leading to a much closer relationship between China and Greenland.

Evolutions regarding Greenland's policy¹¹ on radioactive elements are a central issue for future developments in the region. First and foremost, the domestic Greenlandic debate on that issue – as on many others – strongly needs to move from local politics to global politics. Natural resources are about international politics: that is even more the case for radioactive elements. Uranium is a strategic issue and companies in that sector are often state-owned. Developments in that sector could bring new actors from France, Russia, China, or other countries to Greenland.

A stronger EU presence in the region would not necessary be negative for Arctic coastal states if the European Union becomes one day the economic

¹¹ A zero-tolerance policy on extracting radioactive elements still applied in Greenland in 2011.

“security net” of an independent Greenland. Having Greenland rejoining a partly supranational entity would protect a Greenlandic state and its Arctic neighbors from the negative consequences of potential foreign economic assistance to Greenland. What happened with Iceland may occur tomorrow in Greenland. The strategic difference, however, is huge: Iceland didn’t have Greenland’s natural resources and area. The population and political elite are furthermore much fewer in Greenland, which may enable an easier “entrance ticket” to powers willing to position themselves in the region.

Boundaries in the Arctic: asserting its power around the North Pole

The race to the North Pole doesn’t have that much to do with natural resources: nationalism and the assertion of Arctic coastal states in the region are seen as the main drivers. The North Pole clearly and only represents a symbol of assertion in the Arctic. Arctic coastal states don’t see any need for further legal agreements to govern the Arctic Ocean and 97% of the off-shore energy potential in the Arctic is already located within national boundaries. The United Nations Convention on the Law of the Sea (UNCLOS), which had not been ratified by the United States as of 2011, already applies to the Arctic Ocean. Denmark and Greenland have through the Ilulissat Declaration (2008) played a leading role in affirming the role of Arctic coastal states in the region.

The Kingdom of Denmark may have found a clever solution to the future of the North Pole in the new context of the Arctic. In an interview with the Danish Broadcasting Corporation DR in August 2011, following the publication of the Kingdom’s Arctic Strategy and a discussion with Greenland’s Premier Kuupik Kleist, then Danish Foreign Minister Lene Espersen explained that an area around the North Pole could become a

natural reserve under Danish sovereignty if the Kingdom of Denmark gets its claim approved by the Commission on the Limits of Continental Shelf (CLCS). Such an outcome would demonstrate the possibility of balancing Arctic diplomacy and the rights of sovereign states. It would also strengthen the role of the Kingdom of Denmark in the Arctic.

2. The Arctic: a regionally governed area of global concern

One region, three sub-regions: North America, Northern Europe and Russia

The Arctic region is composed of eight states – all crossed by the Arctic Circle: Canada, Denmark/Faroe Islands/Greenland, Finland, Iceland, Norway, Russian Federation, Sweden, the United States of America. Among them, five coastal states (Canada, Denmark/Greenland, Norway, Russian Federation and the United States of America) are seen as the first circle of Arctic governance. Following the rapidly growing international interest in the Arctic region, the role of Arctic states has been reinforced within the Arctic Council, which notably gathers the eight Arctic states, representatives from Arctic indigenous people as well as permanent observer states (France, Germany, United Kingdom, Poland, Spain and the Netherlands). The emergence of an “Arctic Five” dialogue, gathering the five Arctic coastal states, appeared as a willingness of this core group of states to show that the Arctic is a regional matter. While issues were mainly of interest for Arctic coastal states, this initiative has been seen by

THE ROLE OF GREENLAND IN THE ARCTIC

some as an attempt to limit a growing European dominance, by excluding countries like Finland, Sweden, and Iceland, which is a coastal state, though not bordering the Arctic Ocean.

Given the size of its Arctic area, its strategic position along the Northern Route, its polar tradition, and its military Arctic capabilities, Russia is by far the super power of the Arctic and a sub-region in itself. The Arctic region demonstrates that the balance of power can be different on the regional and global stages: while the United States is globally a hyper power, Russia is leading the game before the United States in the Arctic.

The Nordic countries, seen as “small” Arctic states as compared to major powers such as Russia, the United States, or Canada, have by nature common interests, such as the environment. In the case of the Arctic, they do however have first and foremost national interests. The emergence of the “Arctic Five” dialogue has even contributed to differentiate between the Arctic coastal Nordic states, Denmark/Greenland and Norway, and the three others. Norway is by far seen as the leading Arctic actor among Nordic states, but Denmark has been quite effective in reacting to the growing global interest in the Arctic. The much stronger focus on Arctic strategic research in Norway remains, however, a major difference between Denmark and Norway. The fact that Norway does not have any ongoing internal process like Denmark has with Greenland’s state-building could partly explain why Norway and its government appeared in the recent years as more Arctic than Denmark. Another explanation could be that “mainland Denmark” is not Arctic. The case of then Danish Foreign Minister Lene Espersen, who didn’t attend the “Arctic Five” dialogue meeting in 2010 due to her holidays, would for many observers have been unbelievable in Norway. The outcome of the Kingdom of Denmark’s Arctic strategy demonstrates, however, the ability of Denmark to be a major

THE ROLE OF GREENLAND IN THE ARCTIC

player in the Arctic. The approach of the three other Nordic states shows that each has its particularity: Northern Europe is one region with several different approaches. Sweden is seen by some as a “neutral” actor in the Arctic, despite its taking over the chairmanship of the Arctic Council for the period 2011-2013. Finland is seen as EU’s Arctic asset at the border with Russia while Iceland could become an extra asset for EU’s Arctic ambitions if the island joins the European Union. In a short period, Iceland has moved from being an American “aircraft carrier” to a future Chinese “harbor,” looking at the same time toward the European Union. The case of Iceland, a former Danish colony, is very interesting in light of Greenland’s development: it can be seen in some ways as a “mirror” of Greenland’s future, as what happened in Iceland did often happen in Greenland later. However, the future of Greenland’s defense is clearly seen to be dissimilar to the Icelandic case in the sense that Greenland is incomparably more strategic and critical to the U.S. military than was Iceland.

The North American part of the Arctic is also shared between common and national interests. On one side, the United States is adapting to the Arctic, facing a major issue that is the ratification of the United Nations Convention on the Law of the Sea. On the other side, Canada is rediscovering its Arctic dimension – like some other countries in the region – and trying to assert its presence. Nevertheless, Canada, the United States, and Russia are all far from the environmental credibility shown by the Nordic countries when it comes to protecting the Arctic: it is one thing to put the environment high on the Arctic agenda and to promote itself through that way as an Arctic nation, but another to be active at the international level in fighting climate change.

The growing interest of observers and non-Arctic states in the Arctic Council

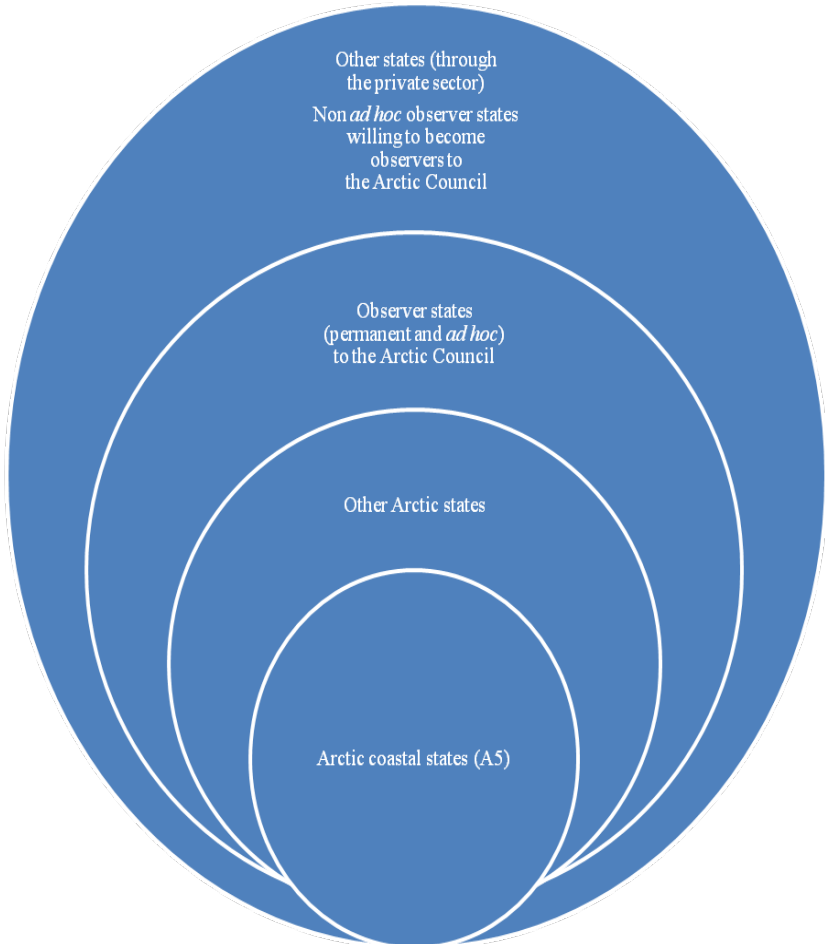
The Arctic region has moved from being a regional matter to becoming a major issue on the global stage. Asian powers like China, India, Japan, and South Korea have shown a rapidly growing interest in the region, notably due to the possibility of new maritime opportunities. Even a tropical place like Singapore has become a place to discuss the Arctic. What was previously a somewhat neglected area on the world map became a new frontier of international relations: bringing the interest of Asian powers to its backyard is of importance for small Arctic states that see in their Arctic dimension an opportunity to strengthen their relationship with rising powers. The whole world is strengthening its attention on the Arctic region: this raises opportunities and challenges, particularly in the case of Greenland, a territory in a state-building process.

A clear illustration of the growing international interest in the Arctic region and particularly Greenland is to be found in the way Greenlandic ministers are received abroad. The massive and high-profiled participation in the New Year's reception of the Government of Greenland in Copenhagen demonstrates this as well. When Kuupik Kleist and his delegation visited Norway in 2011, they were received by the King: something unbelievable some years before which furthermore is not customary given that Greenland is not a state. This highlights the shift of the world's attention toward Greenland and the importance of natural resources in international relations: since the self-ruled territory has taken over the management of its natural resources in 2010, many things have changed. However, the state-building process should not be pressed: another dependence, less friendly than Denmark, could come after. In other words, Greenland needs to be careful not to have a hangover after the euphoria.

The rising interest of permanent and *ad hoc* observers to the Arctic Council as well as of non-Arctic states has challenged Arctic governance: observer status in the Arctic Council was in the early 2000's much more accessible than it has become a decade later. The fact that even countries from the Southern hemisphere are looking to become observer in the Arctic Council tells a lot about the rising importance and strategic dimension of the region. Through the Arctic, the world community is beginning to experience the consequences of climate change on international relations: previously neglected areas can become the heart of global interests.

While Arctic states are divided in two circles (Arctic coastal and non-Arctic coastal states), non-Arctic states like France and China started to challenge Arctic governance at the 2011 Arctic Council ministerial meeting in Nuuk, claiming more attention from Arctic states. The "institutionalisation" of a third circle is clearly to be avoided for Arctic governance: not only should non-Arctic states respect the legitimacy of Arctic states to regionally govern their area, even if it has become a region of global concern, but it would clearly not be in the interest of Arctic states to let non-regional actors talk about the Arctic separately. While the Arctic should remain governed by Arctic states only, discussions in the Arctic Council could include any state or supranational entity which will be economically part of future developments in the Arctic through its private sector as well as international organisations related to developments in the Arctic. Deeper understanding of the Arctic as well as feedback from observers would benefit Arctic states. The participation of representatives of Arctic indigenous people gives even more legitimacy to the Arctic Council to remain a central forum of Arctic governance.

THE ROLE OF GREENLAND IN THE ARCTIC



Balance of powers between states involved in the Arctic region

3. Greenland, an emerging state in the inner circle of Arctic governance

Being part of the inner circle of Arctic governance gives Greenland extra influence and raises at the same time the question of its strength if it becomes independent. Could Greenland become an easy “entrance ticket” to the Arctic?

Member of the “Arctic Five” and the Arctic Council

Arctic governance has shown the predominance of state actors: the “Arctic Five” dialogue is seen as the first circle in the Arctic. Greenland is in that context a unique case in Arctic governance. Without being a state, the territory is part of the “Arctic Five,” thanks to a certain Danish benevolence. The Faroe Islands, which like Greenland are parts of the Kingdom of Denmark’s delegation to the Arctic Council, are not taking part in the “Arctic Five” dialogue. This special position of Greenland is partly due to the fact that the island is fully responsible for some areas dealing with Arctic issues. It is also thanks to Greenland – the Kingdom’s Arctic part – that Denmark hosted the first “Arctic Five” dialogue in 2008.

Greenland’s identity at the same time closely links the territory to Arctic indigenous people, who are neither part of the “Arctic Five” nor members (but permanent participants) of the Arctic Council. Greenland’s role as “ambassador” for Arctic indigenous people is obvious: using its new influence, Greenland advocates the role of Arctic indigenous people either bilaterally or in international fora. Premier Kleist has been active in this role during talks with foreign governments, like in Norway in 2011, within the Arctic Council when Greenland hosted the 2011 Ministerial meeting,

and in the UN context promoting the autonomy status of Greenland. Should Greenland use parts of its potential hydrocarbons revenues to support development in the world, not only would its oil & gas production be more responsible – given the environmental sensibility of the Arctic – but Greenland would certainly be admired – given its indigenous identity – if it becomes a major contributor to development aid.

The fact that Greenland already takes part as a non-state actor in the inner circle of Arctic governance raises questions about the interest that the self-ruled territory would have to become formally independent. The answer is simple: a legitimate expression of its identity and the willingness to become an independent part of the world. However, the notion of “independence” is again challenged as Greenlanders don’t want it at any cost and don’t want others to control their destiny once become a state. Some Greenlanders came to “regret” the Home Rule period where Denmark transferred funds when giving Greenland new areas of responsibility. That is no longer the case with Self Rule: Greenland is in this way moving from childhood to adulthood (independence). Moving from Home Rule to Self Rule and from Self Rule to independence is clearly not the same. When Greenland has taken over all the thirty-three areas of responsibility transferable through the Self Rule Act, the territory will broadly look like an independent country and the very few areas that will remain under the responsibility of the Danish state are areas that an independent Greenland may never be able to take over on its own. That is for example clearly the case for defense: Greenland cannot be an “independent” state if it doesn’t assume itself its own defense. Understanding this may lead to a shift in the independence debate in Greenland: what degree of independence does Greenland want?

Risks of becoming an easy “entrance ticket” to the Arctic

Being a state with so many strategic assets and located in such an evolving region requires strength. Greenland often looks at Norway as an example for its possible future oil & gas industry, wishing to mainly build its independence on that sector. The main difference between Greenland and Norway is that Norway was a state and will remain independent – even if it may not be that rich – when its oil & gas industry come to an end. Like Norway, Greenland already needs to think about its future without income from the oil & gas industry. A possible oil & gas industry in Greenland will one day come to an end; therefore Greenland needs to secure its independence project in the long term. Once again, it is one thing to become independent, but another to remain independent.

Given Greenland’s strategic assets and the rapid evolution in the Arctic due to the growing international interest in the self-ruled territory and the region, it is in the interest of Greenland to balance its need to become independent and its capacity to remain independent on the long term. In other words, Greenland should clearly take its time in building a strong state and be sure once become economic independent that it can remain strong in the long term. Greenland would thus avoid becoming an easy “entrance ticket” to the Arctic.

Greenland should develop and strengthen its assets as well as be aware of its strengths and its existing weaknesses. Succeeding in doing so, Greenland would resolve numerous challenges facing its state-building process.

III. GREENLAND: INSTRUMENTALISED AND REGULATING ACTOR IN THE ARCTIC

Greenland's state-building process underlines the importance of having a strong Greenland if the territory becomes independent. Greenland may however remain partly used by others, as a Greenlandic state will still be dependent on others when it comes to, for example, defense. In case of independence, the main challenge would be to have a Greenlandic state that would be as much a regulating actor in the Arctic as possible. In other words, a Greenlandic state with a strong enough will to deal with foreign countries and firms. This will partly depend on Greenland's capacity to remain economically healthy in the long term if it becomes independent.

Greenland and Arctic costal states	Population (2010)
United States of America	312,5 million
Russian Federation	143 million
Canada	34 million
Norway	4,9 million
Greenland	56 542

Sources: Larousse (Larousse.fr), Statistics Greenland (Stat.gl)

1. *The Greenland “card”*

Relationship with Denmark

The main question is to know what Greenland as instrumentalised actor brings to Denmark and what Denmark would lose – even partly – if Greenland becomes independent. Since World War II, Greenland has been an essential “card” in Denmark’s economic and strategic relationship with the United States. Greenland and the Arctic have also been a “card” for Denmark to develop closer ties with powers like China. Denmark would therefore lose an enormous asset if Greenland becomes independent. Greenlandic independence is a scenario that is accepted in Denmark as in a parent-child relationship: once one is grown up, one can become independent. Keeping an independent Greenland within a Danish commonwealth could, however, still in a way give Denmark a Greenland “card,” particularly if Denmark ensures the defense of Greenland.

Climate diplomacy prior to the 2009 Copenhagen Climate Conference brought Denmark and Greenland to a win-win situation: Denmark had through Greenland a key “tool” to bring foreign dignities, scientists, and the press to observe first-hand the consequences of climate change, while Greenland could benefit from these visits to strengthen its international dimension in a time of stronger autonomy.

Avoiding paternalism is a challenge for the Danish-Greenlandic relationship, particularly on Arctic issues. Denmark and Greenland are partners in a mutual interest: Denmark is the state while Greenland is Arctic. In the case of Denmark, it is a matter of credibility to continue advocating the Kingdom’s interests in the strategic Arctic region.

Relationship with the European Union

Greenland's move toward independence is closely linked to Denmark's relation with the European Union. While Home Rule (1979) was introduced following Greenland's unwished membership of the European Community in 1973, Self Rule (2009) resulted from a coalition government's agreement between *Siumut* and *Inuit Ataqatigiit* in 1999 which pointed out the effects of Denmark's EU membership on Greenland.

Greenland remains closely linked to the European Union as one of the Overseas Countries and Territories, a status that benefits the self-ruled territory in its development but that would disappear in case of independence.

The benefit of the Greenland-EU relationship is mutual. Greenland is a strategic "card" for the European Union when it comes to the Arctic. The EU's Arctic dimension was shaped in Greenland, a non-EU territory: the 2002 Danish Presidency of the EU Council and then Greenland Home Rule brought EU member states' representatives to Ilulissat where an "Arctic window" to the EU's Northern Dimension was launched.

Greenland still doesn't entirely have control over its destiny with the European Union: if Denmark one day introduces the Euro – something which in 2011 seemed far from possible – Greenland would then get the Euro even if the territory is not part of the EU. Such a scenario would certainly lead to another debate in Greenland, on the dependence toward Denmark rather than on an EU membership. Currency can be an important "soft power" tool for the EU in its attempt to strengthen its relationship with Greenland.

Relationship with the United States of America

The United States has been a part of Greenland's history since World War II. The U.S.-Greenland relationship will continue to grow due to the possible size of U.S. investments in Greenland and particularly if Greenland becomes a state. Greenland is part of the Monroe doctrine: according to a former Greenlandic leader, the United States' concern over Greenland getting Home Rule (1979) was to know if the territory remained part of the North Atlantic Treaty Organization (NATO). Contrary to the Icelandic case, the U.S. military is clearly not about to leave Greenland: the Thule Radar, located North-West of Greenland, is seen by some as the "eyes and ears" of U.S. defense. Additionally, due to the melting of summer sea ice in the Arctic, Thule Air Base may become even more strategic in the future.

The relationship between Greenland and the United States has become closer through Denmark. The Itilleq Declaration (2003), which led Denmark to formally associate the then home-ruled territory with foreign and security issues related to Greenland, opened the door to a three-party dialogue with the United States. This was made concrete by the Igaliku Agreement (2004) between Denmark, Greenland, and the United States: it not only amended and supplemented the 1951 Agreement on the Defense of Greenland but led to a closer cooperation between Greenland and the United States on a range of issues including energy cooperation, research, and education.

Greenland-related security issues go beyond the Arctic. The autonomous territory is included in the U.S. post-9/11 strategy. The upgrade of Thule Radar is one example; the secret use of Greenland for CIA flights is another. If Denmark wasn't uninformed of such flights in Greenland, it would reinforce the impression that Greenland remains a "card" in the

relationship between Denmark and the United States, as well as in the new context of the Arctic as shown by *Wikileaks'* documents. It also underlines the superiority of a sovereign state over an autonomous territory in such a strategic area as defense and reminds Greenland of the limits of autonomy. The notion of "independence," given that a Greenlandic state would not be able to have its own defense, is defined in that context.

The United States' interest in Greenland is no longer of a military nature only: the closer US-Greenland ties can be seen as an investment from the United States on a possible future Greenlandic independence. "Soft power" is once again a key element of the U.S. strategy and pro-U.S. Greenlanders are seen among those who have studied in the United States. The planned establishment of an American Presence Post (APP) in Greenland would reaffirm the U.S. willingness to have stronger ties with its North American neighbor and a certain ambition to be the major foreign power in Greenland.

2. Greenland: key to developments in the Arctic

A "hypermarket" of natural resources

Greenland is one of the few places on earth to have such a diversity of strategic resources in such an important potential amount. The territory has both gold, "black gold" (oil), "green gold" (Rare Earth Elements, which are needed to enable green economies), and "blue gold" (fresh water).

THE ROLE OF GREENLAND IN THE ARCTIC

It can be called as “hypermarket” of natural resources notably given the richness of its geology, the diversity of its minerals, and the concentration level of some strategic minerals. The commercial viability of Greenland’s oil & gas potential remained unclear as of 2011, while the territory’s Rare Earth enormous potential appeared as the real “gold” of the Arctic. In the future, Greenland’s vast reserve of fresh water (about 10% of the world’s reserve) is predicted to become even more strategic.

Minerals in Greenland

Antimony	Osmium
Barite	Palladium
Beryllium	Phosphorus
Celestite	Platinum
Chromium	Ruby
Coal	Lead
Cobalt	Tantalum
Copper	Thorium
Cryolite	Rare Earth Elements
Diamond	Silver
Gold	Titanium
Graphite	Uranium
Iron	Tungsten
Molybdenum	Vanadium
Nickel	Zinc
Niobium	Zirconium
Olivine	...

Source: *Greenland Geology and Selected Mineral Occurrences*, BMP/GEUS, http://www.bmp.gl/images/stories/minerals/Principal_occurrences_GEUS_BMP_nov%202010.pdf

THE ROLE OF GREENLAND IN THE ARCTIC

Greenland is a key to global energy security. Given that natural resources are the heart of economy and that the 21st century's economy aims to be low carbon, Greenland's Rare Earths potential is seen as crucial to enabling global green growth. It is thought that Greenland could respond to at least 25% of the world's REE demand in the next fifty years. Data from 2011 shows that a mine in South Greenland, which was supposed to be exploited for 25-30 years, could actually be exploited for at least three hundred years. Given this potential, state-building in Greenland matters: moving too rapidly toward independence may lead Greenland to a stronger dependence on the foreign energy sector or on any foreign country willing to provide the territory assistance in case of economic difficulty. If that foreign country also leads the REE world market and is willing to take over Greenland's REE potential, it could have serious consequences on global energy security given that economic assistance may go together with access to the territory's strategic assets, notably natural resources.

Given that Greenland's zero-tolerance policy on the extraction of radioactive elements affects a major mining project dealing with Rare Earth Elements, an intense debate has taken place in Greenland about whether or not authorities should change the zero-tolerance policy. *Siumut*, which introduced the policy in the 1980's, was in favor of changing the policy in 2011. Other parties like the socio-liberals *Demokraatit* aims to change the policy while *Inuit Ataqatigiit* remains opposed. In other words, the coalition government is divided on the question and a majority at the Parliament is in favor of changing the policy. As long as Greenland does not need foreign economic assistance, Greenland will be able to keep the control over its natural resources policy. Being a self-ruled territory, Greenland needs money to become independent. Once independent,

THE ROLE OF GREENLAND IN THE ARCTIC

Greenland would need money to remain independent: the situation would not be the same and would create a potential stronger source of dependence. That is even more true in the case of uranium companies which are mostly state-owned: given the weight of such an industry on an economy like that of Greenland, a state owning such a company could easily use this “tool” to position itself in this strategic region throughout Greenland. If the Greenlandic government doesn’t have at that time a strong enough will, Greenland would become an easy “entrance ticket” to the Arctic. Therefore, it is in Greenland’s interest to take the necessary time before eventually becoming a state. Independence goes only one way: one doesn’t become independent to then return home.

A major challenge facing the energy sector in Greenland is the risk of an even limited oil spill. Consequences of a picture showing an iceberg surrounded by oil and published on the front page of world media would be devastating for Greenland’s green branding and the oil industry. If Greenland’s independence remains mainly based on hydrocarbon revenues, such an event and the risk of seeing oil activities removed from Greenland for at least a while would affect Greenland’s plan to become independent or put in danger its independence if already a state. Greenland therefore needs to never compromise on the safety of off-shore activities. The need to separate attribution of licenses and controls into two administrative bodies, like Norway does, is also an urgent issue for Greenland: once again, it raises the critical issue of education in order to have the qualified manpower. Greenland should also be more confident in the value of its energy potential: energy companies should not decide where the money they give to the education sector goes – it has to be a decision of the Greenlandic government. Given the territory’s energy potential, Greenland could easily find another company willing to obtain a license if another does not agree with the conditions set by Greenland.

Another challenge facing Greenland's development is the socio-cultural consequences of a foreign manpower in Greenland and the adaptation of its population. Cases like Alcoa's plan to establish a plant in Greenland, benefiting from the territory's vast hydropower potential to produce aluminum through a renewable energy source, illustrate other consequences of foreign investments for such a small society as Greenland, as thousands of Chinese workers are expected to come to Greenland to build the plant. Despite the wish of global firms, Greenland cannot accept low-paid workers without challenging the Nordic welfare to which it belongs. Saying no, Greenland could potentially delay its independence plans based on such investments but would remain attractive for other investments. Socio-cultural consequences of foreign manpower needed to enable major investment projects are another challenge that Greenland needs to deal with: education is once again a priority and still, many don't see in Greenland's manpower the capacity of supplying such a demand.

Greenland's green ambitions, such as making Nuuk become the first CO₂-neutral capital in the world, and the rise of a green sector in Greenland, could benefit the territory's economy. In a time where cities will increasingly be designed to be green, such a plan concerning Nuuk would bring politicians, media, and experts from all over the world to Greenland. Such a branding would benefit the Greenlandic economy, as it could bring new investments looking for a green image in Greenland – even just for the name.

The growing relationship with China

While the United States appeared for many as a new source of dependence for Greenland after a possible independence from Denmark, the conclusion of our research highlights the possible role of China in

Greenland's future, raising both opportunities and challenges. Chinese investments in Greenland are not an issue so far Greenland is able to focus investments in a direction that would not undermine its attractiveness. Greenland requires a strong will, similar to Australia, to handle a resource-consumer powerhouse like China. In other words, Greenland should not fear saying "no" to investments from some in the REE-sector in order to remain attractive.

One of the main challenges facing Greenland is avoiding a strong dependence on one actor, particularly China, given the territory's strategic assets. It is in Greenland's interest to rather look at several partnerships, like China, the United States, the Nordic countries (notably Denmark), and the European Union. Such diversity would reduce the risk of a strong dependence on a single actor. It would also be healthy for Greenland to maintain close ties with other partners if rejoining a partly supranational entity like the European Union, avoiding the fear of too much dependence on the EU, which contrary to other dependences would be in Greenland's interest as the territory being a sovereign state would secure itself an economic "security net."

Greenland is neither Greece nor Iceland: it has an enormous potential of strategic natural resources. Given China's appetite for natural resources and willingness to position itself in the Arctic region, Chinese economic assistance to an independent Greenland facing difficulties could have consequences for Arctic developments and global energy security. At the same time, the Chinese interest in Greenland would be more than valuable if it leads to green investments in Greenland and to international climate research cooperation that includes China on Greenland's icecap.

Unlike the Western world, China sees things in the long term – however long it may take to reach its goal. China’s interest in Greenland has been obvious for quite a long time. In 2005, the visit to China by Hans Enoksen, then Premier of Greenland, already showed an interest from China in Greenland at a time when the international focus on the Arctic territory was not high. Chinese investments in Greenland are welcomed by Greenlandic authorities and will be part of Greenland’s future developments. In order to secure global green growth, the challenge is to get Western economies to invest in the strategic REE-sector of Greenland before China’s interest in Greenland’s Rare Earths becomes too concrete. Greenlandic ministers have on several occasions mentioned that they were looking to deal with the Western world, considering themselves as part of it, but clearly pointed out at the same time that they couldn’t wait for too long. Chinese investments in the Greenlandic REE-sector, in one way or another, are an issue for global green growth: should new mines open or be reopened in the United States or in Australia to face the Chinese quasi-monopoly position on Rare Earth Elements, the situation would be the same – if not worse – than in 2011 with a Chinese control of Greenlandic REE-deposits.

One of the main challenges for Greenland and the Kingdom of Denmark may be to find a balance between a strong relationship with the United States and growing links with China.

The European Union: an underestimated asset

EU’s role and legitimacy of being an Arctic actor have regularly been discussed since the renewed interest in the Arctic. The European Union, which is geographically Arctic, is not an international organisation: it is a partly supranational entity of which two Arctic states, Finland and Sweden,

THE ROLE OF GREENLAND IN THE ARCTIC

as well as a third Arctic state, Denmark (though Arctic through a non-EU territory, Greenland), are parts.

Being already part of the region, the European Union could through Greenland play a key and constructive role in the future of the Arctic. The EU could be the economic “security net” that Greenland will need in case of independence from Denmark. It is better for Greenland to choose its “insurance” before economic difficulties occur than after. This would reduce the consequences of foreign economic assistance, which could also take the form of investments in infrastructures. Instead of being dependent on a foreign state, Greenland would be member of a partly supranational entity in which it would have a say, particularly by playing the Arctic and resources “cards.” Some even argue that the United States would benefit from a Greenlandic state member of the European Union as it would give the US an even stronger influence on the EU. Arctic coastal states would also benefit from a “secured” Greenlandic economy, reducing the risk of a too strong influence from non-regional actors in the Arctic, while global energy security would benefit from a “secured” Greenland that could continue to control its natural resources policy as much as possible.

The main challenge facing this privileged option is to know how the European Union will look once Greenland eventually becomes a state.

3. An independent Greenland?

Ensuring the defense of a Greenlandic state

The possibility of a Greenlandic state raises a major question which directly concerns the Arctic: which country or alliance will ensure the defense of Greenland? Three major options appear possible: Denmark, the United States, and NATO.

A defense agreement with Denmark is by far the best option. It would maintain a *status quo* that would not disturb the balance in Arctic regional security. Such a situation would be in the interest of Greenland as it will keep geopolitical risks low, something that foreign investors take into consideration. It would furthermore give Denmark a serious reason to maintain its interest in the Arctic region, given that a potential Greenlandic independence would not in that case signify the end of Denmark's presence in the Arctic. This win-win situation would somehow include the two other options, as Denmark is a NATO member and closely linked to the United States.

A defense agreement with the United States is an option that has been raised by some in Greenland, even a former Premier. However, for reasons of budget and priorities, that option may not be desired by the United States itself. A formal take-over of Greenland's defense by the United States may also not be well received by a direct neighbor like Canada or especially by a regional power like Russia. For similar reasons regarding budget and priorities, the NATO option is not predicted to become a reality like it has in Iceland. The cost of defense in Greenland is much higher and a formal take-over of Greenland's defense by NATO would not first and

foremost be an option of high priority as NATO itself wants to have a good relationship with Russia. Arctic coastal NATO members also do not wish further presence of NATO in the Arctic.

Educating Greenland's future elite: the importance of "soft power"

Education is a critical issue for Greenland's future. It is Greenland's main challenge toward a potential independence, together with the funding of an autonomous economy.

Being part of the first circle of Arctic governance with so many strategic assets, Greenland needs to highly educate the future elite which will be in charge of the territory's destiny if and when Greenland decides to become independent. The way this elite will think about world affairs will have its importance not only for Greenland's future but also for the Arctic, given that Greenland is a key to future developments in the region, at the intersection of various geopolitical interests.

The political elite of Greenland consisted in 2011 of forty-four persons, including ministers, members of the Parliament, and mayors. Given that number, gaining access to Greenland's enormous potential and obtaining at the same time an "entrance ticket" to the Arctic does not require more than twenty-five persons on your side, which means half of the Parliament as well as key ministers and mayors. "Soft power" that "rests on the ability to shape the preferences of others"¹² is a central issue when it comes to Greenland's future alliances and orientations in world politics. Education is therefore not only of internal importance for Greenland in order to have

¹² NYE Joseph N. Jr., *Soft Power: The means to success in world politics*, New York: Public Affairs, 2004, p. 5.

THE ROLE OF GREENLAND IN THE ARCTIC

the required well-educated population and elite for its potential independence, but it is also of interest from an external perspective: those who will educate the future elite of Greenland may have a privileged access to Greenland and its strategic assets.

The future Greenlandic elite may be even more subject to attention from foreign governments and companies than was already the case in 2011. A country willing to position itself in Greenland in the long term does not need to do more than educating the Greenlandic elite – a process which can also go through a state-owned private sector. Studying or interning abroad can shape one's view on world affairs. Given the size of Greenland's population, it is very much easier to have a chance of educating a future leader in Greenland than it is in any other place having such strategic assets.

The European Union, through its partnership with Greenland and its education programmes (Erasmus, Comenius, etc.), has together with Nordic countries taken the lead in educating the future Greenlandic elite. The United States are also very much active in using "soft power": an American corner is located at Nuuk's high school to inform future Greenlandic students about possibilities of studying in the United States. France has been very much active since 2007 in shaping the future Greenlandic elite's mind on the European Union, sending a guest lecturer at the University of Greenland. Education is among other things a key tool to differentiate those within the Greenlandic administration who are more in favor of the American or the European approaches. Those who have studied in the United States would clearly orientate Greenland's future toward America, while those having experienced the European education system may be looking to Europe and its assets to educate the future elite of Greenland. The fact that Chinese private initiatives toward Greenland's

THE ROLE OF GREENLAND IN THE ARCTIC

education sector have been seen demonstrates that education is a central issue of Greenland's state-building and may have its influence on Greenland's future role in the Arctic.

CONCLUSION

Developments in Greenland and the Arctic region have moved incredibly fast in few years time and appear to be only beginning. These developments have led to an increasing number of conferences on the region throughout the world. The fact that conferences are being held much further south than the Arctic region shows that challenges at stake in the Arctic are not regional only. Arctic governance is regional but the challenges at stake are becoming global. The emergence of a new generation of Arctic scientists, particularly in the fields of polar law and politics, demonstrates the need for states involved in the region to having comprehensive research on the Arctic. According to Pr. Guo Peiqing, Ocean University of China, “any country that lacks comprehensive research on Polar politics will be excluded from being a decisive power in the management of the Arctic and therefore be forced into a passive position.”¹³ However, non-Arctic states would rather be in a position to be a decisive actor than a power in the management of the Arctic, as the area is regionally governed.

Greenland is asserting itself as a key actor in the Arctic. As long as Greenland remains a self-ruled territory or “subject” in international relations after gaining independence, its role in the Arctic will first and foremost be of a regulating nature. Given its area, the role of its icecap, its strategic position in the Arctic, and the value of its natural resources, Greenland is of the highest importance for developments in the Arctic as

¹³ JAKOBSON Linda, *op. cit.*

well as for climate and energy security. Therefore, Greenland should be more highly considered for strategic research on the Arctic. It is necessary however, to master Danish in order to have access to first-hand information on Greenland in the field of political science. The case of Greenland questions the ability of strategic research to prioritise both the study of threats and the prevention of risks. Both should be considered at the same level of importance: a risk that is not prevented can become, sooner or later, a threat. Understanding the consequences of a potential weak Greenlandic state is essential to preventing the threat that a foreign economic assistance to an independent Greenland could mean for global energy security and future developments in the Arctic.

The time frame before a possible independence was, as of 2011, uncertain, particularly if independence plans remain mainly based on potential hydrocarbon revenues. Building a strong economy is a prerequisite to any independence plan. Greenland's challenge is to avoid a stronger dependence if becoming independent. Stronger dependence could undermine Greenland's ability to be a regulating actor in the Arctic.

Greenland's capacity to manage an increasing number of foreign interests, coming notably from North America, Europe and the Asia-Pacific region, remains unclear. Managing interests from the biggest world economies will require an enormous strength from a Greenlandic state. Since the introduction of Self Rule in 2009, profound changes have occurred in Greenland, but independence would require much more, notably on the reduction of public expenses¹⁴.

¹⁴ NIRAS Greenland A/S (2010), for Sulisitsisut, *Økonomisk selvstændighed: En enorm opgave, men ikke håbløs*,

THE ROLE OF GREENLAND IN THE ARCTIC

Without being a state, Greenland has since 2010 had a unique opportunity to face the realities of sovereignty in a strategic sector like natural resources, which is set to become the core of its economy. No one would doubt that Greenland will learn a lot from this experience on its way toward a possible independence. Through this experience, future Greenlandic leaders will perhaps understand that independence is not only a matter of formally becoming a state, but first and foremost of being able to manage such interests.

Diversified revenues and a highly educated population are not the only things that are required for having a strong Greenland: change of mentalities among part of the population is necessary and will take time before understanding the realities of a state in a globalised economy. Concerns raised by an agreement signed in 2011 between Greenland's Finance Ministry and Air Iceland to get lower fares between Greenland and Denmark for government paid tickets show that Greenland remains far from being in a position to become a strong state if unable to reduce public expenses without making waves. It is one thing to wish independence, but another to be able to become and especially to remain independent. A stronger internationalisation of education in Greenland can only benefit the territory and its future elite to better understand the world's realities.

Given the friendly relationship between Denmark and Greenland as well as the areas of responsibility transferable to Greenland as part of the Self Rule Act, we have demonstrated that Greenland would rather get further

<http://www.ga.gl/Portals/0/Nyhed%202010/%C3%98konomisk%20selvst%C3%A6ndighed.pdf>

THE ROLE OF GREENLAND IN THE ARCTIC

influence by strengthening its autonomy within the Kingdom of Denmark than by formalising a rapid independence. A Greenlandic state would for many be the natural outcome of Greenland's state-building process. The consequences of having a weak state facing economic difficulties could however be huge, simply in terms of loss of influence for Greenland. Becoming economically independent from Denmark doesn't mean that the immediate next step should be a formal independence. Time to ensure that this economic independence is viable should be given priority. If a self-ruled Greenland is able to remain economically independent for a longer period, much would have been done to enable a strong Greenlandic state. Time is required to secure a strong state. The role of Greenland in the Arctic is not yet defined, as it is still in a state-building process. It will depend on the time given to this process and Greenland's ability to remain as "subject" as possible in international relations if it becomes a state.