

# China already left – so what is Trump's Greenland gambit about?

Incoming US President Donald J. Trump has <u>made headlines</u> with his proposal to acquire Greenland from Denmark, citing "national security reasons" and not ruling out the use of economic or military force to do so. Some media reports have <u>framed this</u> as the US countering China in the Arctic and preventing it from gaining an Arctic foothold in Greenland. Trump himself has talked about seeing Chinese and Russian ships <u>"all over the place"</u>. China has already been <u>withdrawing from</u> Greenland in recent years, however, following a number of actions by Denmark and the United States, suggesting that Trump may have other motivations.

#### Greenland is not Denmark's to sell

Greenland is not owned by Denmark and cannot be sold. It is a self-governing territory of the Kingdom of Denmark with extensive autonomy over most policy areas, including economic and industrial development. However, justice, defence and national security fall under Danish jurisdiction, with participation from Greenland.

While <u>polls</u> indicate that most Greenlanders support the idea of independence from Denmark, opinions differ on the urgency and the acceptable economic cost of achieving such status. Greenland is heavily reliant on a <u>block grant</u> from Denmark to fund essential public services, such as healthcare and education.

Under the <u>Self-Government Act</u> of 2009, Greenland has the right to call a referendum on independence at any time. Most political parties in Greenland <u>favour independence</u> from Denmark. Unsurprisingly, Greenland's Prime Minister, Múte B. Egede, has stated that the country has <u>no interest</u> in becoming part of the United States.

# China has already quit Greenland, at least for now

During Trump's first term as President (2017–2021), the United States stepped up engagement with Greenland due to concerns about Chinese interests and efforts to establish a presence on the island. Chinese attempts to invest in Greenland had already sparked controversy. In 2016, for instance, a Hong Kong-based company had shown an interest in acquiring a decommissioned Danish <u>naval base</u>, while in 2018 a Chinese state-owned company bid to extend and modernize the runways at <u>Greenlandic airports</u>. Both initiatives were ultimately blocked by Copenhagen.

Chinese companies have also been involved in <u>mineral exploration projects</u> in Greenland at various times. However, either these companies lost interest, or the Greenlandic government

halted the projects. The most notable example is the Kvanefjeld rare earth exploration project, in which the Chinese company Shenghe Resources acquired a stake. This project has been put <u>on hold</u> due to environmental concerns and there is little prospect of resuming in the coming years.

While some parts of the Chinese bureaucracy have shown an interest in Greenland for its mineral resources and geostrategic location, viewing these investments purely as attempts to claim Greenland's minerals or secure a strategic foothold in the Arctic oversimplifies the situation. These efforts were probably also driven by Greenland's active courting of Chinese investment. Greenland, for example, regularly attended the annual China Mining Conference in Tianjin and sent business delegations to China.

Despite declaring itself to be <u>"open for business"</u>, however, Greenland has struggled to attract foreign investment. In this context, courting China has proved a successful strategy for Nuuk, as it has put pressure on Europe and the United States to offer their own investments to counter Chinese proposals. Since 2019, <u>the US has</u> reopened its consulate in Nuuk, collaborated with Greenland on mineral exploration and provided packages of economic aid to the island.

# What does Trump want with Greenland?

The current arrangement, which grants the United States military access to Greenland through its <u>defence cooperation agreement</u> with Denmark, has effectively blocked China from gaining a foothold. The United States operates a military base in northern Greenland – <u>the Pituffik Space Base</u>, formerly known as Thule Air Base.

Should the United States seek to expand its military presence in Greenland, Denmark would be unlikely to oppose this. The placement of nuclear weapons is an exception, however, as it is <u>prohibited</u> during peacetime under Danish law. Nonetheless, it seems improbable that the United States would seek to acquire Greenland solely to be able to deploy nuclear weapons on the island, especially when it could potentially negotiate such an arrangement with Denmark (as it did <u>secretly</u> during the Cold War) or, if Greenland were to achieve independence, directly with the Greenlandic government.

Why, then, does Trump see a need to acquire Greenland? One possibility is that, even though China has been effectively kept out of Greenland, Trump wants to ensure it stays that way. He may believe that direct control of Greenland by the United States is the most effective way to achieve this, no matter how costly or unnecessary it may seem.

Beyond Greenland's strategic location, its mineral wealth might have also caught Trump's attention. The United States is already welcome to invest in Greenland's minerals. However, while Greenlandic governments have varied in their attitude to mining, Greenlanders have consistently prioritized environmental concerns over mining profits. This preference persists even when it complicates their aspirations for independence. Trump may believe that controlling Greenland as US territory would make it easier to exploit its mineral resources without having to consider the environmental or political concerns of the Greenlandic people.

## Greenland's independence: a gateway for China or a stronger US alliance?

Given Greenland's vast territory and its small population of just 57,000, an independent Greenland would still be dependent on external support for national defence. However, independence would grant Greenland the autonomy to make its own decisions on defence

and security matters. This newfound autonomy could in theory enable Greenland to pursue closer economic partnerships with countries such as China. While some <u>Chinese analysts</u> have speculated that an independent Greenland could provide China with greater access to the Arctic, it seems more likely that independence would result in Greenland relying more heavily on the United States for security. This reliance would give Washington even greater leverage to block Chinese economic activities in Greenland than it currently has.



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