



# Ambassador Carla Sands on Reasserting U.S. Influence in the Arctic

## TRANSCRIPT

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- Ambassador Carla Sands, *U.S. Ambassador to the Kingdom of Denmark*

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**Liselotte Odgaard:**

Welcome everyone to this event at Hudson Institute. I'm Liselotte Odgaard, senior fellow at Hudson Institute. And today I will have a conversation with US Ambassador to the Kingdom of Denmark, Carla Sands, on US strategic relations with the Kingdom and US efforts to address shared challenges and priorities in the Arctic. The Kingdom of Denmark is an Arctic nation by virtue of Greenland and Faroe Islands, just as the US is an Arctic nation by virtue of Alaska. The US and the Kingdom face numerous challenges across the region. Russia and China are clustering to expand their regional presence. And there is an urgent need for improved infrastructure as well like roads, airports, telecommunication networks to bolster economic development in the region.

What are the regional challenges and priorities and how are they reflected in the US alliance with the Kingdom of Denmark? These are the issues that we will address in today's conversation. So as Ambassador to the Kingdom of Denmark, you have taken a keen interest in the Arctic part of the Kingdom, namely Greenland and Faroe Islands. Can you tell us why this region is a key priority for the United States?

**Ambassador Carla Sands:**

Sure. So, first of all, thank you, Liselotte and Hudson Institute for welcoming me to speak to your organization about our United States engagement in the Arctic regarding Greenland. When I came to the Kingdom of Denmark, I came not just to be the ambassador to Copenhagen, but to the entire Kingdom. And that includes, like you said, the Faroe Islands and Greenland. And we've just recently last week reopened our consulate in Nuuk. Our US consulate was there from 1940 to 1953. And recently we began to reengage and we've had great support from Greenland and Denmark to reopen it.

We also, like you said, we're an Arctic nation so we have that relationship between our great State of Alaska and Greenland. But in addition, we have our northernmost base in Greenland, Thule Air Base. And it has an early warning radar system. It's been there since 1940. And if you look geographically, you could say, well, why bother? If you look at the map, Greenland is just off our Northeast coast. So not that far from the state of Maine, about 1600 miles from Maine, where California is more than 3000 miles from Maine. And Greenland is the world's largest island. So it's one-third the size of the continental US. Most of it is covered by snow and ice, but the landmass around Greenland, so part of Greenland that's not covered by snow and ice is larger than the United States' state of California, and yet there's only 56,000 people there. So it's very sparsely populated, and we're really interested in cooperating with the entire Kingdom of Denmark, including Greenland. We've had this long, great relationship with this region. And so this is how we've increased our engagement initially.

**Liselotte Odgaard:**

Thank you. You mentioned you open the consulate just last week, and you've also announced a support package of \$12 million for Greenland. Can you explain the purpose of this package? How will it benefit Greenland and the Kingdom and what does it signal about US policies and future?

**Ambassador Carla Sands:**

That's a great question. And when I arrived in Denmark, I noticed that the Greenlanders and the Danes both were encouraging the United States to engage more with Greenland. In fact, I think they were even ahead of us at a certain point. And so the idea of bringing the capabilities that the United States shares all around the world, for instance, more economic cooperation. We have had our national parks for

more than 100 years, and to share our experiences in sustainable tourism. When I would talk to the Greenlanders, the things they would be most concerned about and want the most urgently was better education for their people, sustainable tourism, and also to benefit from the minerals and oil and gas that they have in Greenland. And also the cooperation of sharing our experiences in sustainable tourism of bringing more educational resources to Greenland.

Now, they already get a lot of support from Denmark and from the EU. But this is in addition. We were able already over the last two years to send Fulbright scholars who are English language specialists, up to Greenland to share American culture and American language. We also were able to send entrepreneurial coaches to Greenland and to the Faroe Islands because entrepreneurship helps countries expand their economy and diversify. So the last thing is cooperation in the minerals area. And of course like our great state of Alaska, Greenland has rare earth minerals and the idea of increasing capacity so that they have best practices and they're able to benefit, including the indigenous people in Greenland, from the minerals in the land. That's also really one of our focuses.

**Liselotte Odgaard:**

So Greenland is part of the Kingdom of Denmark, which is one sovereign state together with Faroe Islands. But over the years, Greenland and Faroe Islands have become increasingly self-govern with the goal of obtaining full independence at some unknown future date. At the same time, Denmark remains responsible for security and defense. The US has close links to all parts of the Kingdom, both in economic and in security terms. How does the US look upon and navigate this process of changed relations within the Kingdom as the US increases its Arctic engagement?

**Ambassador Carla Sands:**

Well, I mean there's a lot to unpack there. Yes, we're increasing our engagement, the idea of how the Kingdom is going to function is an internal conversation within the Kingdom. But I certainly, coming from a small town know that we needed our state and our country to help support us in infrastructure and how we functioned well. As far as our engagement goes, it is really whole of mission, our entire embassy plus the Trump administration, the State Department, and the Congress have been very, very supportive of our increased engagement. So this is, I would call it a whole-of-American-people engagement with the Arctic, with Greenland.

Another way we're also expanding our engagement is in cooperation with our great state of Alaska's governor, Governor Dunleavy. So Governor Dunleavy in Alaska has brought to our attention that Alaska has indigenous people that are related to the people in Greenland. They already have deep cultural ties. And in Alaska, they've created something called the Alaska Native Corporation, and the Alaska Native Corporation benefits the people of Alaska, especially the indigenous people of Alaska. And it's a multi-billion dollar corporation. Some of the Alaskan people have become multimillionaires because of this. They've been able to do sustainable mining, benefit from the oil and gas there, and have very expanded sustainable tourism.

And so this is a success story, and the governor has very generously offered to partner with the Greenlanders to share some of their experiences and lessons learned. He has even offered internships. For instance, at the Alaska Native Corporation, he's offered an internship in the governor's offices. He's offered to do student exchanges at the university and the high school with the Greenlanders so that they can, Alaskan young people, can go to Greenland and Greenland's young people can go to Alaska. He's even offered to do internships at the oil and gas and in mining and so that the Greenlandic people will be able to benefit from this cooperation as they learn from each other. I mean, there are so many

positive things that can come out of this and just having this relationship is going to benefit both the people of Alaska and the people of Greenland, this deepened tie.

**Liselotte Odgaard:**

I think it's undeniable that geopolitical tensions have been on the rise in the Arctic. Most Arctic nations are NATO members. However, we do have Russia who's not a NATO member and it's increasing its military presence in the Arctic, and you have them in your airspace or Alaska escorting them out. So that's one issue. At the same time, we have the external power China, which is increasing its economic and strategic presence. How does the US contribute to manage these rising tensions and what instruments should be in focus in your opinion? Which nations are key to address these rising tensions in your view?

**Ambassador Carla Sands:**

Well, the tensions are kind of new. The Arctic has historically been a low-tension zone and we all like it that way. However one country has militarized its coast and that's Russia. It's the only outlier in the Arctic region. We can see over 470 points of militarization along the Russian coast. They have refurbished old Cold War bases and they built new bases. And we can see they've now militarized the area with missiles and all kinds of capabilities that they didn't have in the past. They've even put missiles on their icebreakers, if you can imagine. So we are very concerned about this. It's not good for the region. We want the region to benefit the indigenous people and to be a peaceful and secure area.

The other country that we're concerned about is of course, the People's Republic of China. We can see that they have come into the region or attempted to. In Greenland, for instance, they attempted to finance and construct airports in Greenland. And fortunately Denmark stepped in. They also attempted to buy a deep water port and Denmark again, stepped in and reoccupied that port. So all of this is, it goes to the point of what are they doing in other regions? For instance, we have seen this debt diplomacy around the world. We have seen it in for instance in Djibouti where the PRC makes these, we call it debt diplomacy, because they make loans that countries can't service. And what we would like to see is that the PRC contributes to the region in a way that's transparent, according to the rule of law. This region, we want it to be secure and prosperous and celebrate as it does the rights of people. So human rights and transparency, and the development should be done open and above board and with transparency.

**Liselotte Odgaard:**

The US has a military presence in Greenland. We have the Thule Air Base. It has been a US base since 1943. And today it's a critical site for missile defense Space Situational Awareness, and it also hosts the northernmost deep water sea port, and an airfield. Can you tell us about the importance of this base and how it helps NATO countries to provide security in and beyond the Arctic region?

**Ambassador Carla Sands:**

So sure. Thule Air Base, I mentioned it was established in the 40s in Northwest Greenland and it employees Danes, and it has Greenlandic interns and American folks as well. And it is an early-warning radar system. So yes, it is part of NATO. It warns the US Homeland. It is also a benefit of course, to Greenland and to our European allies. So it does provide warning. It's also, it employs the same people now, as it has in the past. There's not been a change in employees. And we like to think that it's a benefit to the entire region.

**Liselotte Odgaard:**

Let's move on to another issue that the region itself is very concerned about namely environmental and climate issues. They're very high on the agenda in the Arctic. One issue is of course, the melting sea ice, which influences the global climate, for example, by influencing the waves of the jet stream and causing flooding in South Asia. There's also a fear of major oil spill, and we just had a terrible oil spill on May 29, at a Russian power plant near the city Norilsk, where about 20,000 tons of diesel oil is leaking into Arctic waterways. And because it's remote, taking action on these things take time. Do you see any progress in addressing these issues at all?

**Ambassador Carla Sands:**

I do. So I think that the changing environment, of course it is complicating because of the melting sea ice, but it also opens up opportunities in the region. And we can look at that where we now have shipping going in the northern route for much longer than it would have been possible even 10 or 20 years ago. So this is an opportunity for the Arctic region to benefit with goods coming, for instance, to Europe or across the Atlantic to the US. But it also is complicating because now we have the players like Russia with the missiles on their icebreakers and the PRC beginning to be very, very interested in the region. China wrote a white paper in January of 2018 called the Polar Silk Road. And in it, they declared that they're interested in being involved in the governance of the region and really being a stakeholder.

But like Secretary Pompeo said, there are no near Arctic nations. There are only Arctic nations. So the members of the Arctic Council have the capability and the responsibility to ensure that that area, the Arctic, is peaceful and that it's prosperous. And so we're encouraged by the opportunities. For instance, there will be more access for mining and of course this northern shipping route, but we also have the complications where we have the permafrost melting and you can see the settling of the buildings there. And also the challenges that come along with it. So it's something that we certainly address and we look at, for instance, where we cooperate in the Arctic Council.

**Liselotte Odgaard:**

You've already mentioned this, but I want to look a little bit more into the fact that the US itself is an Arctic nation. And you experience in Alaska some of the same challenges with education, with infrastructure, environmental, climate change, as other parts of the Arctic. Do you see opportunities for strengthening cooperation between all of the Arctic nations and peoples in coming years? And what should be the focus of such cooperation in your view?

**Ambassador Carla Sands:**

Yes, I see we have good cooperation. This is a place we can cooperate with Russia as well in the Arctic Council. We look at search and rescue. We look at protecting the environment, the education in the region, the indigenous people's cooperation. We are of course encouraged by that cooperation, but that's really, as far as it can go at the moment, because we see Russia is occupying Crimea. There's a hot war on European soil now since 2014. And until that changes, I don't believe that cooperation will deepen with Russia. However, with the other Arctic nations, we can see tremendous cooperation, especially with Norway, of course, the U.S., the Kingdom of Denmark.

**Liselotte Odgaard:**

So you mentioned that Russia sort of poses a bigger and bigger problem. Does that mean that NATO and other, maybe other NATO countries should have somehow a bigger role in the Arctic, in your view, or are you content with the way things are?

**Ambassador Carla Sands:**

Well, first we want to mention Canada. I didn't mention Canada, and we definitely very deeply cooperate with Canada as well. And when it comes to NATO, of course, NATO plays a role in this area. We have Greenland is the G in GIUK gap. And when we think about its importance strategically, you can see that it is one of the keys to this area. We want to make sure that if we need to get to our transatlantic partners, that we have the freedom to navigate. So the open shipping lines of communication, the sea and air lines are very important to keep open. Of course, NATO plays a part along with all of our Arctic partners to make sure that there's no challenges. We can see some countries are challenging open sea lines near their homeland, but also where they take property and islands and attempt to stop the free sea lines of communication. So that's very important to us, and I know it is to the Kingdom of Denmark as well.

**Liselotte Odgaard:**

You mentioned a couple of the institutions that are present in Arctic, and there is quite a dense network. There's the Arctic Council, the Arctic Economic Council, the Arctic Coast Guard Forum, just to mention a few, and, these years, there's a lot of talk about whether these institutions should be reformed to take into account when suddenly China and other nations establish a presence in the area. There's rising geopolitical tensions, etc. What in your view is the value of these institutions and are they working fine as they are or do you see a need for reform in this area?

**Ambassador Carla Sands:**

Well, people have been talking about that. Do we need to expand the mandate or expand institutions? And I will just refer you to the recent statement by the Danish foreign minister. And he said, because of the tensions, especially with the occupation of Ukraine by Russia, it's really not the time to talk about a new security group in the Arctic. But I think down the road, there probably will be a conversation.

**Liselotte Odgaard:**

So in the Kingdom of Denmark, there are three entities the Denmark, Greenland, but there's also the Faroe Islands and we haven't talked so much about them. How do they fit into the increased US engagement in the Arctic, the Faroe Islands?

**Ambassador Carla Sands:**

It's a great question. So I've been to Greenland five times. I've been to the Faroe Islands several times. I went to their national day last year, which was amazing, but my whole team and I have traveled more to Greenland and the Faroe Islands, than I think anyone in recent times, and because we are representing the United States and all of our people to all the people of the Kingdom of Denmark. And so we have been able to partner, I think, closer with the Faroe Islands and talk to them about things like I mentioned before, our great national parks. And we've talked to the Faroes, the people of the Faroe Islands, about expanding our cooperation with national parks. Because when I visited there, I went to see the puffins and it's an amazing experience, but I did notice that there could be ways to keep the beautiful experience, preserve the nature and not let it be ruined by the many people that want to come and visit.

So where there are areas we can cooperate, we're excited to do that with the people of the Faroe Islands. I think diversification of economy is important too. So sharing things like the idea of entrepreneurship, where young people can start new businesses that maybe have something to do with fishing, but maybe they don't because so much of the economy relies on fisheries. But for instance, also, we look at both areas that this, the idea of sustainable energy, that we're not spoiling the environment. That the water, it's very important to the people of that region, that the water is clean. The air is clean and the land is clean. And the United States has been very innovative and been able to find ways to benefit from the land and the water without spoiling it.

**Liselotte Odgaard:**

Then I think we should also mention the corona crisis and how it's affected the Arctic. They have not had so many incidents of COVID-19 in the Arctic, and some people put them down to the fact that before historically they were hard hit by diseases that came in from the outside. So they were quick to lockdown. The health infrastructure is pretty limited in most Arctic nations. So I guess that was great foresight as well. How do you see the whole corona problem in the Arctic? Has it affected the region? And if so, in what way?

**Ambassador Carla Sands:**

Well, one way is, because I couldn't go [to Greenland] this spring, I have to wait. And when our new Consul, Sung Choi, our new first Consul in almost 70 years, went to Greenland, he had to quarantine and wait until he could do his interactions with the government and the people in Greenland. But you can see that these communities like the Faroe Islands, like Greenland are - maybe you could even say like Taiwan – where we've had challenges before and so we have the lesson that we take away and we make sure it doesn't happen again. So just like Taiwan handled this in an amazingly efficient and good way, positive way, and the Faroe Islands and Greenland did too. Neither country lost any people. In fact, I think, I don't even know if anyone was hospitalized in either place. So they really were proactive. They shut down the borders very early and they weathered this terrible health crisis very, very well.

**Liselotte Odgaard:**

We talk about China, but there are other lots of other nations who would like to have influence in the Arctic and who come there increasingly with their ships. They are increasingly active in the institutions of the Arctic. So it's not just China. It's also Japan, South Korea, France, India, Singapore, the European Union. It's getting pretty crowded up there, at least in terms of interest in the region. What is the US view on managing all this interest and also all these demands for having a say in the institutions, from the outside, with the argument that they're also affected by climate change, and they also want to use the sea routes that are opening up, etc. How should we deal with this as Arctic nation?

**Ambassador Carla Sands:**

Well, I think that as far as the governance and the rules making goes, that mandate belongs to the Arctic nations. And you might even say mostly to the nations that touch the Arctic, so that are truly, they have a lot of coast on the Arctic because they have the biggest stake in the success of the region. But as far as investment goes, that I think as long as it's transparent and according to the rule of law, that the work that's done is good work and not substandard work, whatever that development is, that the deals benefit the indigenous people of Greenland. I think that that's encouraging to have that interest and to have that development. Greenland needs development.

And so I have talked to others about their, are they interested in beginning to expand? I think that there is a lot that's going to happen in the next several years to set a table for great success going forward. And I think that if I go back in say 10 or 15 years, I think I will see a lot more infrastructure there than I see today. And I think I will see successful sustainable tourism. I think I will see the beginning of a successful mining sector. And so all of these things take time, but I believe that the area is really poised for growth.

**Liselotte Odgaard:**

Great. I want to thank the Ambassador for joining me and Hudson Institute in this conversation today on the Kingdom of Denmark and the Arctic region. And thank you to all our listeners for partaking in the event.