

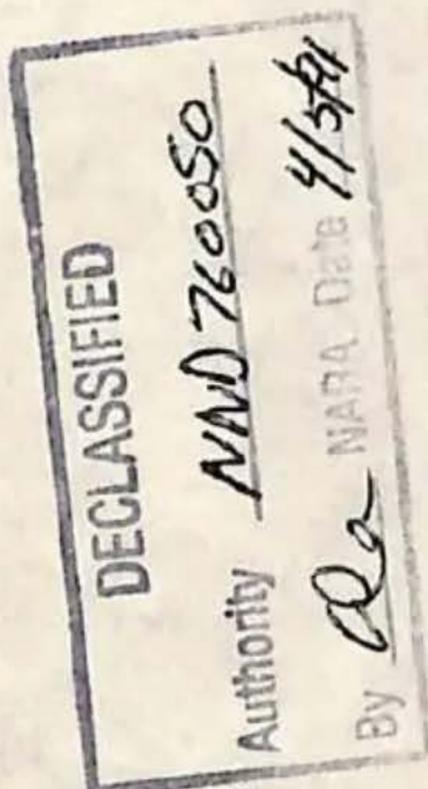
DEPARTMENT OF STATE
OFFICE
DIVISION OF EUROPEAN AFFAIRS

~~TOP SECRET~~

May 24, 1946

NOE - Mr. Cumming
EUR - Mr. Hickerson

With reference to your memorandum of April 11, 1946 regarding Greenland and to subsequent discussions on the subject, I am attaching for your consideration, and should you consider it desirable, transmission to Mr. Searls, a paper on the various possible solutions to the question of our post-war bases in Greenland.



W.C.T.
William C. Trimble

DECLASSIFIED

E.O. 11652, Sec. 3(E) and 5(D) or (E)

FD-78-244

NARS, Date 9/26/78

NOE:

DECLASSIFIED
Authority NND 760050

permanent arrangement which would be in accord with the desires of the United States Joint Chiefs of Staff.

The views of our military authorities on Greenland have varied somewhat in the past eight months. In a memorandum to the Secretary of State transmitted through the SWNCC on September 19, 1945, the U.S. Joint Chiefs recommended that an agreement be negotiated granting us long-term base rights in Greenland "jointly with the Kingdom of Denmark, to the exclusion of all other nations unless it is mutually agreed by the United States and Denmark that other nations may share such rights". These rights were described as the minimum acceptable, and that at the same time the maximum desired to fulfill our post-war military base requirements in Greenland. The Joint Chiefs of Staff further recognized that it might prove advantageous to Denmark to make available to the Security Council on its call some or all of the military facilities now existant or to be established in Greenland as part of Denmark's contribution under Article 43 of the United Nations Charter and stated that, from a military viewpoint, the United States Government should give sympathetic consideration to such a proposal. Subsequently, the Navy Department indicated that the minimum desired was joint base rights with Denmark and the maximum, exclusive rights. Finally, on April 10, 1946, at a meeting to discuss bases, practically every member of the Planning and Strategy Committee

DECLASSIFIED

Authority NND 760050

May 24 - 1946

PROPOSALS WITH RESPECT TO GREENLAND

A. Military Factors

Greenland's strategic position in the Western Hemisphere makes its defense against attack by a non-American power essential to the peace and security of the American continent. By virtue of the Agreement for the Defense of Greenland of April 9, 1941,¹ substantial United States forces were stationed on the island during the entire period we were actively engaged in the war, and a small American garrison is still maintained there to service the airfields, meteorological stations and other military installations. The termination clause of the 1941 Agreement (Article X) was purposely phrased in a vague manner and provides that it shall remain in force "until it is agreed that the present dangers to the peace and security of the American continent have passed". It further stipulates that at that time "the modification or termination of the Agreement will be the subject of consultation between the Government of the United States and the Government of Denmark". In theory, therefore, the present Agreement could be continued in force indefinitely if this Government should refuse to agree that the dangers to the peace and security of the American continent are over. It would seem obvious, however, that we would be unwilling to avail ourselves of this technicality except as a last resort and would much prefer that the present Agreement be replaced by a

permanent

1. Both Houses of the Danish Riksdag unanimously approved the Agreement on May 16, 1945. It was ratified by the King in a Council of State held on May 23, 1945.

85-9 B. 20/5-2446

Committee of the Joint Chiefs of Staff informed the Deputy Director of EUR that our real objective as regards Greenland should be to acquire it by purchase from Denmark, a suggestion which was first made by Secretary of State Seward in 1867.

In view of the apparent divergency in the opinions of our military and naval authorities with respect to Greenland, it is desirable to consider the relative merits and disadvantages of each of the three main proposals, joint base rights, exclusive rights, and outright purchase, together with possible variations and modifications.

B. Joint Rights

Under this solution, all military installations already existent or hereafter established in Greenland would, in theory, be jointly maintained, operated, and controlled by United States and Danish military authorities. As a matter of actual practice, however, it would seem likely that certain facilities would be maintained, operated, and controlled by United States forces and others by Danish troops with appropriate liaison between both. From the standpoint of the United States, the principal advantages which would accrue to us under an arrangement of this type would appear to be:

1. Possession of defense bases in Greenland on a long-term basis;
2. Saving in personnel and expense since many of the facilities such as the meteorological stations could
be operated

be operated by the Danes at their cost. This would, in effect, meet the recommendation of the Joint Chiefs of Staff set forth in the SWNCC document of September 19, 1945, that "it be specifically stated in any agreement that nothing therein is to be construed as a commitment on the part of the United States to maintain military facilities in Greenland when, in the judgment of the United States, such facilities are not necessary for the security of Greenland and/or the United States".

The disadvantages to the United States to a joint defense regime include:

1. Possibilities for jurisdictional disputes between the United States and Danish military authorities, factors that are inherent in any system of this type.

2. Necessity for further negotiations should we determine that additional defense base areas are required.

3. Unfavorable Soviet reaction, possibly including the establishment of a joint Soviet-Norwegian defense of Spitsbergen and Bear Island. In this connection, it should be noted that the United States Joint Chiefs of Staff informed the Secretary of State in July, 1945 (SWNCC 159) that the United States has no important military interests in the Spitsbergen Archipelago.

4. Need to disclose to the Danes secret, technical data and equipment if a coordinated and effective defense is to be attained.

5. Inability

Could be taken care of in drafting. HHC

legally impossible without U.S. consent & modification of Art. 9 of the Spitsbergen Convention. HHC

5. Inability of the United States to exercise control in a purely military agreement of this type over strategic minerals in Greenland such as possible uranium deposits. This latter disadvantage might be overcome by the negotiation of an arrangement, simultaneous with that of a joint defense agreement, for the establishment of a joint development corporation, possibly through the Reconstruction Finance Corporation, for the exclusive exploitation of mineral deposits in Greenland. In this connection, it seems probable that the Danes possess neither the capital ^{the number of trained technicians} nor ~~technical knowledge~~ necessary for a large scale development of Greenland's natural resources. With the exception of cryolite, this was certainly true in the pre-war period, and in the light of the urgent need to rehabilitate Denmark's industry and the seven-fold increase in the Danish National Debt arising from the war, it is doubtful whether the Danish authorities either would or could devote large sums to the development of Greenland. (The Danish Government is allocating the equivalent of only \$40,000 per annum for the next five years for geological explorations in Greenland.)

6. Because of its military nature, the agreement would not cover the establishment of civilian meteorological stations such as that currently proposed by the U. S. Weather Bureau.

From the standpoint of national prestige the

Danish

DECLASSIFIED

Authority NND 760050

This could be taken care of in the drafting. JMC

JMC

Danish Government, would undoubtedly prefer that Denmark's sovereignty over Greenland should be unimpaired and, hence, that our base rights there be given up and our forces withdrawn. Furthermore, concurrence in any action that would have the effect of infringing upon such sovereignty might, in the opinion of the Danes, be followed by a request on the part of the Soviet Government for similar concessions on the island of Bornholm which has only just been evacuated by Red troops. On the other hand, the Danes are aware that we regard Greenland in a special light, not only because it lies in the Western Hemisphere but also because of its primary importance to the defense of the American continent, as was conclusively proven during the late war. Furthermore, in October, 1945 the Danish Minister in Washington was informed on an informal, oral, and top secret basis that Denmark should not be surprised if we should seek to negotiate with her concerning the future status of the bases we now hold in Greenland, a remark which he undoubtedly reported to his Government. Additional evidence of our continuing interest in Greenland has recently been brought to the attention of the Danes in our proposal to renew the contracts for the Danish-operated meteorological stations, a request for permission to establish a United States Weather Bureau station in Northwest Greenland and notification regarding "Operations Nanook".

It would

DECLASSIFIED

Authority NND 760050

It would seem evident that for the time being at least the Danish Government does not intend to question the continued presence of United States forces in Greenland. In a press interview on December 7, 1945, the present Danish Foreign Minister stated that his Government had no intention at that time to request the termination of the Defense Agreement. Furthermore, the Danes have recently appointed a naval officer to act in a liaison capacity with the American military authorities in Greenland.

Factors conducive to Danish concurrence in a proposal for the establishment of a joint defense of Greenland include:

1. Realization that we not only are determined to have post-war bases there but also are in a position to enforce our demands;
2. In view of the above, a joint defense of Greenland would be the least unpalatable, from the standpoint of Danish sovereignty, of the three basic proposals, and, as a corollary, the least difficult for us to negotiate;
3. A joint defense, even if only in theory, would tend to assuage Danish "amour propre" since by proposing it, we would, in effect, give public recognition to Denmark's ability to contribute to the defense of its overseas possession, a capacity which it did not possess in 1940;
4. The proviso that the bases could be made
available

DECLASSIFIED

Authority NND 760050

available to the Security Council on its call would not only tend to link the agreement closely with the United Nations, as contrasted with a purely continental defense agreement, but also would show that Denmark, despite its small size, could make a substantial contribution to the common action against an aggressor state.

C. Exclusive Rights

This solution would mean that all military installations now or hereafter established in Greenland would be maintained, operated and controlled exclusively by the United States. From our standpoint, this plan would have certain distinct advantages over a joint defense arrangement, namely:

1. It would continue in effect on a long-term basis the situation existent during the war period and at present which has been satisfactory to us;

2. The possibilities for jurisdictional disputes between United States and Danish military authorities would be avoided;

3. It would not be necessary to disclose secret military data and equipment to the Danes.

Three of the disadvantages to the United States under a joint defense regime would still be present in an exclusive base arrangement:

1. The need for further negotiations should we determine that additional bases are needed;

2. The inability of the United States to exercise control

Could be covered in drafting the agreement. 1/11/46

control over Greenland's mineral resources, although this might also be solved by a joint development corporation;

3. The fact that the arrangement would not cover civil meteorological stations.

The remaining disadvantages are:

4. The possibilities for incurring Soviet displeasure would increase; (i.e. from the Danish stand point)

5. The cost to the United States of maintaining and operating exclusive bases and the personnel requirements would materially be greater than under a joint defense arrangement. It is believed, however, that the amount of money and number of military personnel which might be involved would be relatively insignificant compared to the advantages which would be obtained.

The only benefit which Denmark would derive by permitting us to have exclusive base rights in Greenland instead of joint bases would be the saving in expense and military personnel. In this connection, it will be recalled that except for a very small naval detachment engaged in fishery patrol activities, ^{and survey work} the Danes did not maintain military garrisons in Greenland in pre-war years and, in the absence of United States interest in the island, would probably not do so in the post-war period. Hence, the saving would be theoretical rather than real.

Factors mitigating against Danish concurrence to an agreement

2. The Danish naval "base" at Godthaab has recently been reopened with a complement of eighteen officers and men.

Matter for negotiation, if desired. 11/21

Little difference, in my opinion; U.S. would have to bear the greater financial burden in either case. 11/21

an agreement of this type include:

1. It would be considered as a public admission that Denmark is unable to defend its overseas possession, a condition which is true in fact but has never been publically acknowledged.

2. Increased chances of Soviet demands for base rights on Bornholm.

3. As is the case at the present time, Denmark's exercise of its sovereignty over Greenland would be restricted, being limited to the internal administration of the island and trade matters, a situation in some ways analogous to Denmark's status under the German occupation, and, hence, distasteful to the Danes.

4. While the agreement might include the proviso that the bases could be made available to the Security Council, it would, in effect, imply that the only tangible contribution Denmark could make towards the maintenance of world peace would be the use of its territory, a negative action.

*Should agree
1/22*

Before examining the question of an outright purchase of Greenland, it is pertinent to consider briefly the desirability of employing the "Azores Formula" in an approach to the Danes instead of proposing long-term base rights on a joint or exclusive basis. This formula represented a modification of our original proposal and was advanced to meet British objections. The situation with respect to Greenland is not analogous to that of the Azores. Greenland lies within the Western Hemisphere
and is,

and is, therefore, under the Monroe Doctrine, the British Government having been notified of our view in this regard in 1920. It would, therefore, be contrary to our established policy to seek British advice with respect to a non-British territory in the Western Hemisphere. Furthermore, it would seem probable that the British Government, far from opposing any requests which we might make to Denmark concerning long-term base rights in Greenland would favor such action because of the primary importance of Greenland bases to the safeguarding of the North Atlantic lines of communication between the United States and Canada and Great Britain.

In view of the foregoing, it is considered that an "Azores Formula" approach to the Danes is not necessary. It would seem desirable, however, to inform the British at an appropriate moment of our intention to negotiate with the Danish Government regarding Greenland and, in the light of the strong influence which the British have in Denmark, to obtain from them an indication to the Danes favoring our proposal.

D. Purchase of Greenland

As mentioned above, the purchase of Greenland appears to be the solution preferred by the Planning and Strategy Committee of the United States Joint Chiefs of Staff, although the Secretary of State has not been formally advised of this view by the Joint Chiefs of Staff themselves. The principal advantages which the United States would gain by securing full control

control

*I mention this -
had we wished inform
Canada.
mm*

control over Greenland include:

1. Substantial increase in the possibilities for a successful defense of the United States and Canada.
2. Valuable bases from which to launch an air counter-offensive over the Arctic area in the event of attack.
3. Emergency landing fields for military and civil aviation on the North Atlantic route to Europe.
4. Auxiliary naval bases.
5. Primary source of weather information to forecast future meteorological conditions in Europe, an advantage which has both military and civil aviation aspects.
6. Primary source of weather information for future Arctic aviation routes to Europe and Asia.
7. Possible source of uranium ore.
8. Mineral deposits, the importance of which will increase in direct ratio to the depletion in the natural resources of the United States.

Advantages numbers 1 through 5 would also be present should the Danes agree to give us joint or exclusive base rights in Greenland, but in a restricted form. For example, the Danes might oppose and conceivably even hamper operations involving the use of bases in Greenland for attack upon a third power at war with the United States but at peace with Denmark. As previously pointed out, benefits numbers 6 and 8 would not accrue

*Of little practical importance.
1946*

not accrue to us under either a joint or exclusive defense agreement, but would require the negotiation of separate arrangements. Finally, if Denmark follows the example of Norway and Sweden, as would seem to be most likely, it will reserve to itself the right to exploit any uranium deposits that may be found in Greenland.

The disadvantages to this country which would result from the purchase of Greenland include:

1. The original cost. To overcome Danish resistance to sell the island, and, at the same time, seek to avoid the charge that the United States, by virtue of its power, is striking a "hard bargain" with a weak state, it is essential that any offer we might make to purchase Greenland be characterized by its liberality. It is, of course, impossible accurately to appraise the value of Greenland to us. The sum of \$25,000,000 in gold was paid for the last territory we purchased, the Danish West Indies. Assuming the potential defense value of Greenland to us is greater than that of the Danish West Indies in 1916, it is felt that \$100,000,000 in gold would not be too large a price to offer. It is probable that an additional sum, say \$5,000,000 in gold, would also have to be paid for the cryolite mine at Ivigtut, the principal source of revenue in Greenland.

2. The probability that the costs of administering
Greenland,

Greenland, even if there is no expansion in existent institutions, would exceed revenues by from 1 to 2 million dollars per annum.

3. Substantial outlays to develop Greenland's natural resources. These would also occur if a joint development company were founded. In both instances, however, it is to be assumed that initial costs would eventually be recovered through the exploitation of the resources.

4. The burden of administering a large, sparsely populated area. In this connection, however, it should be noted that we already possess experience in governing the indigenous population of Alaska and, further, the number there, 32,418 Aleuts, Eskimos, and Indians according to the 1939 Census, is more than that in Greenland where there are approximately 18,000 native Greenlanders and Eskimos. No difficulty should be encountered in assimilating the 600 Danes now in Greenland, many of whom might prefer to return to their own country.

5. Charges of imperialism in foreign press. Such allegations would be raised even if we sought to establish a joint defense of Greenland, and it is difficult to see how they could be avoided unless we are prepared to give up any thought of bases in Greenland. It should, however, be possible to soften the effect of these charges by:

- a. As mentioned above, offering a liberal
amount

amount for Greenland, thereby underlining the fact that the arrangement would be mutually beneficial and not similar to a forced seizure of territory.

- b. Laying emphasis on the fact that Greenland lies within the Western Hemisphere and would be acquired, solely for purposes of continental defense, *through peaceful negotiations unaccompanied by pressure or threat.*
- c. Acknowledging that bases established on Greenland would be available to the other American republics in accordance with the provisions of the Act of Chapultepec. (It would *??* probably be inadvisable to provide for the use of Greenland bases by Canada. The latter is not a member of the Pan American system and, in addition, has political ties with a European State.) In this connection, it should be pointed out that regional arrangements for the maintenance of international peace and security are foreseen in Chapter VIII of the United Nations Charter, and the purchase of Greenland would merely represent the rounding-out a system for continental defense, the principles of which have already been accepted.
- d. Laying emphasis on the fact that the purchase of foreign territory has been an instrument of our national policy for well over 100 years.

(Louisiana Purchase,

Not, however, our recent policy except for islands??

(Louisiana Purchase, 1803; Florida, 1819; Gadsen's Purchase, 1853; Alaska, 1867; Danish West Indies, 1916).

The only advantages which Denmark would gain from the cession of Greenland to the United States are:

1. Relief from the burden of a drain on the Danish State Treasury. During the period 1941 to 1945, the tremendous increase in the aluminum production program in this country and Canada resulted in heavy exports of cryolite ore with a consequent favorable trade balance that more than offset the costs of administering Greenland. Generally, however, trade deficits and administrative expenses were greater than Greenland's revenues. Thus, despite slight surpluses in the fiscal periods 1937/38 and 1939/40, Greenland was a financial liability to Denmark for the fiscal years 1936 to 1941, inclusive, in the amount of Kr. 4,882,000 (approximately \$976,000), or an average of Kr. 812,000 per annum (\$162,000). The amount involved is not great, nevertheless, it should be recalled that an important factor taken into account by the Danes in negotiating the agreement of January 24, 1902 for the cession of the Danish West Indies to the United States was the fact that it would relieve the Danish budget of an annual charge of some Kr. 600,000.³
2. The Danes have never offered to sell Greenland to the
3. The treaty was rejected by the Upper House of the Danish Riksdag by a tie vote of 32-32 on October 19, 1902.

to the United States, and no sentiment in favor of its cession has been publicly expressed in Denmark, *nor is such sentiment believed to exist in any Danish circles.*

Considering these factors and the objections from the standpoint of Denmark which might reasonably be raised to a proposal on our part to purchase the island (discussed below), it is highly important that the amount which we might offer to pay for Greenland be sufficiently great to overcome these drawbacks. As indicated above, the sum of \$100,000,000 in gold would, it is thought, be a strong inducement to the Danes to sell. From the standpoint of the United States the sum is not believed to be excessive, particularly when it is considered that the cost of constructing a single aircraft carrier approximates \$80,000,000. It represents, however, almost one-third of the annual national budget in Denmark for each of the next several years as recently forecast by the Minister of Finance.

As a result of the costs of the war with Prussia of 1864 and the loss of Schleswig and Holstein, Danish State finances in 1867 were in a very poor condition. Consequently, pecuniary considerations, namely the offer of the United States to pay \$7,500,000 for the Danish West Indies islands of St. Thomas and St. John, were primarily responsible for the approval given by the Danish Government to the Convention of that year providing for their cession.⁴ A somewhat analogous situation exists in Denmark today. The Danish National Debt

increased

4. An adverse report by the Senate Committee on Foreign Relations on March 22, 1870 "killed" the proposed treaty.

DECLASSIFIED

Authority NND 760050

increased from Kr. 1,500,000,000 in 1939 (\$300,000,000) to Kr. 10,000,000,000 (\$2,020,000,000) at the beginning of 1946. During the same period, monetary circulation rose five-fold. Denmark's dollar balances have been largely liquidated in meeting service charges on dollar bond issues. Over one-half of the \$20,000,000 Export-Import Bank loan extended to Denmark on July 13, 1945 has already been disbursed. Finally Denmark's sterling credits are of little value in acquiring raw materials and machinery essential to its economic recovery. In view of these factors, the sum of \$100,000,000 would go a long way toward restoring Danish industrial economy and to the reestablishment of sound financial conditions. Uses to which this amount might advantageously be put include the opportunities:

a. to acquire in the United States and other "dollar areas" numerous commodities required to rehabilitate Danish industry, such as ship plates for the construction of vessels to replace war-time losses.

b. to call in dollar bond issues which have fallen due and to refund at lower interest rates other outstanding dollar loans.

(Danish Government and Municipal bonds floated in this market total \$122,000,000. Bonds to the value of approximately \$66,000,000 are still held here, the remainder having been either repatriated or acquired by investors in third countries.)

c. to acquire

- c. to acquire materials to be utilized in the furtherance of social programs, such as steel girders for housing.

Factors mitigating against Danish consent to sell Greenland include:

1. Fear of incurring Soviet displeasure and reaction in the form of a demand for bases on Bornholm or even outright cession of the island. These possibilities would also be present in the joint and exclusive base solutions, especially as regards the latter. Furthermore, it is possible that the Danes would prefer to cede the island as the best way out of their dilemma vis-a-vis the Soviet Union, thus, settling once and for all a problem which would otherwise be a continual "thorn" in Dano-Soviet relations. The Danes could take the position that the sale would be a purely financial transaction designed to relieve them of a continual drain on the Treasury and a means of acquiring foreign exchange essential to domestic economy and that, insofar as they are concerned it would have no military connotation.

2. Loss of prestige. National pride invariably suffers through territorial losses. Now that Iceland has achieved its independence, Greenland is the only overseas territory still under Danish sovereignty.

(For the purposes of this paper, the Faroe Islands may be considered as a part of Denmark proper.) In the light of the recrudescence of Danish nationalism, its sale would, therefore, be considered by the Danes as symbolizing the final step in Denmark's decline as a

colonial

~~colonial~~ power and as such would constitute a severe blow to the Danish ego.

3. The Danes are extremely proud of their humanitarian activities in protecting the native population of Greenland against outside influences and might reasonably feel that their work would be nullified should Greenland come under the American flag. In this connection, however, it should be recalled that considerations of this nature did not play an important part in the cession of the Danish West Indies despite the fact that in 1916 they had a Negro population of over 30,000, a race which in European eyes has traditionally been oppressed in the United States. Further, no criticism has been leveled at our treatment of the indigenous population of Alaska.

4. Insofar as is known, no responsible Danish authorities have advocated the sale of Greenland, certainly not since the late war, and it is extremely doubtful whether any sentiment in favor of its cession exists in Denmark today. An indication of the attitude of the Danes on the possible sale of Greenland is found in the Copenhagen press reaction to a suggestion that we buy the island made by Colonel Hubbard in an article published in an issue of Colliers in the Fall of 1945. The Danish authorities sought to play down the proposal as representing the views of a private individual and not those of the American Government. Even so, those newspapers which discussed the subject followed the

line that,

DECLASSIFIED

Authority NND 760050

line that, "Greenland is not for sale". It would, therefore, be necessary to develop opinion in favor of selling Greenland, not only among official circles but also in the minds of the general public since it is quite probable that the Danes would insist on holding a plebiscite on the issue as was done in 1916 in the case of the Danish West Indies.

In view of probable strong Danish opposition to the sale of Greenland, it has been suggested that as an alternative we seek to acquire only those areas of the island of value to us from a military viewpoint and, in return, cede to Denmark an equivalent amount of territory in the Point Barrow district of Alaska. The Danes would be permitted to develop any mineral resources found there, including petroleum, with the proviso that all oil produced be sold to this country.

Unlike the Norwegians, the Danes are not interested in Arctic areas per se, their ties with Greenland being based on historic and sentimental factors. Furthermore, it is quite possible that the mineral resources of Greenland are as rich if not richer than those in Northern Alaska. Considering these circumstances, it is extremely doubtful whether the Danes would be more receptive to a proposal to exchange areas in Alaska for those in Greenland, than to an offer to purchase the entire island.

In the light of the above discussion of the factors connected with an outright purchase of Greenland, it is felt that

felt that the proposal for exclusive base rights may also be discarded since the difficulties of negotiating an agreement of this type would be as great if not greater than those for cession of the island, while our military and related interests would better be served if we owned Greenland in its entirety.

E. Timing

As has been indicated previously, the present Danish Government has apparently decided not to raise, for the time being at least, the question of the modification or termination of the Agreement for the Defense of Greenland of April 9, 1941. Its decision is presumably based on the belief that because of the unsettled political situation in Europe, this Government would not be receptive to such a proposal, a belief which has doubtless been strengthened by our recent requests concerning the establishment of a U. S. Weather Bureau station, the renewal of the contracts for meteorological installations and notification regarding "Operations Nanook". An approach on our part for the negotiation of an agreement for the long-term joint defense of Greenland or the cession of the island would be particularly unwelcome to the Danes at this time, in view of the delicate state of Dano-Soviet relations. The minority Government would doubtless not feel itself qualified to pass on so important a matter as the joint defense or sale of Greenland and would be compelled to resign. The Social Democrats, the party having the largest

largest

x

useful

DECLASSIFIED

Authority NND 760050

largest number of seats in the Riksdag, are now seeking to rebuild their political fences which were damaged by the party's attitude during the war and to eradicate, so far as possible, Communist influence in the Labor Unions. They would, therefore, be hesitant to form a Government to handle a matter which would probably be detrimental to their political fortunes. In view of these circumstances it would seem likely that a coalition government would have to be established to consider any proposal regarding Greenland. Since a plebiscite would probably have to be held in any event, such development might be desirable both from our standpoint as well as that of the Danes themselves.

Assuming, however, that we are prepared to exert strong pressure to obtain our security objectives in Greenland, it is believed that the possibilities for obtaining consent to our request, whether it be for a joint defense or sale of Greenland are probably just as good now as they would be six months or a year hence. Accordingly, it is felt that the timing of our approach to the Danes should not be predicated on political conditions in Denmark. The world political situation and, in the final analysis, our relations with the Soviet Union must be the determining factor. Similarly, the nature of our request, either a proposal for a joint defense or outright purchase of Greenland, must be based on these considerations. Recommendations with respect to both these fundamental points are outside the scope of the present paper.

DECLASSIFIED

Authority NND 760050