



U.S. Hostage to China for Rare Earth Minerals

President Obama and his fellow enthusiasts for “green technology” have stumbled into a thicket of their own making. Most of their pet “alternative energy” projects — solar panels, hybrid and electric car batteries, wind turbine magnets, compact fluorescent light bulbs, etc. — are dependent upon “rare earth elements” that have been made all but unobtainable here in the United States, thanks in significant measure to environmental extremism.



Over the past two decades, various environmental laws and regulations have closed down mining operations for these elements in this country, making us almost completely dependent on the communist government of China, which now produces 97 percent of the world’s supply of these important minerals. Now that China has announced it intends to dramatically cut its quotas of rare earth exports, including to the United States, the Obama administration has expressed concern.

“We are very concerned about China’s export restraints on rare earth materials. We have raised our concerns with China and we are continuing to work closely on the issue with stakeholders,” an anonymous spokeswoman for the U.S. Trade Representative’s office said in a statement carried by news services. The administration also says it will complain about the quota reduction to the World Trade Organization.

Unobtainium: By our own fault

In the 2009 blockbuster fantasy movie [Avatar](#) rapacious humans plundered the idyllic planet Pandora for the extremely rare and valuable element “unobtainium.” Like this fictional Pandoran element, samarium is also valuable and highly desired, especially for its uses in cancer treatment, lasers, hi-tech magnets, and neutron rods in nuclear reactors. Unlike unobtainium, samarium is very real; along with lanthanum, scandium, thulium, dysprosium, and a dozen other “um” elements that few of us remember from Chemistry 101, it makes up the lanthanide series of rare earth elements, or REE. Ironically, despite their name, the REE are not that rare, being relatively plentifully distributed throughout our planet’s crust. And the United States has some of the largest known REE deposits that can be viably mined. However, like many other minerals that have been put off-limits through environmental edicts, they have been made artificially almost as rare as unobtainium. Now there is a mad scramble to re-open some of these mines, as rare earth mining [stocks have soared](#) and green activists have reversed themselves in order to advance their “earth friendly” hobby horse technologies.



Written by [William F. Jasper](#) on January 4, 2011

It did not take a crystal ball to see that the environmentalist attack on the rare earth mining industry would bring the serious consequences we now face. *The New American* warned about this repeatedly over the past two decades, including in this article, [Engineered Extinction](#), in December, 2003. It reported:

Unfortunately, because of our anti-mining regulatory climate, we are now dependent on foreign producers for many of these vital materials. The case of the Mountain Pass Mine in California's Mojave Desert is a prime example of the destructive power of the envirocrats. Mountain Pass, the world's largest lanthanide mine, is a treasure trove of rare earth minerals like samarium, lanthium, europium and neodymium. The mine owner, Molybdenum Corporation of America, invested millions of dollars developing uses for these exotic elements in televisions, miniaturized motors, long-lasting lightbulbs, super magnets, and hi-tech military applications. Thanks to these efforts, the U.S. led the world in rare earth production and sparked a revolution in the use of these important minerals. But federal and state regulators shut the mine down on environmental pretexts.

Don Fife, a professional geologist and columnist, called the government action a "regulatory outrage" and "the coup de grace for America's rare earth industry." "With Mountain Pass Mine out of business," says Fife, "we are dependent on foreign sources for our supply of these minerals. Since other countries produce only small amounts of rare earths, nearly all of these militarily strategic minerals now come from Communist China."

However, genuine experts such as [Don Fife](#) were either completely ignored by the mainstream media or given short shrift, while the wild claims of the Clinton-Gore administration and Congressional forces led by Senator Diane Feinstein (D-Calif.) and Rep. George Miller (D-Calif.) were parroted repeatedly and uncritically by the media.

A 2002 report by the U.S. Geological Survey, [Rare Earth Elements Critical Resources for High Technology](#), was also ignored in favor of the sky-is-falling preachments of the green disaster lobby. The USGS report stated:

The United States is in danger of losing its longstanding leadership in many areas of REE technology. Transfer of expertise in REE processing technology and REE applications from the United States and Europe to Asia has allowed China to develop a major REE industry, eclipsing all other countries in production of both ore and refined products....

United States dependence on imports from China comes at a time when REE have become increasingly important in defense applications, including jet fighter engines and other aircraft components, missile guidance systems, electronic countermeasures, underwater mine detection, antimissile defense, range finding, and space-based satellite power and communication systems.

Lithium Batteries for Electric Vehicles Also in Danger

Lithium is not a rare earth element but REEs are essential for the increasingly ubiquitous lithium-ion batteries that power so many of our electronics today. And lithium-ion batteries are being held up as the saving technology that will power the electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs) that the federal government says Americans must give up their gasoline-powered cars for. However, lithium mining has fallen victim to the same legislative and regulatory forces that killed America's rare earth industry. A U.S. Department of Energy report entitled, *Critical Materials Strategy*, which was released on December 17, while public attention was focused on Christmas vacation and the



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activities of the lame-duck Congress, provides some sobering data concerning America's growing dependence on foreign suppliers for crucial minerals. Included in the report is this statement about U.S. lithium production:

In the early 1990s, the United States was the largest producer and consumer of lithium minerals and compounds worldwide. In the early 1990s the U.S. Department of Energy also sold about 37,200 tonnes of excess lithium material from the thermonuclear weapons programs of the 1950s and 1960s. In 1997, the U.S. closed down its last spodumene mine in North Carolina and lithium carbonate production from hard rock ores in the U.S. ended.

The same report notes that "The United States currently has only one active lithium brine operation in Nevada." Which is to say without explicitly saying it that the Clinton administration, which included many of the same environmental zealots that now run Obama's environmental program, effectively killed our domestic rare earth and "green tech" industries.

"There's no reason to panic," though, claims Assistant Energy Secretary David Sandalow, in a sugar-coated assurance that appears at the end of the DOE report. Says Sandalow:

There's no reason to panic, but there's every reason to be smart and serious as we plan for growing global demand for products that contain rare earth metals and other strategic materials.

"This means," said Sandalow, "taking steps to encourage extraction, refining and manufacturing here in the United States, as well as encouraging our trading partners to expedite the environmentally-sound creation of alternative supplies." That all sounds good, but seems to fly in the face of the administration's efforts to impose, via executive fiat, a carbon cap and trade regime and other draconian environmental regulations that it could not get through Congress (see articles linked below). It also conflicts with the messages sent by President Obama's choices for appointments to energy and environmental posts. His most recent was the [appointment of Nathaniel Keohane](#) as "special assistant to the president on energy and environmental issues" in the White House's National Economic Council.

A longtime environmental activist, Keohane comes to his new White House post from the militant Environmental Defense Fund (EDF), where he served as Director of Economic Policy and Analysis. The EDF, it should be noted, was one of the principle "green lobby" groups that helped close down the Mountain Pass rare earth mine. Keohane's October 28, 2009 testimony before the U.S. Senate Committee on Environment and Public Works in favor of cap and trade, which he claimed would be a great boon to the "clean-energy economy," shows that he has not changed his extreme views, which favor massive re-engineering of society through unconstitutional federal mandates. Unfortunately, Keohane's appointment further reinforces an already heavy-handed lineup of environmental czars and czarinas, foremost among whom is his immediate boss, Carol Browner, Obama's director of the White House Office of Energy and Climate Change. Browner headed the federal EPA under President Bill Clinton, when so many of the destructive policies aimed at America's mining and processing industries were implemented. And immediately before joining the Obama administration she served as a commissioner on the [Socialist International's Commission for a Sustainable World Society \(SI-CSWS\)](#).

To paraphrase Assistant Energy Secretary David Sandalow, this may not be cause for panic, but despite the administration's soothing rhetoric, it is certainly cause for alarm and for determined action to reverse the harmful path of the past couple of decades.

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Photo: Workers labor at the entrance to a prospering village near mines in Changzhi, Shanxi, China, Tuesday, May 15, 2007: AP Images



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