



Drawing a Line in the Ground: Association Urges America to Secure Its Rare Earth Supplies

By Cheryl Kaften

RARE, The Association for Rare Earth based in Washington, D.C., today urged the creation of caucuses in the U.S. Congress to focus on the challenges of securing supplies of rare earth elements (REEs) for the nation's high- technology, clean-energy, and defense communities.

In a request letter to members of Congress, RARE's president and board wrote that such elements are "critical to the production of virtually every high-tech and clean-energy product, and are fundamental to the national security of the United States. A secure and sustainable supply of REEs affects thousands of companies and millions of American jobs."

The letter urged the creation of the bipartisan caucus to "assist the REE community in navigating the rapidly changing and still emerging issues surrounding rare earths."

The request comes in the wake of a report on Department of Defense overdependence on foreign sources of rare earth elements (REEs). An article distributed by the National Defense University Press in early October, "Enduring Attraction: America's Dependence On and Need to Secure Its Supply of Permanent Magnets," by Lt. Col. Justin C. Davey, U.S. Air Force, clarified why the United States needs rare earth elements so urgently to support the military, citing that, "The United States is the world's preeminent military power, due in large part to its technological superiority. This lead in innovative technology supporting national security also includes advances in new and "green" energy applications. A common ingredient enabling the production of many of these applications is a group of minerals known as rare earth elements (REEs)."

Pointing to two REEs in particular—the refined metals neodymium and samarium—as key components in the manufacture of miniature high-temperature-resistant permanent magnets, Davey noted that these magnets are essential to wind turbines, hybrid car engines, and computer hard drives. "Moreover," he said, "they are critical for military applications," including precision-guided munitions, tank navigation systems, and electronic countermeasures equipment.

Today, China produces more than 95 percent of the world's rare-earth oxides, and the country's near-monopoly in mining and processing them has raised alarms in Washington — particularly following Beijing's moves last year to impose export quotas on them. The author also strongly recommended that,

as China continues to cut off foreign access to rare minerals — and to acquire U.S REE firms and then shut them down— the United States should begin stockpiling its own sources, in order to maintain military superiority. In addition, the author recommends that America should:

- Exploit non-Chinese sources, including those in California, Idaho, Colorado, Missouri, Montana, Utah, and Wyoming;
- Investigate alternative materials with similar properties; and
- Restricting the use of foreign-produced REE magnets in products it purchases in order to stimulate the resurgence of American industry and ensure the survival of those domestic suppliers;

RARE Advisory Board Member Roger Ballentine, former Chairman of the White House Climate Change Task Force in the Clinton Administration, said, "Important legislative work is already being undertaken on this issue, and much more needs to be done to ensure reliable access to these materials that are critical to our technology and clean energy needs." He cited House passage last year of the *Rare Earths and Critical Materials Revitalization Act of 2010*, and a hearing focused on the subject last month in the House Foreign Affairs Committee. During the latter committee meeting, Congressman Don Manzullo (R-IL) demanded that the federal government should join forces with American manufacturers to end China's monopoly on rare earth minerals and ensure the United States maintains an adequate supply of the minerals needed to manufacture our most advanced products.

Adam Falkoff, President of RARE, said that the association looks forward to working with Congress and the Administration to develop bipartisan solutions. "We are seeing a growing awareness of the problem, and also a desire among many to put in place the policies required to grow domestic and foreign sources for these critical materials," Falkoff said.

In addition to Ballentine, RARE's board members include former Ambassador Stuart Holliday, former Ambassador to the United Nations for Special Political Affairs; John L. Howard, former United States Federal Environmental Executive; Vice Admiral Conrad C. Lautenbacher, Jr., U.S. Navy (Ret), former Undersecretary of Commerce for Oceans and Atmosphere and NOAA Administrator; former Congressman Thomas McMillen (D-MD), Chairman of Homeland Security Capital Corporation and an active Advisory Board Member of Clean Energy Systems; and John Paul Woodley, former Assistant Secretary of the Army for Civil Works.

RARE is a bi-partisan organization that seeks to increase the environmentally sustainable production of rare earth elements; remove barriers to access of rare earth elements domestically and internationally; increase the affordability and trade of rare earth minerals; and increase the affordability and availability of technologically and environmentally advanced products made with rare earth minerals.

Cheryl Kaften is an accomplished communicator who has written for consumer and corporate audiences. She has worked extensively for MasterCard Worldwide, Philip Morris USA (Altria), and KPMG, and has consulted for Estee Lauder and the Philadelphia Inquirer Newspapers. To read more of her articles, please visit her columnist page.

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