The United States, Japan, Korea, the EU and the rest of the world have found themselves entirely dependent on China for rare earths. The Chinese global rare earth monopoly dominates at all levels, from resource production, to metallurgy, to new applications, to new patent applications. With China dominating the production and internal consumption of at least 85% of all value added rare earth materials, in a politically saturated environment of material science and techno-economic leadership, it will continue to lead the world in future material science developments. The non-Chinese world’s contribution to rare earth related material science developments will shrink in China’s rear view mirror. Non-Chinese efforts to compete in the production of rare earth resources have mostly ended badly. Resources like rare earth oxides have no meaningful technology or defense application. China dominates the world in resource, oxide and post-oxide materials production. China has used its multi-level monopoly to capture much of the world’s rare earth dependent technology and industry. This is a significant problem because advances in material science are largely stimulated by the competitive economic pull of a vibrant technology sector. Today most of the world’s advanced rare earth technology applications happen in China. How does the non-Chinese world compete with this state sponsored juggernaut? The current administration is considering the establishment of a multi-national rare earth resource and value chain that could act as a modern Bell Laboratory for its non-Chinese members. The proposal calls for a privately owned and operated facility that would act as a cooperative for all of its owner/end-users: diverse technology companies from around the world. The cooperative would utilize rare earth resources that are currently mined, but disposed of to avoid the 1980 NRC & IAEA regulations which helped create China’s monopoly and would be impervious to Chinese price manipulation.

Biography
James Kennedy has spent nearly 10 years working on this issue at the federal and international level. He was an invited expert speaker at the United Nations IAEA conference, the European Union rare earth conference and has had meetings with the current and previous Administration, the Pentagon and the House and Senate Armed Services Committees. His proposal is currently under consideration with the current Administration. He earned a Master’s degree in Political Economics and Public Policy from Washington University, St. Louis.

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