

October 17, 2010

New York Time Columnist Paul Krugman wrote an opinion editorial on America's dependence on Chinese rare earth metals.

He concisely says, "I don't know about you, but I find this story deeply disturbing, both for what it says about China and what it says about us. On one side, the affair highlights the fecklessness of U.S. policy makers, who did nothing while an unreliable regime acquired a stranglehold on key materials. On the other side, the incident shows a Chinese government that is dangerously trigger-happy, willing to wage economic warfare on the slightest provocation."

The lessons, as he points out, are:

1. We need to develop non-Chinese sources of rare earths
2. China has the tendency to act irresponsibly, and are not hesitant to wage economic warfare to achieve its goals.

In the opinion of the TREM Center, one solution is for all branches of government to join with members of the mining industry and the defense and cleantech industry to ensure that national defense, energy, international trade and resource policies are approached holistically. Read his commentary here:

<http://www.nytimes.com/2010/10/18/opinion/18krugman.html?ref=opinion>