

# Rare earth metals a security issue

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Imagine the chaos if American companies suddenly were unable to access key materials used in technology that supports everything from cell phones to hybrid cars to guided missiles.

A recent Government Accountability Office report found that the United States now gets all of the rare earth metals it uses to support our national defense and quality of life from abroad. While once the world depended on the United States for rare earth materials and manufacturing - the main source was Mountain Pass mine in San Bernardino County - it now turns to China for 97 percent of the supply.

That should give reasonable people pause.

Rep. Mike Coffman, R-Colo., has introduced legislation meant to supercharge the rebirth of competitive domestic mining, processing and development of the materials.

Congress should give his H.R. 4866 careful consideration. However, it will be up to Coffman to make the case for one of the bill's more controversial features: government-backed loans to help jump-start the mining process.

The GAO notes that the Department of Defense is completing a study evaluating the impact of the China-heavy supply of the materials on national security.

Already, the demand for the material in China has led the country to curtail its exports. Moreover, China has accelerated its interest in establishing itself as a major military power.

Molycorp Minerals, headquartered in Coffman's Colorado district, owns the Mountain Pass mine northeast of Baker that once produced most of the rare earth metals, which are prized for the special magnetic qualities that don't degrade even in intense heat. The mine ran into environmental problems in the late 1990s and closed in 2002 - after dozens of spills of radioactive waste water. Molycorp aims to resume production in 2011 and has vowed to run an environmentally safe operation.

The 17 rare earth metals at issue can be found in some other parts of the country, and also in Canada, Australia, India, Brazil and elsewhere.

Coffman seeks to require the Defense Department to bolster its stockpiles of rare earth metals, and to provide government-backed loans to companies like Molycorp that seek to restart mines or begin new production sites as the cost of startup runs in the hundreds of millions of dollars.

We have been supportive of subsidies in the development of renewable energy and support critical needs such as defense. So we're pleased to see Coffman addressing the issue. A key question is whether friendly nations like Canada and Australia could provide enough of the supply to reduce our dependence on China.

If not, Congress must decide whether access to domestic supplies to rare earth metals is so important that it justifies a potential bailout of a costly mining venture.