

If the US and China quarrel, the planet suffers, author says

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Credit: Bocconi University

Sophia Kalantzakos' scholarship focuses on how the climate crisis impacts global power politics. Her book *China and the Geopolitics of Rare Earths*, focuses on resource competition between the major industrial nations (U.S., E.U., Japan) and China. In this interview with [Via Sarfatti25](#), Kalantzakos warns that the era of hyper-competition

particularly between the U.S. and China will negatively impact efforts to effectively act on the climate crisis. Sophia Kalantzakos is Global Distinguished Professor of Environmental Studies and Public Policy at New York University and a long-term affiliate at NYU Abu Dhabi.

What are rare earths, and why are they important?

Even though the seventeen [rare earth elements](#) can be found in different locations, what makes them "rare" is that it has not always made economic sense to mine them because they are often found in very low concentrations. Rare earths are important because they are essential inputs in high tech, renewable, and defense applications. When I wrote the book in 2018, China controlled 97% of the production of the minerals and dominated the entire supply chain. What shocked me then was that the major industrial nations had not realized that they had become so dependent on China for these inputs. The thought that prevailed, at the time, was that somehow globalization and trade would guarantee uninterrupted access to [rare earths](#). It's a bit ironic to have held that belief because there was ample evidence to the contrary with the precursor of oil, which was not even as geographically concentrated as rare earths minerals.

How did governments first become aware of their dependency on China for these strategic minerals?

In 2010 there was geopolitical dispute between Japan and China because of a maritime incident in the disputed waters near the Senkaku Islands (or the Diaoyu Islands according to China) in the East China Sea. As a result, China briefly and unofficially embargoed the shipments of rare earths to Japan, which was a big customer. It was the first time that China had used a strategic resource to leverage a geopolitical dispute. Up until then, China had intentionally kept a low profile. Its main goal was

to grow its economy and was working within international institutions to develop an expertise in order to partake in the global system. 2010 perhaps constituted an "aha" moment for China's competitors who woke up to the realization that they were almost entirely dependent on the PRC for these materials.

What was your goal in writing "China and the Geopolitics of Rare Earths?"

Major industrial nations huffed and puffed after the 2010 incident, but never seriously addressed nor did they resolve the issue. When prices for these minerals corrected themselves, they chose to believe that things had gone back to "normal." In my book, I wanted to raise the question of whether or not industrial nations had actually learned anything from the rare earth crisis. This is a very central question considering that the entire world now professes to be moving into the direction of decarbonization and digitalization, without having given enough thought to or been able to implement comprehensive strategies about how to ensure access to these inputs. The assumption was that global trade would remain uninterrupted. However, now that we experienced the trade wars between the U.S. and China as well as the pandemic, we see that we should question whether that assumption was in fact correct. For the longest time there was a sense that the 2010 incident was a mere blip. And I was insisting that it wasn't.

What is your take on what is happening in Afghanistan in terms of 'rare earth' minerals?

I don't believe that things are going to change in the rare earths space because of Afghanistan. I wouldn't even put Afghanistan on the table right now.

Alarmism about rare earths in Afghanistan is part of a campaign to hype geopolitical tension and is meant to chastise the U.S. for pulling out. The logic of this claim is "We (the U.S.) left Afghanistan and now China is going to get ahead of us there too." After all, you need to have a security concern to maintain forces in a place. China is generally careful about "moving in" to anywhere. It hasn't been that kind of a power.

If concerns about China grabbing rare [earth](#) minerals in Afghanistan are mainly hype, what are some of the other misconceptions about rare earths that we can shoot down?

With the exception of 2010, where the embargo was unofficial and short lived, China has not really weaponized these elements. But China is a rising power. Actually, it has already risen. The PRC would like to excel and become a leader in the decarbonization space. The usual suspects—the OECD countries, U.S., Europe, Japan—are accustomed to being the front runners, and now China is giving everyone a run for their money.

The problem today is that there is a growing narrative (pushed by the United States) according to which the world is once again bipolar and that the fight is one between political systems: democracy versus autocracy. Thus, access to critical minerals and the push to decarbonize because of the [climate crisis](#) are unfolding against the backdrop of fraught geopolitics. This constitutes a big problem because both decarbonization and digitalization are at the heart of the major global economic and industrial shifts currently underway. So suddenly, the minerals have become targets of geopolitical dispute. This is why I originally wrote the book in 2018 and updated it in 2021 (in English and Italian), because I foresaw that people were underestimating the problem.

Why is it a problem to have the view of a bipolar

world right now?

The climate crisis seems to be the most urgent and comprehensive threat we face today. It's the greatest threat to our global commons and impacts everything: our food supply, our consumption, socio-economic relations, biodiversity, even the way that we build our infrastructure. The world needs to work together to solve this. Bipolar competition, in the way that it's unfolding, has exacerbated tensions and distracts focus from the climate crisis. We can't be fighting about everything else, and then say "that we cooperate and discuss the climate crisis," because the climate crisis is everything; it's an existential threat.

What have we not learned since 2010? What should the U.S. and Europe be doing?

I think two things are happening. The first is, post-pandemic it is now clear that we need to build supply chain resilience especially in a world where global supply chains are indispensable. When factories closed in Asia, people in the United States were fighting over things like toilet paper and masks. Even today there are still considerable shortages on a wide range of commodities resulting in major shipping delays and must be pre-ordered.

So building resilience in the supply chains and creating alternatives, were lessons not learned then although they are now a major pre-occupation for both the E.U. and the U.S.

The second thing that's happening is that the United States is now securitizing this issue as it has chosen to adopt a bipolar and adversarial logic in its relations with the PRC. The logic is that "China is the main rival, we oppose the autocracy of China, we will not let China become the global leader in the decarbonization and high-tech space and

therefore, we need to desinicize supply chains."

In Europe, both the rhetoric and policy are different. Europe is not saying "we want to decouple from China." What the Europeans are doing is building resilience, creating new networks of interdependence. They have invited Asian companies to Europe providing them incentives to invest and have launched important initiatives such as the European Battery Alliance and the European Raw Materials Alliance.

In the end, we cannot urgently decarbonize by trying to replicate supply chains. That will take too long, it's too costly, and it's not efficient. And it won't help us do what we are trying to do, which is to decarbonize in 10 years. Time is of the essence and we need to work within the real parameters of the problem that we have created.

More information: China and the Geopolitics of Rare Earths.
[oxford.universitypressscholars ... 01/oso-9780190670931](https://oxford.universitypressscholars.com/doi/10.1093/oso-9780190670931)

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