

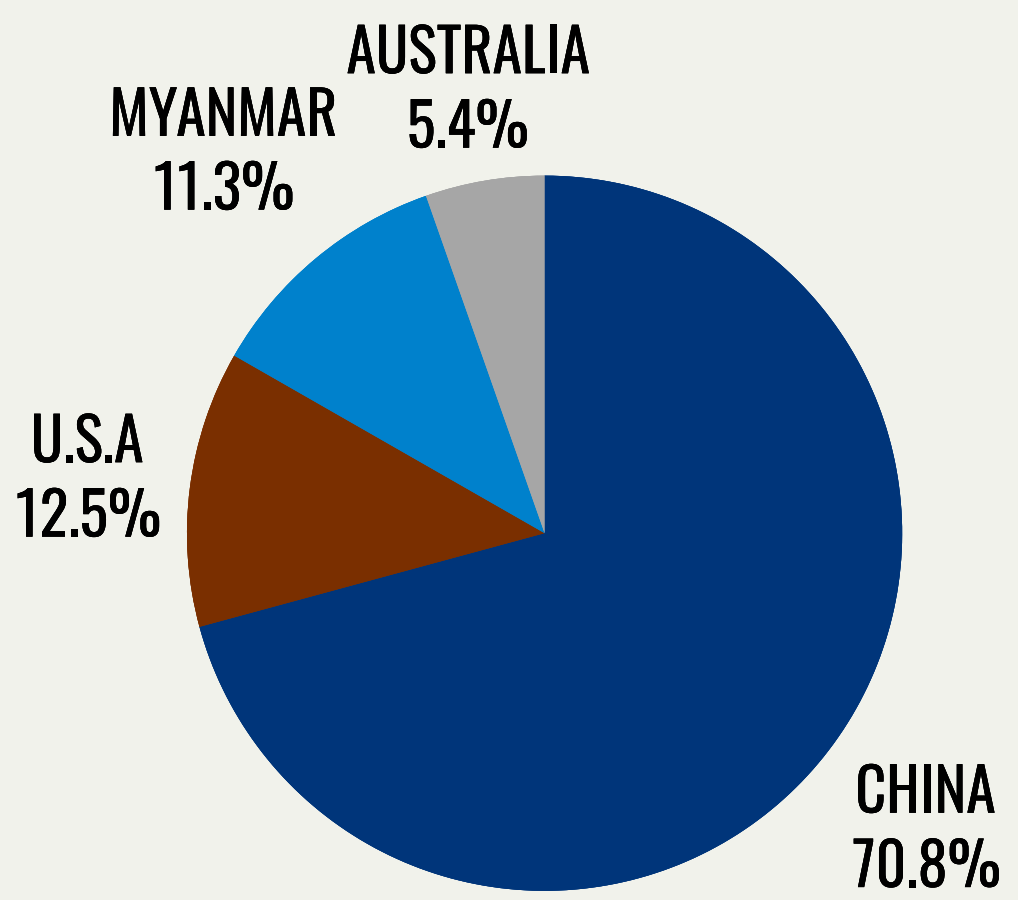


How does China's control over rare-earth reshape the geoeconomic strategy of the US?

★ China's dominance

Rare Earth in EVERYTHING

As global demand for green and military technologies rises, REEs have emerged as a strategic resource shaping international economic and security policies.



China's REE Control

Negotiations card

REEs have become the ultimate geo-economic bargaining card between the U.S. and China . China's monopoly gives it the power to weaponize supply chains, influencing global industries from clean energy to defense.

★ The U.S and Geo-Economics

Using Mead's (2014) concept of geoeconomics, the research will aim to take a look and interpret how over the years there has been a shift in focus in U.S. policy both domestic and international is moving towards prioritizing rare earth elements to support economic statecraft. In line with Zhou & Manberger (2024), the U.S. now focuses on adapting through alliances, supply chains, and a reduced dependence of China to gain a strategic edge.



★ Domestic

2017–2020: From Realization to Reaction

The U.S. identified rare earths and other critical minerals as vulnerable to foreign dependence, issuing EO 13817 (2017), a critical minerals list (Depart of the Interior, 2018), the Federal Strategy on critical minerals (Department of Commerce, 2019) and DFARS restrictions (Defense Federal Acquisition Regulation Supplement: Restriction on the Acquisition of Certain Magnets and Tungsten, 2019). By 2020, the DPA began supporting early domestic projects, creating a policy framework despite limited industrial capacity.

2020 Policy Turning Point Toward Resource Sovereignty

The Energy Act of 2020: First major U.S energy legislation that aims to reduce dependence on China for rare earth elements by codifying "critical mineral" that are essential to the economy and national security but vulnerable to supply disruptions. By codifying "critical minerals", it emphasized the significance, which granted authority, funds, and technology to research and develop the United States' rare earth industries that simplified and fostered mining projects.

2025 TRUMP 2.0 Environmental Deregulations

- Jan 20,2025 “Unleashing American Energy Executive Order”
- Jun 22, 2025 Washington Post report — USA Rare Earth magnet plant update
- July10, 2025 Pentagon & MP Materials partnership DoD invests roughly \$400 million
- August,2025 “US \$1 billion of funding for domestic mining
- ↳ Departure from the prior era of stronger environmental concerns, toward a focus on “economic growth, domestic production in an urgent manner!!

★ Conclusion

Over the past decade, the U.S. has moved from recognizing its dependence on China to actively pursuing resource sovereignty. Guided by a shift toward geo-economic strategy (Mead, 2014), Washington now treats rare earths not just as commodities but as strategic assets essential to national security and technological leadership. Consistent with Zhou & Manberger (2024), the U.S. response through alliances, supply chain diversification, and deregulation shows a deliberate adaptation to regain strategic autonomy and reassert influence in the global resource order.

The strategy of rare-earths in the U.S. represents a key transition to strategic resilience and technological sovereignty. By embedding resource policy in a broader web of alliances and industrial reinvigoration, Washington is preparing not only to counter China's dominance, but also to stake a claim to leadership in the green and defense economies of the future. This represents a long-term transformation of international power relations and the way that we define economic and national security during the 21st century, characterized by material control over critical minerals.

★ International

U.S. Political & Economic Measures Aimed at China:

From the period of the early 2020s, the United States has classified the supremacy of China in rare earths as a national-security threat. It has been investing in the rare-earth mining and magnet projects of its allies through the IRA and DPA while integrating rare-earth security into the Quad and IPEF.

Diversifying Supply Chains - Japan:

Over the past five years, Japanese companies have significantly ramped up their investments abroad as a strategic move to secure essential rare-earth materials.

U.S. Economic, Trade, and Tariff Policies on China:

Since 2018, the US has imposed Section 301 tariffs on Chinese goods, raised rates on strategic items in 2024, and tightened export controls.

Diversifying Supply Chains - Australia:

The U.S. and Australia have strengthened their cooperation through the Climate and Critical Minerals Compact since 2023, with the aim of establishing comprehensive rare-earth supply chains and slowly diminishing the processing dominance of China.

U.S. Allies - Mineral Security Partnership:

The Mineral Security partnership aims to accelerate the development of diverse supply chain by cooperating with industry and partner governments to support projects and encourage investment. Projects range from mining, extraction and secondary recovery to processing, refining and recycling.

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