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Technology Metals are heading into uncharted waters. Well, the waters are charted, but ownership is in dispute. On September 7, 2010, when Japan arrested some Chinese fishermen for venturing into what they called their territory, no one guessed how far the parties would take the dispute.

On the January 13th, Wen Jiabao, the Chinese premier, called for Japan to release the fishing crew unconditionally, stating that there may be retaliation.

"If Japan clings to its mistake, China will take further actions and the Japanese side shall bear all the consequences that arise," Mr Wen said.

Japan sent home the crew the next day, but is keeping the captain pending further investigation.

China has responded by arresting four Japanese citizens for allegedly illegally filming a military site in China.

But the ante is being upped even further in this international game of maritime intrigue. Enter the importance of strategic resources.

TREM10 speaker Dudley Kingsnorth (as reported in the New York Times) says he has received calls from associates in the rare earth industry who said they had been asked to halt exports to Japan.

"I was told it was an 'unofficial ban,'" Kingsnorth said. "(China) requested major companies to withhold major exports to Japan with a clear indication that if they do export, it might impact on their export quotas."

According to Associated press, a spokesman for China's Ministry of Commerce, Chen Rongkai, denied that Beijing had ordered a ban specifically on exports of rare earth elements to Japan. However, Akihiro Ohata, Japan's Minister of Economy, Trade and Industry said that "We've heard from trading firms that (the reported rare earth export suspension) is happening, so we're checking what's going on."

China also has its share of ongoing disputes with the United States as well. Aside from currency controls, the US is helping fend off China's territorial assertions over portions of the South China Sea that are currently claimed by the Philippines, Malaysia, Brunei and Indonesia.

"China enjoys indisputable sovereign rights over the South China Sea islands and adjacent waters," Foreign Ministry spokeswoman Jiang Yu told reporters today in Beijing, according to Bloomberg. "We oppose the internationalization and expansion of the South China Sea dispute because it will only make the issue more complicated." This was in response to Secretary of State Hillary Clinton's statement that resolving territorial disputes off China's southern coast was "a leading diplomatic priority" for the US. Jiang said that Clinton's comments were "virtually an attack on China".

The dangers of leveraging strategic resources to achieve an outcome are well known in the world. In 2008, when Libyan president Muammar Gaddafi's son Hannibal was arrested and imprisoned in Geneva for beating employees, he threatened retaliation that included the withdrawal of 7 billion dollars of government funds from Swiss banks, the cessation of multiple economic cooperation projects between the two countries, and a cutoff of Libyan oil exports to Switzerland. The charges were dropped and Gaddafi's son and daughter-in-law returned to Libya.

It may be that China will join the ranks of countries which use resource control to advance their nationalistic interests.

To protect itself, the United States and other Western countries must work together to develop secure and diverse alternate sources for technology metals, relying on neither one country or one company.

