

CHRISTOPHER S. BOND

MISSOURI

COMMITTEES:

APPROPRIATIONS
SMALL BUSINESS
ENVIRONMENT AND
PUBLIC WORKS
INTELLIGENCE

United States Senate

WASHINGTON, DC 20510-2503

October 28, 2009

The Honorable Robert Gates
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301

The Honorable Steven Chu
Secretary of Energy
1000 Independence Avenue
Washington, DC 20585

Dear Secretary Gates and Secretary Chu:

The United States is currently 100% import dependent upon a group of minerals called Rare Earths. A reliable and steady supply of these elements is essential to national security, as precision guided missiles, secure communications, advanced jet engines, unmanned aerial systems, smart munitions, stealth technology and advanced armor all are rare earth dependent systems and technologies. Rare Earth elements also hold unique chemical, magnetic, electrical, luminescence, and radioactive shielding characteristics for environmental and "green technology" applications.

China currently holds global monopolistic control over the production of these materials and I understand that U.S. defense contractors are currently having difficulty securing adequate supplies of these rare earths. Today there is not a single U.S. or North American company actively producing rare earth elements, metals, alloys or rare earth magnets. The United States Geological Survey (USGS), the National Academies, and the National Materials Advisory Board have all determined that rare earths are "Strategic and Critical" to U.S. Industry and National Defense and that the U.S. is 100% import dependent upon these materials. The economic threat to the U.S. over on-going availability of these minerals is equal to the military threat.

My understanding is that the U.S. has two of the greatest Rare Earth resources in the world, both currently permitted to mine, but presently inactive. The threat of sovereign monopolistic reprisals by the Chinese over on-going availability of these minerals has dissuaded private investment. But given the national security importance, support from the Department of Energy in developing a domestic rare earth refinery along with price support agreements from the Department of Defense ought to be given full and careful consideration to ensure defense and technology companies can maintain and enhance their development of rare earth dependent technologies.

Please consider providing an opportunity for Wings Enterprises of St. Louis, Missouri to meet with the appropriate Department of Defense officials in Industrial Policy and the Department of Energy to explore potential solutions that they could provide to secure the domestic supply of resources critical to our National Defense and our Economic and Energy futures. Rare Earths support from the Department of Energy would incentivize technology companies from around the globe to relocate, maintain or enhance manufacturing facilities inside the United States. Prudent steps must be considered today to avert the potential for any future crisis in the availability of these essential minerals for our national and economic security.

Sincerely,



Christopher S. Bond