

The Global Scramble for Natural Resources— Its Potential Impact on America

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During the 1990s, China and India were unleashed from Communist and Socialist regimes respectively. China's GDP grew at more than 10 percent per year and India's at 7-9 percent during the first decade of the 21st Century. Both are drastically increasing their use of all natural resources. Although China has large resources of its own, they are insufficient to fill the internal demand.

Because the world's mineral and energy resources are being strained to supply these exploding economies, the price of nearly every natural-resource commodity dramatically escalated between 2003 and 2008. Not only did the price of commodities increase, but the competition to simply obtain a share of these natural resources became intense. From cement, to petroleum, to strategic metals; the scramble for a piece of the worldwide pie is in a state the world has never known. As world commodities such as oil reach their peak ability to produce and begin to decline, the world travels into unknown territory. The U.S. is being, and will be, significantly affected by this new world disorder.

As America looks increasingly to alternative energy sources, we may not escape the import problem. Many of the current alternative energy technologies use a variety of imported mineral commodities, especially rare earths. The country's vulnerabilities to foreign sources of strategic mineral commodities are only beginning to be recognized.