

China owns the Green revolution with falling prices of critical technology minerals

written by Jack Lifton | July 26, 2022

Why haven't the world's senior miners (aka, the actual producers of non-fuel minerals as well as of oil, gas, and coal) alerted the global manufacturing industry to the limitations on the annual production of the critical mineral resources needed for any Green transformation of the world's energy economy away from fossil fuels? The simple answer is that they're making too much money with the nonsensical distortions of the fossil fueled energy economy led by natural resource production illiterates.

Buying back their stock to raise the share prices, so that the insiders (aka management and its bankers) seems to be the most common use of earnings among the seniors.

The seniors are, of course, the world's suppliers of energy fuels and of structural metals, such as iron and aluminum, and infrastructure metals, such as copper. Those three metals constitute 95% of all the metals produced annually, and iron constitutes 95% of that total.

60% of all metals are produced or processed and utilized in manufacturing in just one nation – China. 90% of all of the critical technology metals necessary for a Green transformation are produced, processed and utilized in manufacturing in China!

It is actual Chinese demand for ALL metals that sets the production goals and prices charged by the seniors.

China now owns or has contracted to buy the [critical technology minerals](#) – for which it already has the capability and capacity to process and fabricate end-user products enabled by these same technology metals – sufficient to meet its domestic (world dominating) demands for years to come.

The critical metals China doesn't already control are insufficient to support a green energy transition outside of China.

China has the pick of the litter of deposits and mines, globally. It has achieved this enviable position by not being concerned about price, but rather targeting national self-sufficiency in critical materials.

China will now allow “free market” capitalism to eliminate competition for the remaining critical mineral assets it doesn't control. They are simply too expensive for private development even among the senior miners, whose goal is profit, not security of supply regardless of cost.

China's industrial policy supported by state capitalism has achieved their goal of energy independence.

Oil from the Mid-East and (sanctioned) Russia, plus domestic coal and Kazakh uranium, ensure Chinese energy independence from imbecilic Western policies.

China's attitude towards immigration also ensures that the great energy/food migration that is already occurring will not disrupt China's economy internally.

Profit equals selling price minus cost of goods sold.

China offered enormous one-time profits to senior and junior miners producing or developing critical minerals.

It was a trick.

It worked.

The lesson is that an [industrial policy](#) supported by state capitalism to secure the supplies of critical minerals for national self-sufficiency in the world's largest domestic economy has worked. Crony capitalism in the world's second largest domestic economy has been an abject rudderless failure in that regard.

Low metal prices mean no profit means no domestic American security of supply.

Even subsidies (aka, state capitalism) cannot help in any short term, because the legacy skills to re-industrialize America have been de-emphasized to the point that American education does not support them at all.

Got it?

The new normal, "engineered and made in China."